



The Library
UC SAN DIEGO

The Holocaust Litigations

Defining Guilt, Extracting Reparations

January 17, 2018

1 hour, 33 minutes, 38 seconds

Speaker: William Lerach

Transcribed by: Rachel E Lieu

[Holocaust Living History Workshop](#)

UC San Diego Library Digital Collections

<https://library.ucsd.edu/dc/object/bb2494909j>

Copyright: Under copyright (US)

Rights Holder: UC Regents

Use: This work is available from the UC San Diego Library. This digital copy of the work is intended to support research, teaching, and private study.

Constraint(s) on Use: This work is protected by the U.S. Copyright Law (Title 17, U.S.C.). Use of this work beyond that allowed by "fair use" requires written permission of the UC Regents. Responsibility for obtaining permissions and any use and distribution of this work rests exclusively with the user and not the UC San Diego Library. Inquiries can be made to the UC San Diego Library program having custody of the work.

The Holocaust Litigations: Defining Guilt, Extracting Reparations (2018)
Holocaust Living History Workshop

- Time Transcription
- 00:00 [The Library UC San Diego]
- 00:03 [The Holocaust Litigations; Defining Guilt, Extracting Reparations with William Lerach]
- 00:06 Deborah Hertz: So, I'm Deborah Hertz from the History Department in Jewish Studies, the co-founder and co-director of the Holocaust Living History Workshop and it's great to see you all. It's always such a joy to see the mix of community and faculty and students and speakers and everything. So, without giving too many introductions to too many introductions I'd like to start by thanking Gayle and Philip Tauber, whom I do not see in the audience. And now my, my kitchen has to be stocked with all the Kashi products, which I always knew were good for me but now I also know that that will help the Taubers and whatever helps them helps the world. So, I would like to thank them. So, now I'm going to introduce my colleague Professor Patrick Patterson, which is a real joy. Patrick is a lot of fun. Patrick was teaching his MMW [Making of the Modern World] class about two years and I went to visit it because I was learning to teach MMW [Making of the Modern World] and it was raining and he was playing a song off his laptop called *It Never Rains in Southern California* and I thought oh, is this cool. So, Patrick comes to us, came to our history department, seven years ago with a BA [Bachelor of Arts] in religion from Princeton, a JD [Juris Doctorate] from the University of Virginia in 1988, a Ph.D. [Doctor of Philosophy] from Michigan in [20]01. And as a department, we are immensely gratified to have a lawyer on our faculty. It sometimes makes things a little juridical but that's what it's for. Of particular interest here tonight is Professor Patterson's course on international law war crimes and genocide, which we'll all sign up for now that we've gotten an introduction. So Professor Patterson is now going to introduce our main speaker, Mr. William Lerach.
- 01:52 Patrick Patterson: Thank you. Thank you very much, Deborah. Thanks uh to all of you for coming this evening and thanks again to all of our sponsors, the Holocaust Living History Workshop, Jewish Studies Program here at UC San Diego, UC San Diego Library. Am I forgetting any? That's what I pulled off the announcement. So, thanks to all of you. In particular, I'd also like to express my appreciation to Susanne Hillman of the Holocaust Living History Workshop for the great work she's done in putting together what promises to be a compelling event tonight and for the great work that the Workshop does in general in preserving and promoting awareness of the history of the Holocaust. It's an honor and a pleasure to have with us this evening as our guest William S. Lerach. Mr. Lerach ended up here in California after starting out with his undergraduate in legal studies at the University of Pittsburgh and then had a storied career as one of the leading plaintiff-side securities lawyers in the country. Back when I was, for just a few years, a lawyer myself back in the late 1980s and 1990s, I remember remarking on just how important Bill Lerach and his firm were. When a lawsuit with his name on it, a

pleading with his name at the top, uh, came across your desk you knew things were going to get very, very serious indeed. Um, pretty clear memories of that. I was, and, and he confirmed it for me. Uh, we were on the other side of a case back in the 1980s, 1990s, a complicated, uh, securities fraud, uh, litigation, and uh, yeah, and we knew we were up against something very important, very powerful, very serious. We had to be, uh, at the top of our game. He certainly was.

03:39 Patrick Patterson: He was not afraid to court controversy and to walk right into, straight into, a big serious fight. And he got big serious impressive results, as well, including for instance a recovery of 7 billion dollars for stockholders arising from the notorious Enron scandal. It was a remarkable series of battles and as the title of our presentation, today suggests, a remarkable series of successes at holding corporate wrongdoers accountable. Those successes allowed him to take on a number of very high-profile public interests and ultimately human rights cases, something dear to my heart, including litigation on behalf of abused laborers in Saipan's garment factories, work representing American World War II prisoners of war who had been forced to work in Japanese weapons factories, and the cases that we'll be hearing about this evening. He's now retired, living here in La Jolla, spends his time lecturing, writing, and engaging in a range of philanthropic activities. The story I think you're going to hear will be taking us straight into a set of problems that are very important to those of us who work on European history, in its broad broadest sense and on the legacies of the Holocaust and of other genocides, of crimes against humanity, war crimes, and on the struggles for justice and truth that are in fact still going on today in European society. All that's something that makes this particular story very important to me personally, as a historian, and I'm sure you'll find it important too. I look at the work that Bill Lerach has done with a great deal of admiration and no small amount of envy as well. Today I find myself very happy indeed to be able to think about these kinds of issues as a scholar, as a teacher, as a historian, but if, when I was younger and I had the good fortune, or the good guidance, or maybe just the good sense, to end up doing a small part of the many good things that Bill Lerach and his colleagues and allies managed to do over the course of that long career I might still be a lawyer today. So, with that said, I ask you to join me tonight in welcoming Bill Lerach as he shares with us his reflections and insights into the Holocaust litigations. Is holding corporate evil accountable an impossible dream? Thank you.

06:30 William Lerach: You know, it makes me nervous to speak when there's so many friendly faces in the audience. My daughter Shannon's here. I wish my mother could be here, Shannon. She's been dead a long time now. She would have actually believed what he said in that introduction. It's really not about me. It's about what a determined group of lawyers, who had an opportunity to try to do the right thing, could do with good luck and hard work. For me, the Holocaust litigations were a once-in-a-lifetime opportunity to take on corporate evil, expose them for what they had done to the Jews and to others while working in cahoots

with the Nazi state, and try to achieve at least some modicum of justice for some of the victims of the Holocaust. In the late 1990s, my firm and a group of other firms ultimately, and they deserve credit too, sued several large Swiss banks and several large German corporations in what would become known as the Holocaust litigations. First of all, we accused the three largest Swiss banks Credit Suisse, UBS, and Swiss Bank Corp of keeping thousands of anonymous numbered Swiss bank accounts and safety deposit boxes of Holocaust victims that had gone dormant after the war when their owners had been consumed. And we accused the Swiss National Bank, that's the equivalent of the federal reserve here, of actively and knowingly assisting the Nazi state by laundering Nazi gold, including rings and dental gold from the death camps, enabling the Nazis to purchase desperately needed war materials.

9:06 William Lerach: Later, we accused several large German corporations Ford, BMW, Krupp, Mercedes-Benz, Volkswagen of using slave labor, that's mostly Jews from concentration camps, and forced labor, mostly Poles and Slavs from the occupied East, enhancing Germany's war efforts but even more importantly their own personal profits because of the exceptionally low labor costs involved. Well, over a period of time working with, and I'll tell you at times against, competing lawyers, The World Jewish Congress, top U.S political officials, we were able to obtain billions of dollars in cash recoveries. It was an achievement obtained against long odds and only after the investment of millions and millions of dollars of time and effort, all of which was uncompensated. Ultimately these two lawsuits would recover 8 billion dollars. The largest human rights class action recoveries in history up until that time. And sadly, as I will explain later, likely to be for all time. These suits achieved the largest financial recoveries by far for these victims and for 99 percent of them the only thing they ever got after 60 years. But let's be clear, it was imperfect justice. Neither these lawsuits, the recoveries - they're not a cause for celebration. No lawsuit, no verdict, no amount of money can adequately penalize those perpetrators for what they did, or compensate the victims for what they suffered. And, you know, the suits were controversial when they were filed. They were condemned by many, including prominent Jews, and even viewed with hindsight today 25 years on, 20 years on, the suits are not without some lingering moral and ethical questions that I, I hope to throw out later and we can talk about. But that's for later come with me now on sort of a behind-the-scenes, uh, trip and because it's a small group now, I'm going to try to be very candid about really the litigation mechanics and the pressures and, and what went on, on what turns out to be a pretty successful adventure - a journey in international high stakes class action litigation

12:20 William Lerach: It's really part of the story, so excuse me if I get a little personal. I have that book here today. I was born in 1946 in the echo of America's great World War II victory. And I was in high school and I was allowed to join book of the month club. And I got this book [*The Rise of the Third Reich*], and I read it, or at least

good part of it, and boy I read a chapter in there called *The New Order* and another one called *The Final Solution*, and it seared me and the Holocaust became a lifelong avocation of mine. After I got out of law school, I masqueraded as a defense lawyer for a while at a big firm in New York or in Pittsburgh and then, in the luckiest break of my life, I met a man named Mel Weiss, who I hope some of you in this room know. He's dying right now, just breaks my heart, as I stand here and think about this. He has Lou Gehrig's Disease and just a wonderful fantastic lawyer, who was driving this new emerging field of class action litigation to hold big, powerful corporations to account. And he took me in and under his wing and I came out here to California in the mid [19]70s. And by the mid [19]90s, we had built quite a strong class action law firm and we ultimately will recover over 50 billion dollars for victims of corporate wrongdoing. And I make no apology and this is an important subset of what I say tonight. We were entrepreneurial lawyers. We sought out big cases. We sought to make money by risking our time and money, and then we tried to give back with that in ways that were good for society. We only got paid if we win. When we lost, and that was all too often in my opinion, we got zero. But in any event, we were blessed with success and we were able to take on these good cases.

15:03 William Lerach: And then one morning, go ahead [unclear name], an article appears in the *Wall Street Journal* telling a story about how old Jewish women, who were children then, whose parents had told them stories of secret bank accounts and safety deposit boxes that had been put away. Well, now after all these years these people who, you know, have been blown to the four winds across the entire earth, traumatized, left to try to create their lives again, long-forgotten details, but some of them now go to the Swiss banks and they ask for help. Banks don't help. Before the Swiss bank would even search for an account, it demanded the precise name on the account, the precise number on the account, and proof of death, the death certificate, now 50 years on. Remember they hid the names because they didn't want them to know they were Jews and nobody could remember the account number, and you know, no death certificate. So we read this, and I really remember sitting around saying that, you know, how the hell were we going to sue these guys? So, we really started to try to dig into this and see what we could find. There had been a lot of scholarship about the Nazi plunder throughout Europe of art and things like this, but this was something new that now comes out and Senator [Alfonse] D'Amato deserves a lot of credit for this because he held these hearings. President [Bill] Clinton gets interested and he appoints a man named Stuart Eisenstadt with a remarkable charter. He is to search the US [United States] Archives for evidence of Swiss involvement with Nazis and he would be the Administration's point person on this Holocaust project.

17:40 William Lerach: This put pressure on the Swiss. Got to give him credit, the Swiss Bankers Association now hire Paul Volcker who, who forms the most pompously misnamed committee in history the so-called Independent Committee of Eminent

Persons, who are to try to find the lost accounts. It never went anywhere, never would because the banks were paying the freight. So we spent six months; we really investigate. We gather the facts. The facts are so horrible for the banks, you will not believe it. Then we looked at the law, and the law was so horrible for us I couldn't believe it. You know, that's the way some cases are, but first, let's look at the facts. It turns out, boy, that those pristine neutral Swiss weren't so neutral after all. We would be able to allege things no one had ever alleged before. First of all, and I'll bet you didn't know this, the Swiss secrecy laws didn't get enacted until 1934 after Hitler had taken power. Very few people know that the Swiss Parliament formally enacted those laws at that time. The bankers could see that the new secrecy regime would do two things. It would give the new masters of Europe a place to put their plunder and at the same time a tempting place for the victims to try to hide their treasure from the plunderers and of course, they were actively seeking business from both sides throughout the entire thing. It was also the Swiss who actually asked the Germans to put the big red *J* on the Jewish passports so the Swiss could identify the Jews at the border and not allow them into Switzerland, keeping them out and therefore creating more demand for their product.

20:15 William Lerach: Well, as time went by, we allege that these Swiss banks helped many, many Nazi officials put their personal plunder into secret bank accounts, and also of course they got many, many Jews to send them money and treasure to try to ride out the Holocaust. One of the things that they did from the very outset, the Swiss bankers, they just completely betrayed the Jews. They accepted what were known as force transfers, which were obviously made under duress by absentee people. They also even leaked the identity of Jews to the Germans so they could force the transfer. But then perhaps worst of all, when it was all over the banks just decided to keep what was left for themselves. We even sued the Swiss National Bank, now that's their federal reserve. You know, the German Reichsbank was excluded from world com, commerce in the, in the late 1930s. The, the Reichsmark had no, no value. Well, it turns out that the Swiss National Bank took gold from the camps and converted it into Swiss Francs and those Swiss Francs were used during the war by the, by the Germans to finance their war effort that prolonged the war. Well, the war ends. The survivors of the Holocaust are cast to the four winds, and boy the Swiss hustle to make up, having been on the wrong side.

22:30 William Lerach: So, in 1946 the Swiss give 250 million dollars in gold, not to the victims, but to the Allies. But the Swiss establish a fund of 6 million dollars, 6 million, which they say covers 100 percent of all the accounts - 1,000 accounts 6.2 million. Now watch what they do. I know they're lawyers here. You, you got to admire even in the [19]40s that lawyers could be this crass. They send out a notice to, and this is 1946, you know, the embers are still burning. Uh, they send out a notice to 1,000 account holders; 90 percent of whom are dead, at addresses all

over war-torn Europe. Many places, cities, no longer existed. Nobody had a functioning postal system. This is when they were pinning stuff to tree stumps, you know, to try to find, find their, their family members. Hey, and all you have to do to get the, the money, account number, death certificate, you know, the same thing. Well, they paid out 1 million dollars and it was a complete charade, but boy, for the Swiss it was case closed. That's it, for the next 50 years, stonewall, nothing. You wonder why would the banks be so obdurate about this. The lawyers in the room know in the United States leftover abandoned money escheats to the state, not in Switzerland; the bank gets to keep it. The banks were stealing the money of their customers and their heirs for themselves. Pretty good set of facts for those lawsuits.

24:39 William Lerach: Now I want to talk just for a minute, factually, about the forced labor situation. Oh, unlike the, the Swiss secret complicity, the Nazi use of slave labor was really very, very well known. German corporations used literally millions of forced laborers, again forced Slavs, Eastern, non-Jews for the most part, and for those, the most fortunate were those, can you imagine, get to work in a munition plant, inside. But the conditions for the forced laborers were hideous. Now, as to slave labor, it wasn't worthy of the name. Across occupied Europe, Jews were simply worked to death. You know, a slave owner at least tries to keep his slave alive, to continue to exploit his property and protect his investment. But not the Nazis. Nothing was done to sustain the lives of these people. They were simply worked to death and at times killed for sport when it suited their masters. Now look, in fascist Germany, the big corporations were the partners of the Nazi state. Earlier, they had been the key financial backers of Adolf Hitler at the time he finally was able to obtain power. These corporations deliberately sought out zero-cost labor because they were privately owned enterprise and it permitted those people to profit and the Nazi state supplied it because it gave a huge advantage to their war effort. The most prestigious German corporations were involved. Krupp was the royal family of German armaments. IG Farben was the biggest of all. This company would be the equivalent of General Motors and US Steel put together in 1946. I mean, this is one unbelievably large German enterprise.

27:14 William Lerach: Now, after Germany was defeated, we held the Nuremberg trials, and old man Krupp got put in the dock and he and a few others did get put in jail. Originally there was a plan; they're going to take these corporate assets, they were going to break them up, and they were going to sell them and the proceeds were going to be distributed to the victims. It didn't happen. Too quickly came the Cold War and it changed everything. By 1951 the Iron Curtain is down, the Cold War is on, and the United States let the corporate criminals out of jail because they needed to rebuild West German corporate power as quickly as they possibly can. So former Nazis became our allies. The legal rights of the slave and forced labor victims were pushed aside. They were ignored and they were almost forgotten. By 1996 there had been virtually no compensation for any of these people for what

they had gone through. A few German corporations made a few small payments. It's basically peanuts. The United States had to try to rely on diplomacy, but the harsh realities of the Cold War, the political alliances, stopped any efforts to compensate the victims. If something was going to happen here, strong, independent, well-financed lawyers independent of the influence of government and corporate power had to figure out some way to do something about this.

29:19 William Lerach: Okay, the facts are tremendous right? So any part of any lawsuit had to actually, you can get yourself as morally outraged as you want to be, you still have to figure out some way for this thing to actually achieve something. So just for starters, there had actually been about 15 Holocaust lawsuits had been filed over the years of one kind or another, everyone thrown out, nothing. Look, here's a challenge, how do you sue for a million people dispersed all over the world? You sue banks and corporations that are headquartered in Europe for conduct that took place 50 years ago, in differing locales, under governments that either sanctioned - if not encouraged - the very conduct you're now going to sue them for, and where all of the evidence you're going to need to prove your case has either been destroyed or will be hidden from you. That's off to a good start. The task is made even more challenging by the fact, you have to sue in the United States. You know, unless you're a member of the aristocracy, you can't sue anybody in Europe. They don't have a legal system that resembles a legal system. Worse than that, there's no contingent fees, there's no class actions, there's no punitive damages. It has what's called a loser-pay rule, where if you sue and lose you pay. So, it was obvious no one's going to be suing in Europe. So how do you drag these European companies into an American court and sue them for what they did in Europe but sue them under American law?

31:31 William Lerach: It is unbelievable that this law is on the books of the United States. [28 US Code 1350 - Alien's Action for Tort] The United States Constitution was approved in 1787. The first Congress met in 1789. The first law it passed was the judiciary act to create the judicial system. The Constitution is created and one of the provisions in, in it, it literally could literally may be the first law passed by US. It's just unbelievable. It could be the first law passed by US Congress, "The district court shall have jurisdiction of any civil action by an alien for a tort only, committed in violation of the law of nations..." Uh, no legislative history in those days, guys. They didn't write it down, so you had to figure out what it meant. Well, as best anyone can tell, the new Congress wanted to let foreign citizens aliens, who were victims of piracy, which of course was against the law of all nations, to be able to sue in the US courts. It was sort of a come do business with us, commerce kind of a thing and it was to remedy abuse by greedy pirates. It had never been used in 200 years, but I'll tell you something, I'd say the use of slave labor and the theft of people's bank accounts, people looked a lot like land-based greedy pirates to us, and it didn't say high seas in there anywhere. So luckily there was one decision that had been rendered some years earlier, uh, that interpreted this very liberally

and said, you had to give it a contemporary context. So contemporary standards of what would be against the law of nations would apply and you can see how that would help us.

33:54 William Lerach: Okay, so that's great, but think about the other challenges - statute of limitations. It ought not to, not to expire ever on a claim like this but for heaven's sakes at some point statute of limitations expire and basically, it was a problem. We didn't know what to do about it, and we just figured we'd keep arguing that time alone shouldn't bar claims of this importance in justice and would somehow deal with it. There was a really tough part of the case. There's something called the political question doctrine and it would bedevil us in these litigations for a long time. The, the notion here is that private lawyers, however wonderful they may be, aren't simply allowed to plow their way into the middle of the United States diplomatic relations and disrupt them. That's reserved to the Executive Department. That was a very, very, very dangerous, uh, situation for us because you have Volcker, who's a very powerful guy, in the middle of this US diplomatic effort, and believe me the, the Germans diplomatic effort against this was pretty strong too. The, the slave labor cases had a difficulty to them that, it just became a pretzel. Apparently, it's called the London Debt Agreement of 1953. Apparently, this is Cold War remember, Europe's flat, they're trying to get Germany to come back. Well, somebody goes, signs a treaty that says nobody's allowed to sue anybody in Germany for anything that happened until there's a peace treaty. Well, that's all well and good but nobody ever signed a peace treaty and so that just gets forgotten and put away. But now, that's a terrible, big obstacle.

36:13 William Lerach: Another problem, damages. You know, lawsuits are about money, no damages for moral outrage and if you don't have damages, you don't have leverage, and the law is a cold, cold, calculator of damages. I'm sorry, but a European forced labor worker in those days would have been worth 3 dollars a day and they had a life expectancy of two years. And it sounds ugly, but the numbers are what the numbers are. Sure, people can talk about punitive damages, but we live in a world, now especially with hindsight, the odds that a Supreme Court would ever allow big punitive damages to hold in cases like this against these companies very, very rare. And then imagine, if you can ever get these behemoth cases actually certified as class actions - where you're litigating on behalf of a million people spread out all over the world - how do you get the judge to do that? You know, you don't get to have a class action just because it's convenient, or it increases your leverage or makes you feel better. You have to satisfy a very long list of stringent tests. And frankly, I'm not sure we could satisfy any of them at times, let alone all of them. I mean, this was a super complicated situation. And then there's another rule, that even if you get the class certified and you have to tell people about the lawsuit. You're not allowed to adjudicate someone's rights without them knowing about it. The plaintiff's lawyers have to pay

for that first-class postage. That's 1 million dollars, and you know the risk even of losing the cases was not an abstraction.

38:29 William Lerach: There have been instances in this country where, because the rules are what they are in Federal Court, judges have imposed very substantial and painful sanctions on lawyers who've been pursued by mean and vindictive defendants. And I want to tell you something, we would find out that the Swiss banks and the German corporations qualified on all fronts, as you will see. So, there's a picture of Mel [Melvyn Weiss], God love him. Uh, so what are we gonna do? I remember, I mean, I'm sorry to be personal. It's just odd that Mel was so ill now. But, you know, I remember sitting around talking about what are we gonna do about this? And I, we just decided we got to do it. We want to bring this lawsuit one way or another, and, and so we did. And we decided we would do it for no fees for a lot of reasons, part of which, there was already a process ongoing and we were going to be coming into that, and we knew parachuting in as very unwelcome guests. So anyway, I do want to say it again, Mel Weiss ran this case day to day, devoted three and a half, four years. And if any real credit is due, it's, it's due him. I helped think it up. I was present at the creation. I was a close observer and often critic and, I might say, a major financier of the effort. By telling the story it's inevitable I take credit for things that aren't due me. But I'll tell you, it's okay because Mel's gotten a lot of credit for stuff I did, [audience laughter] and that's what a great partnership is. And this case was really a mutual labor of love.

40:48 William Lerach: So boy, we file a 150-page blockbuster complaint - exposing all this stuff I've told you about - in the late 1996. Now in, when you file a lawsuit in Federal Court, there's a rule - the lawsuit gets assigned by random to a single judge, who then keeps that case for the rest of the case's life. This gives new meaning to the term luck of the draw and every lawyer knows it. But this gave us a chance to get a little bit of advantage if we could be clever and we could be lucky. Where you file your lawsuit is called venue. What city do you file in, plaintiff gets to pick. Oddly, since this case had in a sense nothing to do with the United States, there was no proper or improper venue of any place to file it. So, we filed in Brooklyn [New York], um, where it just happens a lot of Holocaust survivors, relatives - you get the picture - live. This presented an extremely disconcerting jury pool demographic for the banks. District has a lot of Jewish judges too, and boy we got a great one, Judge Ed Korman [US District Judge Edward R. Korman]. Boy, the banks hated it. They pulled their hair out but even they didn't have the chutzpah to ask him to recuse or to transfer. Not only were the plaintiffs lucky, I want to say, in getting Judge Korman. He'll save the case for us, which is what judges are there to do. But I'll tell you, the legal system, and the victims were really lucky, boy, that man, that judge devoted five years of his life to getting 8 billion dollars distributed out to a million and a half people - who are dying all the time - all over the world. He deserves a lot of credit for that.

43:15 William Lerach: Well, we had really jumped into a nasty, nasty brew of politics and we were treated as skunks. You think about this, you had Edgar Bronfman, a really tremendously important, highly important principled man, but he doesn't like sharing authority or the stage with any other human being. Same thing with Volcker and the ridiculous committee he had. Volcker accused us of the raining, actually, he used a much stronger word than that, on his parade. He called us parasites. You know, I tell you something about Volcker, and we got very angry about it. Now, you think about this guy, this group, him and his eminent pals, they are a bunch of unbelievably highly compensated people - compensating going back and forth across the ocean - first class, posting each other's goodwill and doing nothing, and achieving absolutely nothing. Now the banks, I must say, were really upset - getting sued by Jewish lawyers in something called a class action, which is inconceivable for them to understand, assigned to a Jewish judge, in a district filled with Holocaust survivors - they didn't like it one bit and they denounced the suits as blackmail. We're off to a great start. Lesson to learn, the denunciations backfired in ways they could never, ever imagine and, and nor could we, when it happened. You know, the Swiss had totally covered up what they had done during the war; wasn't like anybody was talking about this stuff over in Switzerland. Boy, when this complaint gets filed the Swiss government says, holy cow, I was caught gambling? There was gambling going on in the country? Who knew? We didn't know. So they throw the banks. They're gone.

45:56 William Lerach: So they passed this law which, and it basically says you're not allowed to destroy any documents. You have to preserve everything and they set up the Bergier Commission to actually look into what had happened during the war. This is, this is the first time in 50 years that this has happened and our allegations started that, including making it a crime for a bank to destroy a World War II, Holocaust-related document. Okay, okay, now here comes the defense. Well, of course, they hire the best lawyers that money can possibly buy. These are people with Oval Office access because this is going to be a case that involves high levels of politics and deference to foreign relations. If the government goes into court here and says that our lawsuit is going to interfere with their ongoing efforts, we're going to have a very hard time going forward with our lawsuit. And again, go ahead [unclear name]. Here, here again, is where I admire so much my partner's skill, and experience, and our firm's stature. We were able to go to Stuart Eizenstat and convince him - use us as a weapon with you, make it a multi-front war, see our suits as an opportunity - as an additional weapon - to help you. We said, look we're the only ones with a lawsuit. We alone have stated a coherent theory of legal responsibility. We alone threaten the exposure of the horrible deeds by the Swiss in an open American courtroom with whatever financial exposure attaches to that. No firm without political influence could have actually, I think, achieved that. I watched form an uneasy wartime alliance - [Joseph] Stalin, [Winston] Churchill, and, uh, [Franklin D.] Roosevelt - the Bronfman, Weiss, and, and, and you know, and Eizenstat. I, boy they fought, they argued, all had their

own selfish interests. But, boy, it was just a tremendous alliance once it got going and, and it will prove to be unstoppable.

- 48:51 William Lerach: Well, we had to go to court and defend what we had done, and boy, were we bloodied when that was over. You can only imagine what the defense lawyers had to say about all the defects they saw in our complaint. Judge Korman listened patiently. He didn't say much. Thankfully, he didn't rule, so we were alive and the case could go forward. But the realities were apparent. The defendants were just getting started. Uh, we were stuck. We tried to push what was going on in Switzerland. We had people over there actually helping with their inquiry, to try to get the publicity because that would be helpful. And, anyway, we did that but it doesn't - it's not getting anywhere. So the wartime alliance begins to pursue a multi-disciplinary approach to litigation. Big public pension funds in the United States were large stockholders in these Swiss banks. We knew these people because we represent them in another aspect of our legal practice, and over time it was clear that the negative publicity that was coming out of all of this was hurting the stock prices of these banks. And the New York City and state pension leaders - these guys, you know, 100 billion dollar funds, they begin to raise Hell with the CEOs [chief executive officer] and say, you know do something about this. Get, get this cleaned up in some way. Then Moody's becomes interested and they threaten to downgrade the credit rating of the banks. Well, they still won't talk.
- 51:05 William Lerach: Then two of these banks want to merge but our class action lawsuit's a contingent liability, so they can't do the merger the way they want to do it. We're in the way. So, a big brouhaha breaks out. The banks say, okay we promise, we'll - they say this publicly - we promise we'll settle the lawsuits but we can't do that 'till we have the merger. So let us have the merger and then we'll settle the lawsuit. Well, under incredible pressure, we, we bought, we bought. And boy, we regretted because they stiffed us. And I am telling you, World War III breaks out. Eizenstat, they became, this was such a betrayal. So, anyway, total war erupts. Now here's what happens, to retaliate Eizenstat issues a report, a US government report - that says what we said was true. The Swiss ended up with lots of gold from the camp victims, and the gold was used to buy vital Nazi war materials prolonging the war. Now he didn't say the Swiss knew it was dental gold, but we were not so constrained by diplomatic niceties, and nor were the Swiss press. Still wouldn't talk. Now, the most incredible thing happens next. Go ahead. Christoph Meili - guy's a night watchman and as night watchman are want to do in the middle of the night, went to the basement of the bank to find the bank executives shredding World War II Holocaust documents in violation of the law that had been passed as a result of our lawsuit.
- 53:09 William Lerach: He grabs some documents, sneaks out, and he squeals. The tone-deaf banks try to prosecute the night watchman for violation of the bank secrecy

laws. The state prosecutor then indicts the bank for document destruction, in violation of the new document protection law. Pandemonium reigns, Meili gets death threats, and he flees to the United States and he is the only person - Swiss citizen - in history to receive political asylum in the United States. You know that, isn't that unbelievable? The court later paid him, uh this is going to break your heart, the court later pays him several hundred thousand dollars out of the settlement as a reward for what he did and so forth. And he ended up divorced and homeless and living under a bridge in Los Angeles. So don't tell me that life is fair. Huh, well, amid this unbelievable uproar in Switzerland the Parliamentary inquiry issues its interim report and it is condemnatory in every way, confirmed the force transfer, that they consumed the dormant accounts by charging fake fees, and just keeping others, and most importantly that these people have been destroying evidence on a continuous and ongoing basis - like the whole time, including during the litigation. Then in 19 whenever it was, they lose the 1999 Olympics because of the bad publicity.

55:07 William Lerach: And, I guess because a lot of money was involved, now finally the banks begin to bend. And after brutal, really highly secretive trans-oceanic negotiations, in August of 1998 - this is after two years of litigation - we get them to agree to pay 1.25 billion dollars for the so-called forfeited bank accounts, or stolen bank accounts. Now take a deep breath for a minute. Those cases are now going to move into a settlement mode and someone has a great idea that's going to revive the slave-labor cases and find a way around that doggone German debt treaty in 1953. Now, first of all, I want to say with respect to the slave-enforced labor situations, there were no ongoing governmental efforts of any kind there. This is a purely, completely, entrepreneurial effort of the lawyers. And the Deborah Sturman there, God bless her. This woman, fluent in German, indefatigable in the extreme, boy, a real justice-seeking missile. I want to tell you, she finds a German court decision that says the reunification of Germany is a de facto peace treaty because it couldn't have happened without a peace treaty, and so that's it, the debt agreement. Well, boy, it's it's not much but it was least a way you could, you know, get a case started and see, see where you could go.

57:11 William Lerach: So, so we filed that case. Now that case ends up in New Jersey - never mind why, the tale was too painful to tell - but in any event, it gets filed in New Jersey, and boy I am telling you the German government and those corporations come at us. I mean really, does the German Chancellor have to say that the lawsuit is, quote a campaign being led against German industry and our country? You know it was just simply inconceivable to them that they could be called to account for what they, they had done. So, go, they go to lawyers of choice Wilmer Cutler and they indignantly demand the case being dismissed on all the grounds that we've talked about and we know that, uh, [German Chancellor, Gerhard] Schröder went to [US President Bill] Clinton. You know, books have been written. This is pretty, a lot of people wanted to know what went on here over time

and I'll tell you God bless Clinton, Clinton would not give in to him. Schröder, you know, demanded do something about; Clinton let it go forward. However, I think it had its impact. I would say the government's encouragement of the slave-labor cases was much more muted than it was of the Swiss bank cases. So anyway, so the cases are pending and the German government unilaterally decides they're going to settle the claims because they're going to create a foundation called Remembrance, Responsibility, and Future which will pay some amount of money to some people at some time in the future. Never mind that this is absolutely prohibited under class action rules. Doesn't matter, that's what they do. They won't negotiate with us.

59:16 William Lerach: Well then, in September [19]99 we really, we suffer a pretty severe blow. We get dismissed in the slave-labor cases in New Jersey. Uh the, uh, the, the complexities of the case were just, you know, just overwhelming and we couldn't get through the thicket to be where we wanted to be. So, uh, you know, it's, it's difficult. The clients are dying and so we take an emergency appeal to the Court of Appeal which the court granted and that was very important, uh but, but look this, uh, that lawsuit's on life support at that point. So again, the Germans got those cases dismissed by saying they were political questions. Well, if that's true the United States has a first amendment. We decided to exercise our first amendment rights. So, we as lawyers began a public relations campaign to try to force these German companies to focus on what was really at stake here. We prepared a series of ads which we paid for, hundreds of thousands of dollars, to run in major US newspapers, *Journal*, *New York Times* - full-page ads. As we awaited argument on the Court of Appeal. We blasted them for that shameful offer that they made to our clients, behind our backs. Then we attacked how much money these companies are making. They were making tremendous amounts of money compared to the lousy offer they were making to our clients. And then we zeroed in on the worst of the corporate perpetrators, trying to expose the worst of their conduct: Bayer, Ford. Henry Ford. Henry Ford. Henry Ford receiving the highest civilian honor the Nazi state could award. Henry Ford separate lecture. And my favorite, Mercedes-Benz: *Design. Performance. Slave Labor.*

1:02:09 William Lerach: These were tough ads, and they were truthful, and they were very effective. Led to a major *60 Minutes* expose and very, very critical press commentary in Germany of both the government and the corporations. Again, we revved up our friends in the pension community to start pounding on these people to do the right things, and then we were coming up in December 1999 to argument day in the Court of Appeal. And this is it, this is going to be a tough argument. Nobody will ever know what happened but about a week before the argument, out of nowhere, the Germans called and said we want to settle the case. Nobody will ever know why, or how. It is my opinion that President Clinton told Schröder that the government was going to take our position more aggressively in the 3rd Circuit, but no one will ever know. It's just one of those remarkable things that

happens as events unfold, and after, you know, transatlantic flights and every other damn thing we got 6.5 billion dollars, uh, out of the Germans. Half paid by the government and half paid by the corporations. Uh, and they, of course - I love them - they insisted that we use Remembrance, Responsibility, and Future because that was their fund but they insisted it be settled as a class action and they get a worldwide release not only of them but every other German corporation. So, but look, we did it. We had our settlements. It's a lot of money; now we had to do something with the money. The task was herculean and the result was imperfect too.

1:04:24 William Lerach: Look at what happened. Now the Swiss banks paid 1.25 billion. Volcker's audit team was allowed to go in; they got access to everything. It seems to me unbelievable but true that six million accounts were opened between 1933 and 1945. That number has always astonished me. It was so high. Now believe it or not, of those six million accounts fifty percent of the records completely destroyed, gone. Which destruction, literally, I think, probably continued up until the auditors got there, from what I can tell. For sure, these destroyed accounts are accounts of Nazis and their heirs. These are the forced transfer and plunder accounts. Nobody will ever know where that money went. Now there were 21,000 Holocaust-related accounts, what we call - that's compared to they said 1,000 - and they were worth, face value, 653 million dollars without interest. And remember, they paid out 1 million dollars or something, so it was really quite different than they had ever presented it to be. At the end of the day, we distributed, as you see, I think these are the numbers, to almost 450,000 people 1.3 billion dollars and it went in various groups and ways that it has to do, and there was money left over, I think at some point and it was given into Holocaust poverty assistance funds and the like.

1:06:13 William Lerach: Okay, well, it's so interesting the accounts were in all sizes but the largest account, you know the movie, *Woman in Gold*? Tragic, lovely, moving movie. Do you know that family had a 21 million dollar bank account in Switzerland? And they got that money too. That was the largest single bank account within that universe. I think about that fabulous wonderful family, you know, from the movie. Imagine the, the wealth that they had and their lives were destroyed. Well, okay, we waived the fees in the Swiss bank case. Uh, other law firms we brought in weren't in the position to do that. Fees were like 5 or 6 million dollars. It was a pittance of fees, given the result. Now slave forced labor 6.5 billion, 1.5 billion, million beneficiaries and we paid out all 6.5 billion dollars. I hate this part of the talk. If you were slave laborer you get 7,500 dollars. There are about 175,000 living slave laborers. If you're a forced laborer, you get 2,500 dollars, with adjustments and I write here, how do you put a price tag on such things? But you have to. In any event, we were very lucky, we had struck an alliance with the Claims Conference. They helped us tremendously to get the money out as quickly as we could because, as I say, the people were dying every

day and I think by October, but by the year 2000, late 2000, all the money had been distributed.

1:08:25 William Lerach: Now, the lawyers were paid in the, uh, in the slave labor cases. The total fees were 54 million dollars; that's 1 percent of 6 billion. We got, 7.5 million, and boy we deserved every penny of it. Ours was the largest single award and we and the other firms made some significant contributions. These cases were our dream. It's really what made our life and the law worthwhile. And you know, if all we got was imperfect justice - I'm sorry to tell you with the way things are going in this country - people who have suffered like this are going to get no justice in the future. Our courts are being shut down. Access of foreigners to our courts, it's being stopped and it's part of a relentless effort, I think, to close the courthouse door, to protect big corporations. Do you know the alien tort law that we sued under here, if you remember, that's for aliens who get hurt. Supreme Court now says for that to apply, the alien has to be hurt in the United States not - yeah I know, huh? Who didn't? You don't even have to go to law school to get that that's so wrong, but nobody really knows it because nobody notices. Well it's too bad that no one notices. There were other cases to be considered. The Nazis didn't kill seven million Jews without the help of the nation's corporate infrastructure. However, other Holocaust cases filed by others have been dismissed with no recovery at all, and some very interesting cases will never ever be prosecuted.

1:10:33 William Lerach: The only beneficiaries of these kind of decisions are big international corporations. They do business here, or killing, or helping to kill people in other places. And if they don't face justice here, they won't face justice anywhere. A couple of final lingering ethical, moral issues, as time passes and you look back on these cases. A lot of people made a lot of the fact that these cases were defended, and they were viciously defended, by important Jewish lawyers in Washington DC. And I assure you, they didn't do that work for free or discount their fees. Now to paraphrase someone, I don't really - doesn't matter to me what a man does for a living, but it did bother some people and one Wilmer Cutler lawyer later wrote: it came down to issues of conscience warring against issues of business and business won. But let me say a word in their defense. It came out later that immediately when the lawsuit had been filed the American lawyers had gone to the Swiss banks and told them, settle this lawsuit. This is dangerous and explained many of the things that later would unfold. So anyway, it was interesting. Now some of you probably are lawyers. Was it ethical to file this case, as a lawyer? Now, might not have admitted at the time, but I suspect there was about a 99.5 percent chance that this case is going to be defeated, either of these cases. That's the reality. Yet and following the case exposes these defendants to unbelievably horrible publicity, lots of legal fees, uh, and you have to admit, you know, the case was won probably more outside the courtroom than inside the courtroom. On the other hand, it was a cogent legal theory and we alone had the

ability to provide a worldwide judicially approved release that would allow these corporations finally to put at least this aspect of things behind them.

1:13:32 William Lerach: I'll always wonder if we charged them enough for the release. Another question, did the suits demean the memory? Did it trivialize the Holocaust? The anti-defamation league condemned the suits as perverse, too high a price to pay for justice we can never achieve. More than a few of the slave-enforced laborers vehemently criticized the amounts of their recovery. Charles Krauthammer said it was beneath the dignity of the Jewish people to accept the money and that we lawyers were the villains, shysters who had committed a shakedown on those poor Swiss banks and German corporations. Elie Wiesel, I thought rather more eloquently said, you know these suits show the impossible task of deciding between right and right. I, I think Judge Korman got it about right. We did the best we could and it wasn't easy. Now I'll tell you, one big benefit of these cases that'll never go away, was the emergence of more truth of the complicity of respectable corporate financial titans in the worst human rights abuse in history that occurred during the lifetime of some of the people in this room. And that was important and it's priceless today that many Swiss school kids now study the Bergier Commission Report. So as far as I'm concerned, I'll always be very, very proud of this case.

1:15:39 William Lerach: Then I want to tell you the story why. After I came home from being away in prison for a short period of time, as some of you know, I went over to the University of Tel Aviv. Michelle and I, my wife, and we taught. They have a wonderful emerging legal system there and teaching about human rights litigation and the like, uh, someone arranges for us to have dinner with what I can only describe to you as a super Jewish power couple, uh, Kobi and Judith Richter. These are like the top of the food chain in Israel. He's a war hero. She's a great entrepreneur. We didn't know them but someone had arranged the dinner. So, we go to dinner. It's lovely. Talk turns to the Holocaust, talk turns to Holocaust litigation, talk turns to the settlement Holocaust litigation. And I notice Mrs. Richter. She's over in the corner and she's down in her purse, and I won't say as women want to do, but she's digging down in the bottom of her purse. I'm sorry and she brings up and - go ahead and show - and she hands me this. And I said, what is this? And she says, this is my mother's check. I said, what are you talking about? She says, my mother was a slave laborer. That's her check for 7,500 bucks, in Euros. I couldn't believe it. So I looked at it and I said, well Judith why don't you cash the check because this is the original? Why didn't she cash the check? Oh, she says, I, I'll tell you. I, I said to mom let's, let's take the check. We'll cash it. Her mom says we're not cashing this check. And she says, well let's cash - no, no, no. I'm not going to cash the check. Why not? She said, you always keep this check because it shows we got those bastards. And that's how I feel about that lawsuit. Thank you. Now that's probably off because I'm on.

1:18:31 Patrick Patterson: Oh, okay I'll be loud. All right, um, thanks very much for that. I'm glad you got those bastards. Um, Bill has very graciously agreed to take, spend some time taking questions. I was asked to provide a little commentary. I want to keep that very brief because it's a big audience and I know you've got questions and we want to hear from you. Just one reflection. In hearing this, I was reminded of the great pain and difficulty that I felt when I was in law school from [19]85 to [19]88. And then, and I wrote in my application to law school that I wanted to be an international human rights lawyer. And the single most disappointing class that I took, in 1987, I think it was, was my international human rights law class because especially at that time it was really clear that there were almost no teeth to the fairly weak and indistinct collection of international human rights legal norms that you had at your disposal. And, uh, so I, I went in another direction. I followed the path of least resistance in many ways. Interestingly that may have turned out to be a mistake on my part, because in very short order - after 1988 - we started getting teeth. Um I, I'm a specialist in the history of Eastern Europe and in particular Yugoslavia and it's the genocide, the ethnic cleansing, the war crimes, the crimes against humanity in Yugoslavia that in, in no small part helped move us into a new era through the international criminal tribunals for Yugoslavia that actually put some teeth behind international human rights law norms. So, not too long after I'd given up, things got radically different but it's still extraordinarily difficult. I mean one thing that comes across in this presentation is how difficult it is to get justice.

1:20:48 Patrick Patterson: To leave aside all the issues about what actually constitutes justice. Is it finance? Are financial reparations enough? In fact, you know, we hear Charles Krauthammer saying, uh, you shouldn't even go there. How much does truth matter? What about apologies? You saw the slide, uh, indicating the debate over apologies. What role does reconciliation have in this? So I'm just reminded about how extraordinarily difficult, complicated, hard, messy, painstaking this kind of work is and we're fortunate to have people who are willing and able to engage in it. And so, that's really all I want to say. I want to hear more from the audience on that. I did have a couple questions that, that if, if I can take that prerogative. One on this, one on the on the messiness and the difficulty, you mentioned the problems with the Alien Tort Statute, right? And, uh, so we have a series of Supreme Court decisions that, uh, scaling that back. One that, uh, that strikes at the extraterritoriality. There's a presumption of extraterritorial, against extraterritorial application of it that's very, very difficult to overcome. Then another decision that basically drastically scales things back by saying that actions under the Alien Tort Statute really need to be limited, have to be limited, to acts that are in violation of the law of nations. The kinds of acts in violation of the law of nations that are essentially like those that would have been actionable back in the late 1700s, things like piracy, torts against foreign ambassadors, uh, violations of safe passage. And now there's a case - just heard a few months ago before the Supreme Court - that raises the prospect of entirely eliminating corporate liability under the Alien Tort Statute. So one question I had for you was, if you were a

Supreme Court justice, uh how would you interpret the Alien Tort Statute? Can it even be fixed by judicial interpretation at this point, or is action by Congress needed? What should the law look like in that regard?

1:23:01 William Lerach: I want to address a broader irony that I see unfolding. We live in a world ever more economically interrelated, interconnected, right? It's happening before our very eyes and yet our judicial system, instructed from the top, seems ever more intent on restricting access to the US courts. Restricting them as a venue not, not only for international tort cases but international commercial cases as well. I find this to be a very, very strange tension within the law. Uh on the Alien Tort Statute, forget it, man. They'll, they'll never let a big lawsuit be brought into that statute again.

1:23:46: Patrick Patterson: So essentially a dead letter at this point?

1:23:48 William Lerach: Yeah, I'm just afraid it is.

1:23:50 Patrick Patterson: And the second, the final question that I want to have. I, you, you made a reference to the hatred of the European lawyers uh for the, the US legal system. They don't understand it. They can't get their head around it. Even as weak, I think, as, as weak and as pro-corporate as it is, they still hate it. And so, that's something that, that I'm trying to understand. And I'd like to, why do you think that is? Why does Europe have the legal system that it has, that is so hostile to, you know, some would say citizen involvement and the redress of wrongs down to citizens?

1:24:24 William Lerach: Well, don't get me started.

1:24:26 Patrick Patterson: Oh I'd like to get you started. [audience laughs]

1:24:29 William Lerach: You know, just remember where the legal systems came from in the first place. They were designed to make a set of rules to protect the people who had money, power, and property, so they could keep their money, power, and property. Now the rough edges have been smoothed out a little bit. That's still the basic reason for the legal system. Europe never changed. I mean, it's you, you just can't litigate civilly in Europe. It's, uh, look at - I don't mean to trivialize it - but look at the sidewalks sometimes. I'm just saying, you know, there's just - they just don't value litigation in, in Europe. They don't.

1:25:09 Patrick Patterson: Let's turn it over to questions from the audience, please.

1:25:13 Susanne Hillman: We have time for a few questions.

1:25:17 Speaker 1: Hi Bill, thank you. As you know, I'm the daughter of a slave laborer and because of you assigning Deborah Sturman to us so long ago, uh, my father for the first time talked about his experience. Because of quote, a technicality, he

never even got the 7,500 dollars but Deborah was, as you say, tenacious and always there. So just to get to the, the conclusion of your remarks about what came out of it, for my father the fact that Deborah, and you, and Mel stood up for him for the first time. He likened that to the creation of the State of Israel as the final of standing up and saying, you know, this is what they did to me. The world now knows. So, it wasn't the 7,500 dollars. It was what you and your colleagues were able to do to bring this story out. And so, Bill my friend, you are a righteous gentile, and I thank you.

- 1:26:28 William Lerach: And that's the highest compliment, you know. Thank you, thank you so much.
- 1:26:35 Speaker 2: I have a question for you, over here. You said earlier that the, you had, um, a lot of issues with the State Department and getting information there. Do you think that was anything to do with the, when they brought so many Nazis over after the war, and the secrecy about that, and the secrecy they kept in the State Department through the FBI [Federal Bureau of Investigation] and the CIA [Central Intelligence Agency] and all those things?
- 1:27:03 William Lerach: Well, that's probably well above my pay grade to comment on but look, the State Department had sort of a checkered record, to put it mildly, on this issue during the, during the war. Uh, I don't know. It's very frustrating when you're a private litigant and the governments are working against you behind the scenes because it's not a fair fight. You, you know it's happening to you. It's not, uh, so I, I don't know why honestly ma'am. I don't.
- 1:27:40 Speaker 4: Bill, there was an interesting handout about with the headline, many countries yet to return Jewish property stolen by Nazis, mostly referring to Eastern, the Eastern states - the former communist states - and, and Poland. And um, and at one interesting line, uh, there's approximately 500,000 Holocaust survivors alive today and up to half were living in poverty, estimatedly.
- 1:28:02 William Lerach: Joe Vecchio, a local personality and good friend of mine, brought an article to my attention and it's very recent. Uh, lots and lots of loot and plunder has never been returned and it never will be returned. And that's bad but it ties into something that you, I think, you were alluding to Lynn. It's a shame the way that the impoverished survivors of the Holocaust are being treated in certain parts of the world, including, including Israel. And, uh, it's, it's, it's just a shame. It is but, uh, nothing lasts forever. Time, time is marching forward. And I shouldn't do it.
- 1:28:58 Speaker 5: Yeah, I'd like to ask you a question about a case that was, uh, discussed here maybe a year or two ago. And it's about a Dutch woman who was a professor here in San Diego who traced what happened to her family during the Holocaust. They're in Amsterdam. They were taken to Westerbork [transit camp] and all except one was shipped to Sobibor [extermination camp] to be gassed. The

one that didn't get to go became an electronic technician and he had, um, recommendations, letters of recommendations from professors, etc. And this was to work for Phillips electronics. They had a slave labor camp with 200 Jews. In a sense, they were given a reprieve days before they were shipped off to be killed. And this guy was lucky. He lived for two years, but then eventually died when they closed out the program because the Germans would rather kill off Jews than have had them help the war effort. The gist of my question is, in her talk, she said that Phillips was taken over by the Nazis. They ran the company and, you know, the top executives were all German Nazis. The ones working for them were Phillips employees, and management, etc. So do they have an argument that they should be not guilty of any prosecution?

- 1:30:28 William Lerach: It's called state action, what are you blaming me for? The state made me do it. I'm a patriotic German. You may not like my government, but it's my government and you know the law can be pretty cruel.
- 1:30:41 Speaker 5: That's it. it basically claimed they're following orders that the German companies -
- 1:30:45 William Lerach: Do you know what the United States did with the auto industry in the United States during the Second World War? We ran it. You don't think that the United States let Henry Ford run Ford Motor Company during World War II, do you? They did not. Governments do what they have to do during wars.
- 1:31:03 Speaker 6: Did any of the Swiss defendants or the German defendants, as part of the settlement, apologize or offer to apologize?
- 1:31:15 William Lerach: Not even close and I will tell you a story. I don't know how people have the, the, the chutzpah to behave this way but Mel, and Eizenstat, and Bronfman were summoned to a meeting in Switzerland. They go into this room and the Swiss bankers are seated behind the table. Seated there, our guys ushered into the room no place for them to sit and they made them stand during the meeting. That's a government official Stuart Eizenstat. That's how arrogant those people were. No, no, no, no, no, no chocolate candy with the money. No, no apology.
- 1:32:05 Susanne Hillman: Final question, over there. Final question.
- 1:32:09 Speaker 7: Yes, I'm just, I'm just wondering, uh, was any effort made, was anything done, uh, on behalf of prisoners of war? I know there were certainly American prisoners of war captured by the Germans. In fact I, I have an uncle who was a slave laborer in a salt mine and I'm just wondering if anything was done for their rights.
- 1:32:28 William Lerach: For whose rights? Sorry, I missed -

- 1:32:30 Speaker 7: For the prisoners of war the prisoners.
- 1:32:01 William Lerach: Which prisoners?
- 1:32:33 Speaker 7: Well the American prisoners of war were in Germany, in Germany were slave laborers in various different organizations.
- 1:32:41 William Lerach: I have to think for a minute. The answer is nothing could be successfully done for the prisoners of war. We attempted both in the Japanese context and were unsuccessful. Our rights were obliterated by a treaty in San Francisco, entered into because of the Cold War. We wanted to get Japan on our side, so we released all our POW claims. And you know, I can't remember the defect in the German claim right now, but it was disappointingly effective, and we weren't able to do anything about that.
- 1:33:30 Susanne Hillman: Thank you all for coming and thank you Bill for a wonderful talk.