

## **The Dutch Art Market, 1940-1945.**

During the German occupation of the Netherlands, which lasted from May 1940 until May 1945, a *hausse* took place on the Dutch art market. During this boom – which started immediately after the Dutch capitulation – everyone, from people with low disposable incomes to those with almost unlimited funds, suddenly wanted to acquire works of art. Prices and turnover multiplied as both Dutch and German buyers scrambled to purchase not only works of art of the highest quality, but also kitsch and everything in between. The Dutch civil service under German supervision, their German supervisors, and the Dutch government-in-exile all attempted to influence or even control the market through the means they had at their disposal. Although the consequences of events on the art market still regularly make themselves felt – for instance with the restitution of artworks from the collection of noted art dealer Jacques Goudstikker in 2006 – until now historians have focussed – for reasons which will not be dealt with here – on economic collaboration of art dealers, auctioneers and artists with the German occupying forces. A systematic study of the art market during this period has thus far not been done. It is this lacuna that the author has attempted to fill in a recently published history of the Dutch art market during the German occupation,<sup>1</sup> the most important conclusions of which are presented in this essay. After a brief overview of the state of affairs on the Dutch art market on the eve of the war, the policies of the Dutch civil service under German supervision, their German supervisors, and the Dutch government-in-exile will be discussed. This will be followed by an overview of the development of prices and turnover, the different buyers and their reasons for purchasing works of art, and finally why and how this boom on the art market came to an end.

### *Developments prior to the German occupation*

Since the beginning of the 20<sup>th</sup> century, Germany had been by far the most important export-market for Dutch art dealers. Approximately 70% of exports went to Germany<sup>2</sup>. After the crash of 1929, many were expecting a swift recovery as initially it was thought to be a short-lived economic crisis. For this reason, most dealers invested heavily in expanding their stock, as prices were low<sup>3</sup>. When the German economy collapsed in 1930, and the crisis turned out to be long-term, Dutch art dealers were thus in trouble. With their money tied up in works of art, their financial liquidity was compromised. What little they could sell, was usually sold

---

<sup>1</sup> Jeroen EUWE, *De Nederlandse kunstmarkt, 1940-1945*, Amsterdam, Boom, 2007.

<sup>2</sup> Collection Gerard Aalders, *De kunsthandel in Nederland*, report by the art dealer ‘Gebroeders Douwes’, Amsterdam, 8 October 1948.

<sup>3</sup> Idem.

below cost. Even though the German economy recovered from 1934 onwards, the German art trade and German collectors were unable to buy art abroad, as since 1931 the *Reichsmark* could no longer be freely exchanged for other currencies. Therefore, in spite of Dutch general economic recovery starting in 1936, the Dutch art market lagged behind. At the time of the Dutch capitulation, everything necessary for a boom was in place: the Dutch art trade was highly professional, with large stocks as a result of the depression, and both old and new customers were eager to buy.

### *Government policy*

Hitler considered the Dutch to be closely related to the German people. Therefore he wanted to try and win their hearts for National Socialism. To do so, Dutch society had to be reorganised in line with National Socialist principles. In order to achieve this, the Netherlands were spared military rule, and a civil administration – which was to supervise Dutch civil servants – was put in place. This *Aufsichtsverwaltung* was headed by Arthur Seyss-Inquart. Reorganizing Dutch culture along the lines of National Socialist thought was a priority. To do so, a new Department for Arts and Propaganda (*Departement voor Volksvoorlichting en Kunsten*) staffed by Dutch National Socialists was founded in November 1940<sup>4</sup>. It was greatly concerned with developments on the art market, mostly with the steadily increasing amount of kitsch on offer, but also with the pushing up of prices and the growing number of art dealers<sup>5</sup>. As many tobacconists, florists and other shops were trying to cope with a dwindling supply of goods to sell, these entrepreneurs searched for alternative merchandise. In many cases they turned to real or supposed art, such as reproductions, forgeries, kitsch or actual works of art. The department attempted to reorganize the art trade, and supported the arts by aiding artists, purchasing works of art and by organizing exhibitions in the Netherlands and Germany<sup>6</sup>. Most of these activities were implemented by the Dutch Chamber of Culture (*Nederlandse Kultuurkamer*), a branch of the department. In line with government structures in Germany, several other administrative entities were formed, such as the ‘Dutch Board for Culture’ (*Nederlandse Kultuurraad*) and the ‘Board for Trade and Industry’ (*Raad voor het Bedrijfsleven*), all with overlapping

---

<sup>4</sup> Nederlands Instituut voor Oorlogsdocumentatie (NIOD) collection 102, 1d, report on activities DVK, 1<sup>st</sup> half 1941, p. 1.

<sup>5</sup> NIOD collection 102, 1d, report on activities DVK 2<sup>nd</sup> half 1941, p. 14; NIOD collection 102, 123a, Report on the art trade by J.W. Peschar; Idem, Report ‘Saneering van den kunsthandel’.

<sup>6</sup> NIOD collection 102, 1d, report on activities DVK, 1<sup>st</sup> half 1941, 2<sup>nd</sup> half 1941, and 2<sup>nd</sup> half 1942; NIOD collection 102, 17Au, report on activities DVK 1<sup>st</sup> half 1942.

authorities<sup>7</sup>. The result was continuous conflict with regards to policy and its implementation, effectively crippling its plans for regulating the art market. When by December 1942 the conflicts had been resolved, implementation was halted again, as the legal basis was found to be lacking<sup>8</sup>. In the end, starting in March 1944, it was decided to use intimidation in order to cleanse the art market of dealers in kitsch<sup>9</sup>. Though initially effective, the program was stopped when after 5 September 1944 the civil services fell in disarray<sup>10</sup>.

The Department of Education, Arts and Sciences (*Onderwijs, Kunsten en Wetenschappen*) – now stripped of its responsibility for the arts and renamed Department of Education, Science and the Protection of Cultural Heritage (*Opvoeding, Wetenschap en Cultuurbescherming*) – in the meantime tried to limit export by proposing new legislation. When this failed due to Seyss-Inquart's objections – nothing was allowed to interfere with the acquisition of artworks for Hitler's planned museum in Linz – the department tried to keep records of the art that was exported. Additionally, the civil servants of the department put their political differences aside and cooperated with the civil servants of the Department of Education, Science and the Protection of Cultural Heritage in order to acquire those works of art that were deemed to be of national importance<sup>11</sup>. However, as the Department of Finance had to be consulted at length before any acquisition, few works of art were actually purchased. Starting in 1943, its clerks also researched the legal aspects of German acquisitions. This was undoubtedly a result of objections voiced by the Dutch government-in-exile, which was well aware of developments on the art market<sup>12</sup>. In their view, the Dutch state was twice victimised. Firstly, there was the loss of cultural heritage. Secondly it was recognized that, although the Germans paid for their purchases, ultimately the Dutch state would bear the cost. The *Reichsmark* that were flowing into the Netherlands were exchanged for guilders by the central bank, which was unable to offer them to the German central bank. As a result, the amount of guilders in circulation increased uncontrollably, and the Dutch central bank stored an ever-increasing

---

<sup>7</sup> L. de JONG, *Het koninkrijk der Nederlanden in de Tweede Wereldoorlog*, part 5, 's-Gravenhage, Staatsuitgeverij, 1974, pp. 256-7.

<sup>8</sup> NIOD collection 104, 33g, Letter by W.B. van Marle to the legal affairs section, 6 February 1943.

<sup>9</sup> NIOD collection 102, 22 Ac, Memorandum to the guild leader of the guild 'BBK'; NIOD collection 104, 2 o, Monthly report by the guild 'BBK' for March 1944.

<sup>10</sup> NIOD collection 104, 2 o, Monthly reports by the Guild 'BBK' for May, June and July 1944, and January 1945.

<sup>11</sup> NIOD collection 113, III D 17, Meeting with Van Houten, 26-2-42; NIOD collectie 216, CNO 113a, Min. O,K &W, afdeling Kunsten en Wetenschappen. Report 'Onze roerende schatten van wetenschap en kunst gedurende de oorlogsjaren', pp.18, 25.

<sup>12</sup> NIOD collection 216, CNO 113a, Min. O,K &W, afdeling Kunsten en Wetenschappen. Report 'Onze roerende schatten van wetenschap en kunst gedurende de oorlogsjaren', pp. 25-6; NIOD collection 212 a, 11 d, Letter by Mr. J.K. van der Haagen, 27 May 1946.

amount of *Reichsmark*, the post-war value of which could be expected to be nil. To minimise trading with Germany, the government-in-exile therefore instituted several laws forbidding legal (and therefore economic) transactions between Dutch persons, corporations, etcetera, and ‘enemy subjects’. The German acquisitions were labelled ‘technical looting’<sup>13</sup>.

Additionally, the population was warned not to buy any Jewish property that was put up for sale, warning them that after the war these would be seized, and would be returned to their rightful owners. With this and the large-scale export of art in mind, plans were made in London for the post-war recuperation and subsequent restitution of exported artworks.

### *Prices and turnover*

Immediately after the Dutch capitulation, prices for works of art were increasing at such an alarming rate that Hans Posse – responsible for the acquisition of works of art for the *Führermuseum* in Linz – pressured the German supervisory administration to take steps. Already in August 1940 he wrote to Martin Bormann that ‘one or more groups are buying everything they can lay their hands on. Money is no object.’<sup>14</sup> In February 1941, Posse even proposed to eliminate the competition by limiting the price of private purchases<sup>15</sup>. However, as Seyss-Inquart feared this would adversely affect the supply of artworks to the market, it was never put into effect. Even the German *Sicherheitsdienst* reported on the rising prices: in its annual report for 1942 it stated that compared to before the war, prices for both good and worthless paintings had increased tenfold<sup>16</sup>. After the war, the Dutch government asked noted art dealer Evert Douwes to prepare a report on the art market during the occupation<sup>17</sup>. This report contains an overview of the price trends of paintings, which the author compiled in collaboration with fellow dealer Nicolaas Beets and curator of the *Rijksmuseum* Arthur van Schendel. In compiling their data, these experts focused on qualitatively equivalent paintings. They concluded that by 1943, prices for paintings by ‘old masters’ had increased by a factor of six, paintings from the ‘romantic’ period had become eight times as expensive as before the war, and even prices for modern paintings (painted after circa 1860) had tripled (Table 1).

---

<sup>13</sup> Gerard AALDERS, *Berooid. De beroofde joden en het Nederlandse restitutiebeleid sinds 1945*, Amsterdam, Boom, 2001, pp. 25-27, 31, 32, 37, 210; NIOD collection 212 e (archive Bregstein), box 51, map 5 h, Letter by Liefwinck; NIOD collection 212 a, 11 d, Letter by Mr. J.K. van der Haagen, 27 May 1946; Gerard AALDERS, *Roof. De ontvreemding van joods bezit tijdens de Tweede wereldoorlog*, Den Haag, Sdu Uitgevers, 1999, p. 30.

<sup>14</sup> NIOD Doc II Roof kunstschaten, 658B, folder H, attachment 10a.

<sup>15</sup> Idem, attachment 37, Letter by Posse to Bormann, dated 1-2-1941.

<sup>16</sup> NIOD Archives Coll.077—85, HSSPF, Jahresbericht 1942.

<sup>17</sup> Report by Douwes.

As the German reports suggest a far greater rise in prices than the report by Douwes *cum suis*, and Douwes does not provide definite information on the intermediate years, more information on price trends is required. This was found in the administration of *Kunstveilingen S.J. Mak van Waay N.V.*, at that time one of the foremost art auctioneers in the Netherlands<sup>18</sup>. Table 2 shows how turnover boomed as a result of both rising prices and an increasing quantity of art on offer. The number of paintings that were auctioned, their proceeds, and the percentage of paintings put up for sale can be found in table 3. Most remarkable is the fact that prices continued to increase right until the liberation, suggesting that aside from the Germans, at least one other important group of buyers was active. Apart from the remarkable rise in prices for art in general, and paintings in particular, it is worth noting that the price of contemporary paintings increased far less than those for older paintings. This can be attributed to the German policy with regard to degenerate art, the abundance of kitsch, and a general uncertainty of taste with regards to modern paintings.

By combining known turnover of art dealers, auction houses, and the proceeds of the sale of several private collections, with what is known about the general trend in the marketplace it has been possible to approximate the total turnover of the art market during the occupation as circa 114 million guilders. About 25% of this total is based on (conservative) estimates. Because the turnover of some dealers is unknown, any deviation will be upwards. Based on reports by the Ministry of Education, Science and the Protection of Cultural Heritage, as well as other data, exports to Germany totalled circa 60 million guilders. Just under 50% of all art sold, was thus acquired by Dutchmen<sup>19</sup>.

### *Buyers*

The increasing prices and turnover were merely the result of the law of supply and demand. What caused this tremendously growing demand for works of art? In order to answer this question, one must differentiate between Dutch and German buyers.

The growing interest shown by Dutchmen for works of art was partly in response to the increasing prices: ‘The Dutch, even more so than foreigners, are inclined to buy in a growing market. In a decreasing market they tend to wait for the prices to lower even further’ wrote the art dealer Douwes in his post-war report. Some bought with the intention to resell quickly at a profit: the so-called ‘gentleman-dealers’. Aside from the existing customer-base

---

<sup>18</sup> The entire administration of *Kunstveilingen S.J. Mak van Waay* is still confidential. However, Sotheby’s (*Mak van Waay*’s legal successor) considers it to be its civic duty to provide researchers access to the data for the period of the German occupation.

<sup>19</sup> For a complete overview of sources and considerations with regards to the calculation of the total turnover of the Dutch art market, see EUWE, pp. 93-106.

– mostly collectors and other well-to-do Dutchmen – economic developments caused two new types of customers to appear: regular (middle- and lower-class) people and black marketeers. As during the first few years of the occupation everyone was convinced that Germany would be in control of the Netherlands for – at the very least – the next fifty years, the population tried to make the best of the situation. Combined with the initially moderate attitude of the German occupying forces, this resulted in a quick resumption of economic activity. Because the economy was now regulated, the cost of living remained stable by way of price controls and rationing. Because of decreasing unemployment, a lesser supply of goods, and stable prices, people were earning more money but were unable to spend their earnings. Loans were paid off, and savings accounts were opened on a large scale<sup>20</sup>.

With the abolition on 1 April 1941 of currency restrictions between the Netherlands and Germany, the amount of money in circulation started to grow rapidly as German payments were made in *Reichsmark*, which were then exchanged for guilders by the Dutch central bank. The inflationary threat this caused, led the common citizen to be acutely fearful of an imminent monetary crash, which would leave him penniless. Therefore, people were looking for safe investments for their savings: houses, redeeming mortgages, life insurances, and the acquisition of (real or supposed) works of art. For most of these people, art was unknown territory. As the annual income of 75 percent of the population was under 2000 guilders<sup>21</sup>, they will undoubtedly have focused on financially accessible art. At this end of the market, many art dealers specialized in contemporary paintings – which increased far less in value – as well as kitsch and forgeries. As this new group of art lovers lacked art-historical tuition and experience, they were easy prey for malicious sellers.

Were rationing and price controls exist, a black market will soon flourish. As more and more goods were rationed, the black market expanded. The more successful black marketeers were soon looking for ways to invest their earnings. Indicative of the amount of money that was handled in the black market are the prices of agricultural products: in 1942 these had increased six-fold over the price level of 1938. During 1944 and 1945 these prices would be twenty-seven times as high as they were in 1938. The black marketeers not only had to worry about the possibility of a monetary crash, they also had to take into account the monetary reform that was expected to be carried out after the war. The fact that in March 1943 the bills of 500 and 1000 guilders were declared null and void – a measure taken to combat both the amount of money in circulation as well as black marketeers – was a further

---

<sup>20</sup> Hein A.M. KLEMANN, *Nederland 1938-1948. Economie en samenleving in jaren van oorlog en bezetting*, Amsterdam, Boom, 2002, pp. 555, 387.

<sup>21</sup> Idem, p. 541.

impulse to invest in goods that were stable in value and easily tradable<sup>22</sup>. These were found in – amongst others – works of art.

It is to be expected that as a result of the continually rising prices on the black market and the during 1944 increasing necessity to buy a substantial part of primary necessities there, the ordinary citizen had a steadily decreasing amount of money to spend. Black marketeers on the other hand, will have had an ever-increasing amount of cash that had to be converted into property. The pressure to safeguard their earnings will have increased as the liberation grew near. This explains why even during the famine of the winter of 1944, when the export to Germany stopped, prices on the art market kept rising, and in March of 1945 even a new auction house was founded in Amsterdam<sup>23</sup>. As transport to Germany was impossible at that time, there were hardly any German buyers left.

Naturally, the established art collectors also felt the need to safeguard their money, and were therefore expanding their collection. As they had more money to spend, and had been active buyers for a longer period, their contacts within the art world were better. Because of this, and their better education in the arts, they will not have purchased the kitsch that was prevalent in the lower echelons of the market. For the same reasons, the majority of forgeries will have found other buyers. The better forgeries, such as those by Van Meegeren, will undoubtedly have also found their buyers amongst these collectors.

Finally, there is the Dutch civil service. Although it was mostly active on the art market as a policy-maker, the Dutch civil service also bought works of art it deemed to be of national importance. To do so, it had a budget of over 2 million guilders. Unfortunately, 1.2 million guilders were spent on a Vermeer, which was later proven to be a forgery<sup>24</sup>. Although a substantial amount of money was spent, it is by no means comparable to the amounts of money that were spent by the most important German customers.

Prior to the war, prices on the German art market had been steadily rising, for the most part as a consequence of Hitler's interest in the arts. His ideal of the Arian as a creator and supporter of art and culture meant that anyone wanting to rise in the Nazi hierarchy had to show his appreciation of the arts, usually by collecting paintings. These collections grew to be an indicator of power and status, a process paralleled by the rise of a gift-culture were the

---

<sup>22</sup> Idem, p. 545.

<sup>23</sup> Venema, *Kunsthandel in Nederland*, Amsterdam, Uitgeverij De Arbeiderspers, 1986, p. 356.

<sup>24</sup> NIOD collection 216aa, minutes 21/iv-7, Meeting of the *secretarissen-generaal* on Tuesday 29 June 1943; Idem, minutes 22/iv-12, Meeting of the *secretarissen-generaal* on Wednesday 7 July 1943; Marijke van den BRANDHOF, *Een vroege Vermeer uit 1937*, Utrecht, Het Spectrum, 1979, passim.

gifts that were exchanged reflected the position of both the giver and the recipient. The preferred gifts: works of art<sup>25</sup>.

According to the German *Sicherheitsdienst*, compared to pre-war prices, by 1942 prices on the German art market had increased twenty-fold<sup>26</sup>. Therefore it should be no surprise that German dealers and auctioneers rushed to the Netherlands in an effort to replenish their stocks. To them, the Dutch art market was especially interesting, not only because of the rapidly relaxed exchange controls, but also because it required no paperwork. This resulted in a savings of about 7% compared to art bought in France<sup>27</sup>. Because of their importance to Nazi collectors, art dealers could obtain travelling permits relatively easy. The most important German collector was Hitler, who aspired to establish the world's most impressive museum in his former hometown of Linz. In charge of the acquisition of works of art for this museum was Hans Posse, director of the *Staatliche Gemäldegalerie* in Dresden. Posse employed a great number of agents who informed him of works for sale and developments on the art market. In the Netherlands the most important of these were Erhard Göpel and Wilhelm Wickel. Most of the paintings bought in the Netherlands were 17<sup>th</sup> and 18<sup>th</sup> century Dutch and Flemish masters, though in deference to Hitler's taste a significant number of 19<sup>th</sup> century German paintings were also acquired<sup>28</sup>. At the end of 1940, Posse had already spent eight million guilders on the Dutch art market. As of February the next year, this figure had increased by two million guilders.<sup>29</sup> Until his death in December 1942, Posse bought on a grand scale. His successor, Hermann Voss, bought on a similar scale<sup>30</sup>. Between 8 February 1941 and August 1944, over 15 million guilders was spent at the Dutch art market. Over half of this was spent by Posse<sup>31</sup>. The total expenditure of the *Führermuseum* in the Netherlands was over 25 million guilders<sup>32</sup>, or roughly 1/3 of the total expenditure for the museum<sup>33</sup>. These acquisitions were paid for through a special account called the *Kunstfonds*

---

<sup>25</sup> Petropoulos, *Art as Politics in the Third Reich*, Chapel Hill and London, University of North Carolina Press, pp. 262-286.

<sup>26</sup> Petropoulos, *The Faustian Bargain: the art world in Nazi Germany*, London, Allen Lane/Penguin Press, 2000, p. 92.

<sup>27</sup> NIOD, Doc II, Roof kunstschaten 685B g 1, CIR#4, Linz, E 2: Financial facilities.

<sup>28</sup> Idem, p. 18.

<sup>29</sup> NIOD, Doc II Roof kunstschaten 685B folder H, attachment 37.

<sup>30</sup> NIOD, Doc II Roof kunstschaten 685B g1, CIR#4, p. 18; NIOD, Doc II, Roof Kunstschaten 685B folder H, attachment 19.

<sup>31</sup> NIOD, Doc II Roof kunstschaten, 685B g2, supplement to CIR#4, p. 1.

<sup>32</sup> NIOD Archive 207, FOSD 483097/483102 2288, January 1941; NIOD, Doc II, Roof kunstschaten, 685B folder H, attachment 42; Idem, attachment 37; NIOD, Doc II Roof kunstschaten, 685B g2, supplement op CIR#4, p. 1.

<sup>33</sup> Günther HAASE, *Kunstraub und Kunstschutz: eine Dokumentation*, Hildesheim, Georg Olms, 1991. Fotographical reproduction of a letter by Lammers to Bormann, dated 23 October 1944, in which Lammers explains the financial issues of the *Sonderauftrag Linz*.



(Art Fund), with the money in an account at the Berlin bank of Delbrück, Schickler & Co<sup>34</sup>. Although the precise origin of much of the tens of millions of *Reichsmark* that were deposited in this account remains unclear, the majority came from royalties for *Mein Kampf*, donations made by industrialists to the *Adolf-Hitler-Spende der deutschen Industrie* (actually a disguised form of taxation), and the proceeds of a special series of postage stamps that was sold at a premium<sup>35</sup>.

Göring's position as second most powerful man in the Third Reich was reflected in his collection: after Hitler, Göring was the foremost collector of art in Germany. Like Hitler, he planned to open his own museum at some point in time. Acquisitions were paid for out of a special *Kunstfonds*. The source of the money in this account is unknown: Göring's fortune, derived from his salary as *Reichsmarschall* and his many other official functions, was deposited on two accounts at the *Thyssen Bank* and the *Deutsche Bank*. His income from a biography and other sources was put in another account. A deposit from one of these accounts into the *Kunstfonds* could not be found<sup>36</sup>. Even though Göring regularly received substantial monetary gifts from industrialists, these are believed to have been insufficient to cover his expenses. This led post-war researchers to believe that the German treasury had paid for most of his collection<sup>37</sup>. Göring employed a large number of agents – supervised by Walter Hofer, director of the *Kunstsammlung des Reichsmarschalls* – to secure the best works for his collection. In the Netherlands, these were Alois Miedl (the new owner of the business formerly owned by Jacques Goudstikker), Walter Paech (a German by birth and for many years an art dealer in Amsterdam), a number of *Luftwaffe* officials, and the *Dienststelle Mühlmann*<sup>38</sup>. Unlike Hitler, Göring bought many artworks in person. At the end of May 1940, just weeks after the Dutch surrendered, he visited Dutch art dealers<sup>39</sup>. Most of Göring's acquisitions were made at dealers (where he spent at least 7.1 million guilders) or private individuals (where he spent at least 2.3 million guilders). For these 9.4 million guilders he

---

<sup>34</sup> NIOD, Doc II Roof kunstschaten 658B folder i, DIR#1, Heinrich Hoffmann, p. 4; NIOD Doc II, Roof kunstschaten, 658B, folder g 1, CIR#4, chapter 3, E2: Financial facilities; NIOD, Doc II Roof kunstschaten 658B folder g 2, Supplement to CIR#4, p. 1.

<sup>35</sup> NIOD, Doc II Roof kunstschaten 658B folder j 1, Report by the 'Dutch restitution Committee', p. 52; Cay FRIEMUTH, *Die geraubte Kunst: der dramatische Wettlauf um die Rettung der Kulturschätze nach dem Zweiten Weltkrieg*, Braunschweig, Westermann, 1989, p. 26; NIOD, Doc II Roof kunstschaten 658B, folder i, DIR#1, Heinrich Hoffmann, p. 4.

<sup>36</sup> NIOD, Doc II Roof kunstschaten 685B a 1, CIR#2, pp. 156-157.

<sup>37</sup> Idem, p. 160; NIOD Doc II Roof kunstschaten 685 B j 1, report by the 'Dutch Restitution Committee, afd. Fine Arts', regarding the Dienststelle Mühlmann, p. 52; AALDERS, *Roof*, p. 100.

<sup>38</sup> NIOD Doc II Roof kunstschaten 685B a 1, CIR#2, pp. 22, 61; NIOD Doc II, Roof kunstschaten, 685B i 6, DIR#6 Bruno Lohse.

<sup>39</sup> NIOD Doc II Roof kunstschaten 685B a 1, CIR#2, p. 61.

received 1500 paintings<sup>40</sup>. Regarding seized collections he showed considerable restraint, acquiring only parts of the collections of Oppenheim and Jaffé<sup>41</sup>. Göring was an active trader as well, always trying to upgrade his collection<sup>42</sup>. In this way, 150 paintings from his collection found their way to the Dutch art market when he traded them for a painting by Vermeer, which after the war turned out to be a forgery by the Dutchman Han van Meegeren<sup>43</sup>.

Apart from Hitler and Göring, many other Nazi officials scoured the Dutch art market, usually enlisting the help of either Seyss-Inquart or the *Dienststelle Mühlmann* to secure a good piece of art. The *Dienststelle Mühlmann* was named after the Austrian art historian Kajetan Mühlmann. Mühlmann, a close friend of Seyss-Inquart, was asked by the latter to head a special department that was primarily intended to help with the acquisition of art for the *Führermuseum*. Mühlmann arrived in The Hague the day after the Dutch capitulation, and assembled a team of well-known art historians who would find and acquire the best works of art available. With this aim in mind, they assisted the department in charge of confiscated possessions of enemy citizens (*Feindvermögenstelle*) by taking inventory and valuations, as well as the subsequent sale of these items. Furthermore, the *Dienststelle* assisted in the sale of artworks that were found in confiscated Jewish possessions. Its most important activity though, was buying works of art on the open market in the Netherlands, Belgium and France, with the intention of reselling these (at a profit) to German collectors. This latter was by far the most important activity, and in many ways the *Dienststelle Mühlmann* resembled a state-owned art dealer. With a turnover of at least 4.8 million guilders – of which 3.9 million guilders was generated by regular buying and selling on the open market – the *Dienststelle* was comparable to the top of Dutch art dealers<sup>44</sup>.

### *Origins of the artworks for sale*

Although the stocks of the Dutch art dealers were large, these were not the only source for the art market. As prices continued to rise, a growing number of collectors – who at first

---

<sup>40</sup> Idem, III-a, pp. 61, 69; VENEMA, appendix 3, p. 575, appendix 4, pp. 583-4; NIOD Doc II Roof kunstschaten 685B a 1, CIR#2, p. 70; own calculations.

<sup>41</sup> AALDERS, *Roof*, p. 223; NIOD Doc II Roof kunstschaten, 685B a1, CIR#2, ALIU-Report on Göring; NIOD Doc II Roof kunstschaten, 685B j 1, Report Jean Vlug, pp. 5, 30.

<sup>42</sup> NIOD Doc II Roof kunstschaten 685B a 1, CIR#2, pp. 150-154, 156; NIOD Doc II Göring, 211 box 2 folder 3.

<sup>43</sup> Lynn H. NICHOLAS, *The Rape of Europa: the fate of Europe's treasures in the Third Reich and Second World War*, London, MacMillan, pp. 109-110.

<sup>44</sup> For a full overview of the activities and accounts of the *Dienststelle Mühlmann*, as well as the calculations with regards to its turnover, see EUWE, pp. 85-92.

were hesitant to sell<sup>45</sup> – offered their possessions to dealers, or put them up for auction. Due to the large number of art collections – there were relatively few extensive and important art collections in the Netherlands, but many smaller collections<sup>46</sup> – estates were an important source of high quality works of art as well. These estates were usually auctioned off. Due to the continued rise of prices, the activity on the art market shifted to the auction houses during the second half of 1943. The art dealers, having by now sold their existing stock, were no longer able to finance the acquisition of new stock<sup>47</sup>. Because the auction houses did not need to invest as much, they were able to acquire a supply of merchandise in spite of price level, the only problem being the decreasing quality of the items on offer. Traditionally, dealers used to divert to auction houses those paintings they believed to be forgeries or of insufficient quality. These could be sold there with descriptions as ‘attributed to’, ‘from the school of...’ or ‘from the circle of...’. The number of such questionable paintings on the market was large, and was a recurring theme in newspaper articles and in the correspondence between Erhard Göpel and Hermann Voss<sup>48</sup>. Apart from forgeries, there was of course other ‘contemporary production’: contemporary art and kitsch.

The German persecution of the Jewish population was also felt in the art trade, where a large number of the most highly respected dealers, restorers, art historians and collectors had Jewish origins. An important step prior to deportation to the concentration camps was the social isolation of the Jewish population. To achieve this, their personal possessions and their businesses were gradually disowned. After a thorough analysis of the accounts, 69% of the Jewish-owned art dealers were liquidated and their stock sold off<sup>49</sup>. The remainder were deemed too lucrative to liquidate, and were sold to a non-Jewish buyer who would continue the business. Although most of the art that was found in the confiscated Jewish possessions and in the confiscated possessions of enemy subjects was sold to German customers out of the storage depots, some of what remained found its way to the Dutch art market, where it was sold through several auction houses<sup>50</sup>.

### *The end of the hausse*

---

<sup>45</sup> NIOD, Doc II Roof kunstschaten 685B, map H, attachment 10.

<sup>46</sup> Josephine E.P. LEISTRA, ‘On the Recovery of Art’ in: F.J. Hoogewoud, ed., *The Return of Looted Collections (1946-1996): an Unfinished Chapter*, Amsterdam, IISG, 1997, pp. 97-103, there p. 98.

<sup>47</sup> Report art dealer Douwes, p. 15.

<sup>48</sup> NIOD, Archive 61, box 53, reg.nr. 285, letter dated 14-6-1944.

<sup>49</sup> NIOD, archive 39, reg.nr.: 68, *Gruppe HE 301: Bilder, Kunstgewerbe und Antiquitäten*; own calculations. For a full overview of the Jewish art trade, see EUWE, pp. 76-85.

<sup>50</sup> NIOD Doc II Roof Kunstschaten 685 j 1, report by Jean Vlug, p. 23.

The *hausse*, which had continued even during the final months of the war due to the immense profits of the black marketeers, ended when in September 1945 a monetary reform was carried out. The reform resulted in a newfound trust in the guilder, and regular Dutch citizens no longer felt the need to invest in goods like art. Those who had amassed a fortune in cash on the black market – and had been unable to convert it into goods – lost their money and found themselves under scrutiny by the criminal investigation branch (*Fiscale Inlichtingen- en Opsporingsdienst*) of the Inland Revenue Service. The quick disappearance of most of the black market meant that no new cash was in need of investment, and as most of the German market had been inaccessible since the autumn of 1944 – and would for the time being remain inaccessible – this meant that after the war prices and turnover returned to normal levels. As can be seen in table 1, when adjusted for inflation, prices for old masters and ‘modern’ paintings were even slightly lower than before the war. Only 19<sup>th</sup> century paintings (prior to impressionism) still commanded a substantially higher price.

Both the Inland Revenue Service and other government agencies were at this time investigating the Dutch business community for economic collaboration and other fraudulent activities. Given the export of art to Germany and the sales to black marketeers, the art trade was amongst those investigated, but no criminal charges were pressed against any art dealers or auctioneers<sup>51</sup>.

### *Conclusion*

In the final analysis, the boom on the Dutch art market was caused by a combination of both German and Dutch demand, the latter of which primarily resulted from the monetary policy forced upon the central bank by the *Aufsichtsverwaltung*. The fact that the German acquisitions were paid for in guilders, which had been obtained by exchanging *Reichsmark* that could not be returned to the German *Reichsbank*, meant that after the war the Dutch government would bear the cost of the German acquisitions on the Dutch art market.

The *hausse* started immediately after the Dutch capitulation. The re-opening of the traditionally important German market meant that for the first time in ten years, German museums, art dealers and collectors were able to buy on the Dutch art market. However, these well-established customers were not the only clients visiting the Dutch art dealers: due to Hitler’s interest in the arts, a large number of Nazi officials also wanted to acquire their own collection. The Dutch art trade, after ten years of crisis on the brink of financial ruin, followed the lead of the Dutch business community and tried to make the best of a bad

---

<sup>51</sup> VENEMA, pp. 459-461.

situation. The two years that followed were characterized by strong economic growth. However, due to rationing and price controls Dutch citizens were unable to spend their earnings, leading to a strong growth of the deposits in savings accounts. As an increasing number of goods were rationed, the black market expanded and black marketeers possessed ever-growing amounts of cash money that needed to be invested. Meanwhile, the inflationary threat posed by the influx of *Reichsmark* caused confidence in the Dutch guilder to wane to the point where the population feared that at any moment the guilder would turn out to be worthless. Therefore, both ordinary citizens as well as black marketeers started to invest in goods of lasting value and turned to the art market where – due to the strong German demand – prices had already been rising.

Until September of 1944 the continuing rise of prices was mostly due to the almost unlimited budgets of Hitler and Göring, as well as the purchases made by those lower in the Nazi-hierarchy, the German art trade and museums. In total, at least 60 million guilders worth of art was exported to Germany. Nevertheless, as the total turnover of the art market was over 114 million guilders, the significance of the Dutch demand should not be underestimated. Just how much was purchased by black marketeers is unknown, though their contribution to the *hausse* was important considering the fact that both prices and demand were still growing during the famine of the winter of 1944, when Germans and regular Dutch citizens were no longer active. That the art market contained enough merchandise to fuel the boom was partly due to the large stocks of the art trade and the widespread ownership of works of art. When the art trade had exhausted its stocks and could no longer afford to replenish them, the auction houses gained in importance. At the lower end of the market, contemporary art remained relatively affordable, but it was especially kitsch that sold in great quantities. The suppression of this kitsch was one of the main points of attention for the new Department for Arts and Propaganda. Because of overlapping authority with other new national-socialist organizations, its policies were unsuccessful. The Department for Education, Sciences and Cultural Heritage in the meantime tried to limit the export of art. When this failed it tried to keep a record of the art that was exported, while the government-in-exile passed legislation to ensure this art could be repatriated after the war. The post-war restitution of these works of art is a process that continues to this day.

**Table 1 Indexed price trends of paintings, divided by genre. Price level 1940=100**

	Old Masters (until circa 1750)	Romanticism (1750 until circa 1860)	Modern Masters (predominantly <i>Haagse School</i> )	Price index (Paasche) <sup>52</sup>
1940	100	100	100	100
1943	600	800	300	118
1947	180	240	180	193

Sources: Collection Gerard Aalders, 'De Kunsthandel in Nederland', written by art dealer Gebr.DOUWES, Rokin, Amsterdam; price index provided by Hein A.M. Klemann; own calculations.

**Table 2 Index of core data for art auctions at S.J. Mak van Waay, June 1940 - May 1945 (1940=100)**

Year	1940	1941	1942	1943	1944	1945
Number of auctions	100	200	267	233	133	33
Total number of lots offered	100	302	355	404	231	52
Annual turnover	100	425	1219	2424	1641	389
Average price per lot	100	141	403	599	710	750
<i>By way of comparison:</i>						
Price index (Paasche)	100	114	115	118	119	135

Sources: Administration 'Kunstveilingen S.J. Mak van Waay', period 1940-1945, auctions number 53-81; price index provided by Hein A.M. Klemann; own calculations.

**Table 3 Core data for the proceeds of paintings up for auction at S.J. Mak van Waay June 1940 - May 1945**

Year	1940	1941	1942	1943	1944	1945
Proceeds of paintings (by period, indexed: 1940=100)						
Old Masters	100	120	308	474	555	812
Romanticism	100	159	557	822	1109	972
Modern Masters	100	72	248	259	315	362
Number of paintings put up for auction (by period, indexed: 1940=100)						
Old Masters	100	477	744	546	209	39
Romanticism	100	265	449	496	341	46
Modern Masters	100	267	395	488	222	59
Percentage of paintings actually sold (by period)						
Old Masters	81%	83%	91%	95%	89%	68%
Romanticism	90%	88%	97%	98%	98%	94%
Modern Masters	86%	90%	97%	98%	97%	93%

Sources: Administration 'Kunstveilingen S.J. Mak van Waay', period 1940-1945, auctions 53-81; own calculations.

<sup>52</sup> The Paasche price index is a weighted index, based on price trends and real production in the agricultural, industrial, and government sectors. The index quoted here is the result of research by Hein A.M. Klemann. I am grateful for his permission to use these data.