

Jewish Heirs, Sweden Settle 7-Year Feud Over Nazi-Looted Nolde

By Catherine Hickley - Sep 09, 2009

Sept. 9 (Bloomberg) -- Sweden's [Moderna Museet](#) and the heirs of a Jewish businessman forced to flee Germany before World War II settled a seven-year dispute over a Nazi-looted [Emil Nolde](#) painting in the museum's collection.

Under the terms agreed between the museum and the heirs, a private European collector whom they declined to name has purchased the painting and will loan it to the Moderna Museet for up to five years. After that time, the museum will receive further paintings on loan for another five years, according to a joint statement sent by e-mail by the museum and the heirs' lawyer, [David Rowland](#) of [Rowland & Petroff](#) in New York.

Otto Nathan Deutsch fled to Amsterdam in late 1938 or early 1939, leaving behind his possessions. He never got them back. The painting "Blumengarten (Utenwarf)" ("Flower Garden (Utenwarf)") surfaced in Switzerland in 1967 and was sold to the [Moderna Museet](#), according to the Stockholm museum. The statement did not specify how much the collector paid nor how much the heirs received, though Rowland previously put the work's value at about \$4 million.

"Both the Deutsch heirs and the Moderna Museet are satisfied with the outcome of the matter," the parties said in the statement, adding that they agreed "no further comment will be made."

Altogether, the Nazis stole about 650,000 works, the New York-based [Jewish Claims Conference](#) estimates. Sweden is one of 44 governments that agreed on the 1998 [Washington principles](#) on Holocaust-era assets. Under that non-binding accord, nations agreed to achieve a "just and fair solution" with the prewar owners of art seized by the Nazis that was never returned.

Concentration Camps

In a report published at a Prague conference in June to review how far the Washington principles had been implemented, the Claims Conference included Sweden in a list of countries "that do not appear to have made significant progress."

It noted that though the Moderna Museet "does not dispute that a painting by Emil Nolde that it

holds was looted, it has not to date restituted the painting.”

The heirs first contacted the Moderna Museet in 2002. Two of the claimants were imprisoned in concentration camps as children and are now more than 80 years old, according to Rowland. One of the heirs, Ricardo Lorca-Deutsch, asked Swedish Culture Minister [Lena Adelsohn Liljeroth](#) to intervene and return the painting in a March 12 letter.

The Deutsch heirs are still searching for other artworks, Rowland said. When he fled Germany, Deutsch arranged for his possessions, including two works by Nolde) and three or four more paintings, to be shipped to him in Amsterdam, Rowland said.

They never arrived and Deutsch died in poverty, of natural causes, in 1943. Informed by the shipping company that Deutsch’s possessions had been bombed and destroyed in the war, the heirs accepted a “small” amount of damage compensation from Germany in 1962 for the loss, Rowland said.

Two paintings by Nolde (1867-1956) that were among Deutsch’s missing assets re-emerged at Galerie Roman Norbert Ketterer in Stuttgart, and were sold at auction in Lugano, Switzerland, a few years later, Rowland said.

The Swedish government bought “Blumengarten (Utenwarf),” while “Mohn und Rosen” (“Poppy and Roses”) was sold to a private buyer, he said.

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