

Remarks of Sigal P. Mandelker Under Secretary of the Treasury for Terrorism and Financial Intelligence at the 2019 Days of Remembrance Ceremony United States Capitol

April 29, 2019

Good morning Members of Congress, Holocaust Survivors, colleagues and friends. I remember attending this ceremony nearly a quarter century ago, and to be here today, delivering this keynote speech is incredibly humbling. I want to thank the United States Holocaust Memorial Museum, the Council, Sara Bloomfield, Stacy Burdett, and others for inviting me.

As I stand here, I can feel the presence of my grandparents who did not survive the Holocaust and those who did, of my wonderful mother who we lost nearly 14 years ago, and of my inspirational father who is watching the speech by livestream.

As the Under Secretary of the Treasury for Terrorism and Financial Intelligence, I have the great honor of deploying the United States' economic authorities, including sanctions, against a wide range of national security and illicit finance threats. We have used these authorities to target corrupt actors and human rights abusers around the world, including from Syria and Iran to Venezuela and Nicaragua to South Sudan, the Democratic Republic of the Congo, and elsewhere. Hundreds of times in the past two years, we have isolated from the financial system those who commit grave human rights abuses or plunder their countries for personal gain.

Our objective is to change behavior, inspire democracy and freedom, and disrupt the ability of kleptocrats, human rights abusers, and others from stealing the wealth of their country. We work every day to balance those tools in support of and alongside humanitarian needs. We want to keep funding from the dictators and despots who use violence to retain power and wealth while supporting those who suffer tremendously at the hands of destructive leaders.

We have a great tradition of this at the Treasury Department. It is a history that was chronicled in a terrific book by Dr. Rebecca Erbelding, a historian at the Museum, called "Rescue Board: The Untold Story of America's Efforts to Save the Jews of Europe."

This history began on April 9, 1940, when immediately after Nazi Germany invaded Denmark and Norway, then Secretary of the Treasury Henry Morgenthau called the head of the Federal

Reserve Bank of New York and asked him to freeze the accounts of Denmark and Norway in order to immediately block Hitler's access to those funds. "Just freeze them," Morgenthau said. The following day, President Roosevelt issued an Executive Order formally prohibiting transactions relating to Denmark and Norway, unless the Treasury Department issued a license authorizing a transaction.

In the ensuing months, as other countries were invaded, Treasury would do the same to U.S.-held assets of those countries. Treasury managed to freeze billions of dollars, keeping that money out of the hands of the Nazis and other enemies. This effort was led by 31 year-old John Pehle, the director of the newly-created Foreign Funds Control department, which is the predecessor office to one of the components I now oversee, the Office of Foreign Assets Control. The United States was using its economic might long before it entered the war militarily. Morgenthau called this the "unseen front."

The Treasury Department didn't stop there. In the summer of 1943, the World Jewish Congress asked the Treasury Department for a license to allow funds into Nazi-occupied Europe to help save Jews. The idea for this license came from Gerhart Riegner, the author of the now famous Riegner cable that alerted Americans to the Nazi's Final Solution to murder Jews. Treasury had received similar requests for licenses to send humanitarian aid, but they had always feared that it was too dangerous to send the funds lest they end up in the wrong hands. It wasn't until John Pehle was informed that these funds would be used to help Jewish children in hiding in France to escape that Treasury officials decided to issue the license, so long as there were safeguards in place.

Unfortunately, it would take months to effectuate the license as the effort met strong resistance from the State Department, where we now know officials had hidden news of the massacre of millions of Jews and others.

During that long struggle with the State Department, Pehle and others began to learn more about the mass murders underway in Europe.

After they learned of the deeply disturbing efforts to hide these atrocities, Treasury staff told Morgenthau. This was January 1944. This would lead Morgenthau within days to appeal directly to President Roosevelt to take action to rescue Jews and others being hunted by Hitler. President Roosevelt agreed and established the War Refugee Board in January 1944, ultimately assigning its leadership to those Treasury officials who, when they learned about the genocide underway in Europe, stood up to do the right thing. The War Refugee Board's work resulted in saving tens of thousands of people and assisting many more.

When I learned about the efforts of those dedicated Treasury Department officials nearly 80 years ago, I was overwhelmed.

At the very same moment that those Treasury officials were providing support to the effort to help Jewish children escape, my parents were Jewish children in hiding in Eastern Europe. They were hiding underground, in forests, in ditches and under haystacks. I grew up hearing their stories, including about moments of great courage, some of which resulted in survival and others that ended in death.

It was around 1943 and 1944 when my mom was hiding in the woods with her mother and her two aunts. On one particular day, my grandmother — who was biologically my great-aunt but who would raise my mother after her mother died as a result of the Holocaust — was carrying my mother on her back. My mother was four or five at the time. They had been in hiding for months. They were walking through a cemetery when my grandmother decided that she had had enough and she said, “I want to walk to the road and have the Germans catch us and end our lives.” My mother, a young child, responded, “No, you are old, you have lived your life. But I am young and I have not yet lived mine.” As my grandmother would later tell the story, she answered my mom with fierce conviction in her voice, “No, I will not throw you to the Germans. We will continue.” For the rest of her life, my grandmother, who was then probably in her early 20s, credited my mom, this little girl, for saving their lives.

My father recalls the last time he saw his mother. It was around 1942. She was in a carriage, heading off to the town of Dubno and he remembers watching as she rode away. She had volunteered to go to Dubno to get documents that could have helped protect her sister. During her journey, my grandmother stayed overnight with members of her family in Dubno. That night, the Germans liquidated that part of the Dubno ghetto where she was staying. My grandmother was able to find a hiding spot with others. But after it got quiet, early the next morning, my brave grandmother decided to leave, despite warnings that she could be killed. That was the last time anyone would see her.

There were many times my parents came perilously close to death. My father recalls as a child running in the woods away from German soldiers who were shouting and shooting. He vividly remembers hearing a single shot and then a Jewish man cry out. My dad and others quickly ran to hide under thick bushes by the side of a road. They could hear the German soldiers nearby. Eventually, my dad and the others decided to move, to try to escape. As my dad crawled to the edge of the bushes, he saw a German soldier very close to him, looking around, with his rifle ready to shoot. My dad motioned for those behind him to stay down. The German soldiers did

not find them that day, but there is no question that any slip or sound would have meant that neither he nor I would be here today.

I also grew up hearing about the righteous people who risked and gave their lives to save my parents. There was the farmer my grandfather worked for who woke my father and others early one morning and told them to quickly run away because the Germans were coming. There was the couple who allowed my mom and others to hide in a ditch on their property for months. They would feed my mom and her family at night. They were killed later for hiding Jews.

When you grow up as the child of survivors, these stories of survival, ultimate sacrifice, and courage live with you every day. You imagine yourself in the position of your grandparents, with the responsibility of protecting children, running and hiding in the forest and you pray that you would find the strength to carry them through the woods.

This past weekend, all of our lives were once again hit with tragic anti-Semitism at Chabad of Poway. The breaking news of another synagogue attack sent shockwaves through our community. We have heard stories of intense bravery as congregants put themselves at risk to save others and law enforcement sprang into action.

This shooting took place exactly six months after the horrific massacre at Tree of Life synagogue in Pittsburgh's Squirrel Hill, where we likewise heard of great acts of courage from first responders and fellow congregants. There were three congregations holding services in Tree of Life on the morning of that attack, October 27, 2018. One was Dor Hadash, the congregation that I grew up in.

Dor Hadash is a congregation that has always focused on community, on values, on study, and on participation. Until just a few years ago, nearly every week, my father attended that particular Shabbat service that the gunman attacked. During a memorial service after the shooting, Rabbi Cheryl Klein, the cantor of Dor Hadash, described our congregation as a "small but mighty congregation that is composed of seekers, learners, lovers, and doers."

Whether in the 1940s or today, it is imperative that we continue to come together as a community, to participate, to be seekers, to be doers, to have courage.

What does that mean for those of us in public service?

For me, it means that we must constantly remember that somewhere in the world today there is a child and a mother, wandering the forest, with no place to go other than a hiding spot in a ditch or a refugee camp surrounded by guards. For some, the Holocaust feels like a distant

memory. For those survivors in the room, it has never left your side and, as it has for my father for many years, it may come alive again in your nightmares.

For many around the world today, who suffer starvation, torture, murder and other grave deprivation, it is, in another form, their reality.

For those of us in the Treasury Department, public service requires that we constantly strive to cut off the funds that enable those who commit these heinous acts. It requires that we use sanctions just as Secretary Morgenthau ordered in 1940, to freeze the assets of despots and dictators. It requires that we use the full force of our diplomatic might and that we grant humanitarian licenses to help those suffering, just as the Treasury Department did so many years ago for those Jewish children in hiding.

As public servants, we have to constantly challenge ourselves to use these authorities wisely, to be smart, strategic and tactical, to have courage, to be brave, and always compassionate. We must make sure that we are not choosing the tactics that make us feel like we are making a difference as some may have been lulled into doing 80 years ago — we must use the tools that in practice make that difference.

Thank you.