

**Hartmut Berghoff, Jürgen Kocka, Dieter Ziegler, eds..** *Business in the Age of Extremes: Essays in Modern German and Austrian Economic History*. Publications of the German Historical Institute Series. Cambridge: Cambridge University Press, 2013. ix + 249 pp. \$90.00, cloth, ISBN 978-1-107-01695-8.



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This is an excellent book. It is a fitting tribute to the late Gerald Feldman, who ranks among the finest economic historians of modern Germany and Austria. This edited volume, which is part of a series that Cambridge University Press publishes in cooperation with the German Historical Institute in Washington DC, has chapters by prominent historians from both sides of the Atlantic whose contributions are in keeping with the major strands of Feldman's work.

There is no explicit overarching theme to the edited volume, which is actually a plus because it permits each chapter to present an aspect of modern Austrian and German economic history on its own terms without any artificial undertaking to achieve superficial uniformity getting in the way. The book is divided into two parts according to chronology. The first six chapters span the late Wilhelmine period to the Great Depression. The subsequent six contributions deal with National Socialism, the Second World War, and matters relating to the Holocaust. The book could just as easily have been divided thematically into three sec-

tions covering prominent individuals in the Austrian and German business communities working in the economically, morally, and politically challenging first half of the twentieth century; international economic crisis management; and the complexities and unevenness across time and space of implementing policies, ranging from the heinous, such as dispossession of Jews, to the mundane, such as managing the economic assets owned by enemy nationals.

The chapters that spotlight individual business leaders grappling with the economic, moral, and political dilemmas of their times stand out as the most compelling in the book. They are also reminiscent of Feldman's excellent *Hugo Stinnes: Biographie eines Industriellen* (1998), because they focus on the interplay between personality and tumultuous times. Gerhard A. Ritter's portrayal of HAPAG's (Hamburg-Amerikanische Packetfahrt-Actien-Gesellschaft) Albert Ballin captures well the many contradictions of his time. Ballin's background was middle class. He skillfully built up his own shipping line, which led Hamburg

America Line to hire him in 1886. Thirteen years later, his strong business acumen brought him to the top of the firm. Much of Hamburg's elite did not accept him because he was Jewish and a manager rather than an owner. Yet he became a close confidant to Kaiser Wilhelm. Ballin attempted to mediate between Germany and Great Britain to head off the First World War. His intervention was not the product of a predilection for peace. It was instead an effort to save his life's work. Ballin had good reason to fear. The war devastated the Hamburg America Line. Ballin took his own life on November 9, 1918, rather than enter the uncertain new world of postimperial Germany.

The subsequent chapter by Werner Plumpe on Carl Duisberg serves as an excellent contrast. Duisberg was a flexible pragmatist who transformed himself with the times. Duisberg began his career fully at home with imperial cabinet rule and traditional paternalistic domination in the workplace. Yet with the demise of the Second Empire, Duisberg accepted democracy and made a clean break with authoritarian personnel practices. Although his motives were instrumental—his prime concern was always profitability—he embraced respectful cooperation between business and labor as well as a welfare state as policies suited to the new times. In other words, Duisberg's pragmatism made him a pioneer in developing "social partnership" between organized labor and management, which in the postwar years became a defining feature of the German economy.[1]

Johannes Bähr's fine chapter on Paul Reusch and Friedrich Flick contrasts the fate of men who relied on flexibility versus steadfastness as internal guiding principles. Like Duisberg, Flick was flexible, but Flick's flexibility took him in a radically different direction than Duisberg. Flick was an opportunist to the core. "He adapted to every circumstance, if doing so seemed advantageous" (p. 156). His tactics included the heavy use of leverage—at times beyond the point of legality—

and extensive patronage networks to build a massive industrial conglomerate. Flick stayed out of politics and was unconcerned with the type of government in place, "so long as the authorities were prepared to grant him special favors from time to time" (p. 157). He moved seamlessly from the Weimar era to the National Socialist era by building a new patronage network centered around Hermann Göring. The connection to Göring paid off handsomely until "the polycratic structure of the National Socialist system of rule" shifted against Göring in favor of Albert Speer when it came to government contracts (p. 169). Flick was suddenly on the outs. The bill for Flick's Machiavellian exploits seemed to come due at the end of the war when he was convicted at Nuremberg in 1947 of war crimes and crimes against humanity, including the plundering of occupied territories, participation in the deportation and enslavement of civilian populations, the use of slave labor in Flick factories and mines, the "aryanization" of properties held by Jews, and membership in the Nazi Party as well as SS leader Heinrich Himmler's "Friendship Circle." Flick, however, again demonstrated his remarkable ability to adapt to the circumstances of the day. He served less than three years of a seven-year sentence. His associates managed to thwart the Allies' plan to liquidate Flick KG. As a result, Flick was again influential as one of the richest Germans of the 1950s. He remained controversial for the remainder of his life, but he was able to rehabilitate himself to such an extent that he was awarded a *Grosses Bundesverdienstkreuz* (Great Cross of Merit) in 1963. Flick also ensured that his son would be his successor.

Flexibility and operating *sub rosa* is not the only path to survival in extreme times. Reusch, who ran the Gutehoffnungshütte (GHH) metals conglomerate from 1909 to 1942, was by all accounts a stiff-necked authoritarian. He was not a democrat and despised "the Weimar system," criticizing it as excessively interventionist in the economy and too generous when it came to social

benefits. Unlike Flick, Reusch immersed himself deeply in politics. GHH owned several newspapers as side businesses, which Reusch used to propagate his conservative views. Reusch was also active in industry associations during the 1920s and early 1930s. He viewed the Nazis with considerable skepticism, mainly because their economic program proposed substantial state involvement in the economy. Once the Nazis came to power, Reusch at first tried to reach an accommodation with them around three programmatic goals: the eradication of Marxism, the dismantling of democracy, and rearmament, but he was unsuccessful. The Nazis' unrelenting policy of Gleichschaltung led to the GHH newspapers losing editorial autonomy and industry associations losing their independence. Reusch's opposition to the Nazis from a traditional conservative perspective grew over the years, and he was constitutionally incapable of keeping it a secret. As a result, Nazi pressure led to Reusch's dismissal as head of GHH in 1942. That act, ironically, salvaged his postwar reputation. When the war ended, Reusch retained his reputation and was not pursued for war crimes. He was too old to resume leadership of GHH, but, like Flick, he was able to ensure that his son was his successor at GHH.

Peter Eigner's chapter on Rudolf Sieghart and the collapse of Boden-Credit-Anstalt employs a different means to assess the character of a business figure in extreme times. Eigner offers the reader a menu of explanations for Sieghart's rise and fall. Ultimately, however, Eigner concludes that Sieghart's extensive use of patronage to secure a privileged position for Boden-Credit-Anstalt, which was well suited to Austria-Hungary, was ineffectual in democratic Austria. The limitations of Sieghart's old tricks combined with the difficult economic conditions to bring down the bank, which was the pivotal moment of contagion in Europe for the Great Depression.

The lessons learned by contrasting the fate of these men are by no means comfortable. Fortuna

rather than moral fortitude emerges as a better explanation for the fate of each.

The other parts of *Business in the Age of Extremes*, such as Philip L. Cottrell's chapter on Austrian hyperinflation in the early 1920s, Harold James's contribution on the 1931 Central European banking crisis, Reinhard Rürup's work on the Kaiser-Willhelm-Gesellschaft and the Deutsche Forschungsgemeinschaft (German Research Foundation), Dieter Ziegler's chapter on the Nazi economy, Ingo Köhler's piece on "aryanization," Constantin Goschler's piece on the dispossession of Jews throughout Europe, and Heidrun Homburg's work on German management of enemy assets in France, all illustrate deep complexities and inconsistencies of policy implementation in practice. The chapters are on the whole good, although the necessarily short treatment of some of the larger and more complex topics, such as the Austrian economy in the immediate aftermath of the First World War and the 1931 crisis, at times feels brief and disconnected from a larger story.

*Business in the Age of Extremes* concludes with a well-crafted tribute to Feldman by Jürgen Kocka. The tribute includes a brief discussion of Feldman's influential part in the Abraham-Turner controversy of the 1980s over the role of big business in the Nazis' rise to power. In summary, *Business in the Age of Extremes* is an excellent collection of scholarship and an apt acknowledgment of one of the finest economic historians of our time, Gerald Feldman.

#### Note

[1]. See Stephen J. Silvia, *Holding the Shop Together: German Industrial Relations in the Post-war Era* (Ithaca: Cornell University Press, 2013).

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