The Deutsche Bank and the Nazi economic war against the Jews: the expropriation of Jewish-owned property, by Harold James [review]

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Book Review for *Business History Review*


James’ book is the second study produced in the context of a special commission of historians, invited by the Deutsche Bank in 1998 to examine the history of the Bank between 1933 and 1945. The first study by Jonathan Steinberg dealt with the Bank’s gold transactions in the Second World War. The English title of James’ study differs significantly from the parallel German publication by Beck, which bears the less contentious title *Die Deutsche Bank und die “Arisierung”* but it reflects more accurately the underlying assumptions in the work of a polarity between German state policy - the ‘Nazi’ economic war against the Jews - and the strategy of an important but subordinate private company. Make no mistake, James identifies considerable evidence of complicity by the Bank in acts of theft and dehumanisation in relation to the Jewish population of both Germany and the wartime occupied territories. He quotes examples of transactions, where the Bank scrupulously applied the increasingly strict rules of state ‘dejudification policy’, lending them the respectability that attached to Germany’s biggest private bank. He details the particular zeal with which the Bank, with its Austrian and Czech affiliates (the Creditanstalt Bankverein & the Böhmische-Union-Bank), participated in ‘aryanization’ business in Austria, the Sudetenland, the rest of Czechoslovakia and Poland and, in the conclusion, is highly critical of the particular role of Hermann Josef Abs. Abs, a key figure in the Bank’s Management Board during the War and its chairman from 1957 to 1967 and subsequently chairman of the Supervisory Board up until 1976, escaped punishment after the War and successfully warded off efforts by a number of academics and journalists to question his past right up until his death in 1994. James is unequivocal: ‘Abs fully used an unusually wide range of contacts - from foreign multinationals (such as Unilever), the Vatican, through German business leaders, to the thugs who ran the takeovers and expropriations in Austria and in Czechoslovakia, the SS and the Gestapo. … He was responsible for the bank’s “foreign policy”, and this ensured that he bore a direct responsibility for the brutalities of the Czech case’. (p.215f). James employs material which has become available in central and eastern Europe since the end of the Cold War, which includes a number of useful new examples of the perversity of ‘aryanization’: payment by the Bank of confiscatory fines and taxes on Jewish account-holders, the transfer of account balances to the ‘Jewish Autonomous Administration of Theresienstadt’ or even directly to one of the SS Lebensborn homes. To this extent, James’ study provides some valuable new insights into the business history of German banking in the Nazi period and of the corporate sector in general. Nevertheless, the book suffers from several important deficiencies of a structural and a substantive nature. The most glaring structural flaw is the virtual absence of any engagement with other major studies of the Deutsche Bank or of other German businesses in the period. There is passing reference to Eberhard Czichon’s flawed but pioneering 1970 study of Abs¹; the major OMGUS study (from 1946/47) is cited in the bibliography but under H-M Enzensberger, the series editor of a 1985 German

¹Czichon, E., *Der Bankier und die Macht. Hermann Josef Abs in der deutschen Politik*, Cologne 1970
The general study by George Hallgarten and Joachim Radkau (Deutsche Industrie und Politik) which, like Czichon’s work, was subject to court injunctions from the Bank, is not mentioned at all. By the same token, the whitewash hagiographies commissioned by the Bank itself are ignored. This is regrettable, firstly from the point of view of establishing the major areas of controversy, secondly because the differing approaches of other works can be used to clarify the new study methodologically and theoretically.

The second serious structural flaw is the absence of a proper conception of Germany’s political economy in the first half of the 20th century and the very particular role played by Germany’s universal banks. James’ implied polarity between Nazi ‘socialisation’ and the forces of market competition in industry and commerce is confusing and inaccurate. In contrast to its 1920 party programme, the Nazis took surprisingly little private assets into state hands, indeed the two salvage operations (of the Dresdner Bank and the Vereinigte Stahlwerke) ended in generous reprivatisations under the Nazis. Market forces in Germany were highly constrained by a notorious network of cartels, by private monopolies like IG-Farben, but more importantly by an elaborate system of reciprocal holdings of equity between banks and non-banks, which persists up to today. James excuses his non-consideration of the use of slave labour by IG-Farben or Daimler-Benz, in terms of the Bank merely giving them credit. But the Bank also had parcel holdings in these corporations as well as in Mannesmann, Krauss-Maffei and many others; it was represented on their supervisory boards (indeed held 707 such positions throughout German industry in 1942) and deployed very large blocks of proxy-votes at their AGMs (38.1% of IG-Farben shares, over 50% of BMW and Daimler-Benz, 53.9% of Mannesmann). Germany’s private economy, in contrast to most others, was highly centralised and dominated by a relatively small oligarchy. More specifically, Abs - the Bank representative on the IG-Farben Supervisory Board - would have known about the company’s slave labour camp at Auschwitz, as would his fellow-director Rummel about Daimler’s dealings with the SS as slave-labour ‘agency’.

These, and other weaknesses, detract from the detailed descriptions of individual cases of malpractice. The volume has a very ‘rushed’ patchwork feel to it. The organisation of the chapters is haphazard. Some detail is repeated (one whole paragraph on p.33 is simply cut-and-pasted from p.20!), the chronology often unclear. Not until one reaches the conclusion (chapter 9) is there a strong sense of logic or sovereign control of the material.

The book may satisfy Deutsche Bank, which funded the Commission and the author’s expenses for this book, but it will not satisfy many historians, nor will it provide amateur readers with a very clear view of how a key element in Germany’s political economy in this period operated.

Jeremy Leaman is Senior Lecturer in German Studies at Loughborough University, UK. He is the author of The Political of West Germany 1945-1985 (1988) and The Bundesbank Myth (2000) and of numerous chapters and articles on the modern German economy and modern German history. He is managing editor of The Journal of European Area Studies and of Debatte - Review of Contemporary German Affairs. His current research focusses on Social Democratic taxation policy in contemporary Germany.

2 OMGUS, Ermittlungen gegen die Deutsche Bank, Nördlingen 1985
3 Frankfurt am Main/ Cologne 1974