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Introduction

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DOI

[10.1017/9781108985192.001](https://doi.org/10.1017/9781108985192.001)

Publication date

2022

Document Version

Final published version

Published in

Reshaping Capitalism in Weimar and Nazi Germany

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Citation for published version (APA):

Föllmer, M., & Swett, P. E. (2022). Introduction: Historicizing Capitalism in Germany, 1918-1945. In M. Föllmer, & P. E. Swett (Eds.), *Reshaping Capitalism in Weimar and Nazi Germany* (pp. 1-27). (Publications of the German Historical Institute). Cambridge University Press. <https://doi.org/10.1017/9781108985192.001>

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INTRODUCTION

Historicizing Capitalism in Germany, 1918–1945

Moritz Föllmer and Pamela E. Swett

This volume argues that capitalism had a significant presence in Weimar and Nazi Germany but in a different guise than before World War I. *Kapitalismuskritik* (critique of capitalism), nationalism, and state intervention all grew in importance, as did uncertainty about the direction the economy was taking and the ways in which it was intertwined with politics, society, and culture. We are interested in the question of how capitalism was reshaped in this altered context. To get closer to an answer, the cultural dimension of explicit statements about and implicit framings of economic matters needs to be explored. Furthermore, it is crucial to ask who did the reshaping, a focus that suggests attention not just to the capitalist order's many vocal critics but also to those working within it: bankers and industrialists, storeowners and commercial designers, legal scholars and government ministers. Since there were two camps, capitalism was promoted as well as concealed, contested before 1933 and racialized thereafter. Its reshaping during the Weimar and Nazi periods should therefore be studied as a dynamic and active process, and in so doing we take inspiration from a growing literature within the discipline of history and in the social sciences more broadly.

0.1 HISTORICIZING CAPITALISM

Capitalism stands out for its resilience, and not merely its resilience as an economic system. Neither as a disputed notion in political discourse nor as an analytical concept designed to grasp a complex economic reality does it show any signs of going away. In both regards it is even enjoying a revival. Since the financial crisis of 2008 capitalism has once again been attacked

by ferocious critics and defended by staunch advocates.¹ Social theorists from various disciplines are currently reacting to this conjuncture by proposing new definitions and interpretations. The broad approach to economic, social, and cultural dimensions as well as the interest in change over time makes their work highly relevant to historians. In understanding capitalism as a “system of expectations,” of “imagined futures,”² economic sociologist Jens Beckert comes close to some theoretically inclined historians. William H. Sewell Jr. foregrounds the “temporalities of capitalism” in which long cycles and eventful crises are inseparable,³ while Jonathan Levy defines capital “as a pecuniary process of forward-looking valuation, associated with investment,” and capitalism as the state in which this process has become habitual.⁴

Beckert and Levy both stress capitalism’s imaginary features, its orientation toward the future. By foregrounding investment, Levy shifts attention away from industry, long the principal focus of economic and business historians, to finance, retail, real estate, and indeed slavery. He is interested in the various agents involved in the “process of forward-looking valuation.” Sewell, by contrast, emphasizes the impersonal, recurrent logic of capitalist cycles and crises. These different but complementary theorizations are highly relevant insofar as imaginations and crises were central to the reshaping of capitalism in the Weimar and Nazi periods, as was the relationship between impersonal logic and human agency. These dimensions were inseparably structural and cultural; they were matters of intellectual debate, government intervention, and popular politics, of business practice and consumption. Capitalism’s imaginary character, crisis-ridden experience, and personal and impersonal features raised probing moral questions. This

¹ Compare, for instance, Mark Fisher, *Capitalist Realism: Is There No Alternative?* (London, 2009) with Jason Brennan, *Why Not Capitalism?* (London, 2014) or, among historians, Sven Beckert, *Empire of Cotton: A Global History* (New York, 2014) with Werner Plumpe, *Das Kalte Herz. Kapitalismus: Die Geschichte einer andauernden Revolution* (Berlin, 2019).

² Jens Beckert, “Capitalism as a System of Expectations: Toward a Sociological Microfoundation of Political Economy,” *Politics and Society* 41 (2013): 323–50; Beckert, *Imagined Futures: Fictional Expectations and Capitalist Dynamics* (Cambridge, MA, 2016).

³ William H. Sewell Jr., “The Temporalities of Capitalism,” *Socio-economic Review* 6 (2008): 517–37; Sewell, “Economic Crises and the Shape of Modern History,” *Public Culture* 24 (2012): 303–27.

⁴ Jonathan Levy, “Capital as Process and the History of Capitalism,” *Business History Review* 91 (2017): 483–510, here 485; on historically variable ways of conceptualizing profit see Levy, “Accounting for Profit and the History of Capital,” *Critical Historical Studies* 1 (2014): 171–214.

occurred in many countries and in other eras but with particular intensity in Germany between 1918 and 1945. Even less than elsewhere and before could capitalism be grasped in purely economic terms.⁵

Similar insights emanate from the current upsurge in empirical research by historians of the United States. “In history departments,” observed the *New York Times* in 2013, “it’s up with capitalism.”⁶ Practitioners of this rapidly growing subfield of American history, in contrast to cliometric economic historians, pursue qualitative and embedded rather than quantitative and disembodied lines of inquiry. They take up impulses from business history but widen the perspective beyond the firm and the factory, thus drawing fresh connections between economic, social, and cultural aspects within capitalist contexts. They are interested in agricultural markets and the rise of corporations, in systems of mortgage lending, debt securitization, and clerical filing, also in capitalism’s aesthetics, narrativity, and gendering.⁷ And they study a wide range of agents, from major industrialists to less prominent insurance brokers and street hawkers, from slave traders to counterfeiters and prostitutes.⁸

American historians’ recent interest in capitalism has been echoed by specialists in the histories of other countries and students of transnational and global history. As one would expect, this boom has also reached Germany. There, the theoretical debate around 1900, when Max Weber, Werner Sombart, and others provided influential accounts of capitalism’s origins, is being revisited and again provides inspiration.⁹

⁵ On capitalism’s cultural embeddedness see the reflections by Stefan Berger and Alexandra Przyrembel, “Moral, Kapitalismus und soziale Bewegungen: Kulturhistorische Annäherungen an einen ‘alten’ Gegenstand,” *Historische Anthropologie* 24 (2016): 88–107; also see several of the contributions to Christof Dejung, Monika Dommann, and Daniel Speich Chassé, eds., *Auf der Suche nach der Ökonomie: Historische Annäherungen* (Tübingen, 2014).

⁶ Jennifer Schuessler, “In History Departments, It’s Up with Capitalism,” *New York Times*, Apr. 6, 2013.

⁷ Michael Zakim and Gary J. Kornblith, eds., *Capitalism Takes Command: The Social Transformation of Nineteenth-Century America* (Chicago, 2012); Sven Beckert and Christine Desan, eds., *American Capitalism: New Histories* (New York, 2018). One important monograph is Jonathan Levy, *Freaks of Fortune: The Emerging Worlds of Capitalism and Risk in America* (Cambridge, MA, 2012).

⁸ This interest in agents is especially marked in Brian P. Luskey and Wendy A. Woloson, eds., *Capitalism by Gaslight: Illuminating the Economy of Nineteenth-Century America* (Philadelphia, 2015); Steve Mihn, *A Nation of Counterfeiters: Capitalists, Con Men, and the Making of the United States* (Cambridge, MA, 2007).

⁹ See, for instance, Jürgen Kocka, *Capitalism: A Short History*, trans. Jeremiah Riemer (Princeton, NJ, 2016), chapter 1; Friedrich Lenger and Friedrich Wilhelm Graf, eds., “Theorien des Kapitalismus,” *Mittelweg* 36, *Zeitschrift des Hamburger Instituts für*

Another feature is the heavy investment in understanding the ideal type of “German capitalism,” also labeled “Rhenish capitalism.” This is part of an international debate on “varieties of capitalism.”¹⁰ However, discussing the German case acquired particular saliency in the early 2000s, when commentators doubted whether the country’s previously successful economic model was still fit for purpose. The emphasis on a national model retained its prominence after 2008, when Germany turned out to have weathered the financial crisis better than other countries. Therefore, the relevant studies focus principally on the Federal Republic, though they also hark back to the previous political regimes. They stress how companies, capital, and personal networks were densely interlocked, and how these interlockings were supported by a specific political and legal framework.¹¹

Cultural factors – namely, long-standing reservations about mass production and mass consumption – are by no means left out of the picture, but it is fair to say that they continue to take a backseat to Germany’s institutions, networks, and regulations. Here is where this book comes in. It foregrounds capitalism’s cultural dimension over a broad front, covering economic practices, discourses, and representations as well as various individual and collective agents.¹² Our aim as editors is to foster the dialogue between economic and business historians on the one hand and cultural historians on the other, a dialogue that is presently further advanced with regard to the history of the United States than to the study of twentieth-century Germany.¹³ We also complement the existing

Sozialforschung 26, no. 6 (December 2017): 1–74; Friedrich Lenger, *Globalen Kapitalismus denken: Historiographie-, theorie- und wissenschaftsgeschichtliche Studien* (Tübingen, 2018).

¹⁰ Peter A. Hall and David W. Soskice, eds., *Varieties of Capitalism: The Institutional Foundations of Comparative Advantage* (Oxford, 2001); Uwe Becker, *Open Varieties of Capitalism: Continuity, Change and Performance* (Basingstoke, 2009).

¹¹ Volker Berghahn and Sigurt Vitols, eds., *Gibt es einen deutschen Kapitalismus? Tradition und globale Perspektiven der sozialen Marktwirtschaft* (Frankfurt, 2006); Ralf Ahrens, Boris Gehlen, and Alfred Reckendrees, eds., *Die “Deutschland AG”: Historische Annäherungen an den bundesdeutschen Kapitalismus* (Essen, 2013); Hans Günter Hockerts and Günther Schulz, eds., *Der “Rheinische Kapitalismus” in der Ära Adenauer* (Paderborn, 2016).

¹² This broad scope, we think, constitutes an advantage over attempts to define capitalism by the practices it generates. See Sören Bades and Malte Zierenberg, eds., “Praktiken des Kapitalismus,” *Mittelweg* 36, *Zeitschrift des Hamburger Instituts für Sozialforschung* 26, no. 1 (2017): 1–97.

¹³ In contrast to decidedly “pure” – and as such perfectly legitimate and useful – economic histories, as synthesized by Mark Spoerer and Jochen Streb, *Neue deutsche Wirtschaftsgeschichte des 20. Jahrhunderts* (Munich, 2013).

literature through our choice of period. This is a timely moment to look again at Weimar and Nazi Germany through the lens of a cultural history of capitalism. The former is more easily characterized as capitalist; for a long time, it was controversial to attach that label to the Third Reich owing to this regime's interventions, constraints, and incentives.¹⁴ But since mainstream opinion now sees key tenets of a capitalist economy at work between 1933 and 1945, it seems apt to extend our focus to the Nazi years, thus revisiting the classic question of continuity and rupture.¹⁵

Such a cultural history of how capitalism was reshaped in Weimar and Nazi Germany provides an alternative to more rigid ideal types. It follows Jens Beckert in assuming that credit, investment, innovation, and consumption hinge on a wide range of images, narratives, and practices.¹⁶ Moreover it implies that there was no single capitalism or culture of capitalism in the country and period at issue.¹⁷ Whether this was ever the case in other countries and periods is not for this book to discuss, but, arguably, Germany's economy and its cultural dimensions were more

¹⁴ Unless one takes the pre-1914 period as the sole yardstick, as Niall Ferguson does when claiming that “the dissolution of the German capitalist system” began during World War I and the inflation that resulted: *Paper and Iron: Hamburg Business and German Politics in the Era of Inflation, 1897–1927* (Cambridge, 1995), 462.

¹⁵ See the debate between Peter Hayes, “Corporate Freedom of Action in Nazi Germany,” *Bulletin of the German Historical Institute in Washington, D.C.* 45 (Fall 2009): 29–42, and Christoph Buchheim and Jonas Scherner, “Corporate Freedom of Action in Nazi Germany: A Response to Peter Hayes,” *Bulletin of the German Historical Institute in Washington, D.C.* 45 (Fall 2009): 43–50; Buchheim and Scherner, “Private Property in the Nazi Economy: The Case of Industry,” *Journal of Economic History*, 66 (2006): 390–416. It is fair to say that most scholars now lean toward Buchheim and Scherner's view, which stresses considerable latitude for private business under Nazi dictatorship. For recent syntheses, see Tim Schanetzky, *“Kanonen statt Butter”: Wirtschaft und Konsum im Dritten Reich* (Munich, 2015) and Kim Christian Priemel, “National Socialism and German Business,” in Shelley Baranowski, Armin Nolzen, and Claus-Christian Szejnmann, eds., *A Companion to Nazi Germany* (Oxford, 2018), 281–98. The discussion is pursued, with different emphases, in Ralf Banken, ed., “Between Coercion and Private Initiative: Entrepreneurial Freedom of Action in the Third Reich,” Thematic Issue, *Business History* 62(3) (2020). On the notion of *völkisch* capitalism see Alexa Stiller (Chapter 11) in this volume.

¹⁶ Beckert, *Imagined Futures*, part II. For a stimulating study of how capitalism's growing complexity was reduced by way of visual representation see Daniel Damler, *Konzern und Moderne: Die verbundene juristische Person in der visuellen Kultur 1880–1980* (Frankfurt, 2016).

¹⁷ The otherwise useful chapter by Alexander Schug, “Werbung und die Kultur des Kapitalismus,” in Heinz-Gerhard Haupt and Cornelius Torp, eds., *Die Konsumgesellschaft in Deutschland, 1890–1990: Ein Handbuch* (Frankfurt, 2009), 355–69 is solely focused on advertisement and does not attempt to conceptualize “the culture of capitalism.”

diverse between 1918 and 1945 than before or after – which is why the concept of “German capitalism” as a singular entity applies most plausibly to the Federal Republic. The challenge is to turn this insight into a historical argument, to pinpoint overarching tendencies in an otherwise confusing picture. We attempt to do so by foregrounding four crucial tensions. Each of these tensions preoccupied contemporaries, each emerges from a reading of the existing historiography, and each is discussed in greater detail in the contributions that follow.

0.2 FOUR TENSIONS WITHIN GERMAN CAPITALISM, 1918–1945

The *first* tension was between the prominence of *Kapitalismuskritik* and a more tacit spread of capitalist practices and attitudes. Scholars emphasize that a negative stance toward capitalism dominated Weimar-era economic discourse. This contributed to undermining liberal democracy and, as Claus-Christian Szejnmann, in particular, has argued, benefited the Nazis: Hitler and his followers were able to tap into a broad anticapitalist consensus while pushing in a more extreme direction.¹⁸ This is hardly controversial, and this book offers further evidence that a great deal of *Kapitalismuskritik* existed in interwar Germany. But there is another side to the story. In his seminal social and cultural history of the inflation years in Munich, Martin H. Geyer repeatedly cautions against “letting oneself be deceived” by contemporaries’ moralistic slogans and outrage at rich racketeers. Exploiting any opportunity for financial gain was no longer the preserve of professional speculators. The rapid buying up and selling of goods, stocks, or foreign currency became widespread; the same goes for indulging in alcohol-fueled festivities to the advantage of Munich’s brewers, bar owners, and popular musicians. Anticapitalism, however, made it easier to blame such behavior on foreigners, Jews, or the decadence of the metropolis Berlin than to acknowledge its normalcy.¹⁹

¹⁸ Jerry Z. Muller, *The Mind and the Market: Capitalism in Modern European Thought* (New York, 2002), 258–87; Claus-Christian W. Szejnmann, “Semantik der Kapitalismuskritik in Deutschland nach dem Ersten Weltkrieg,” in Darius Adamczyk and Stephan Lehnstaedt, eds., *Wirtschaftskrisen als Wendepunkte: Ursachen, Folgen und historische Einordnungen vom Mittelalter bis zur Gegenwart* (Osnabrück, 2015), 77–99; Claus-Christian W. Szejnmann, “Nazi Economic Thought and Rhetoric during the Weimar Republic: Capitalism and Its Discontents,” *Politics, Religion & Ideology* 14 (2013): 355–76.

¹⁹ Martin H. Geyer, *Verkehrte Welt. Revolution, Inflation und Moderne: München 1914–1924* (Göttingen, 1998), chapter 8, quotation 247, 260, 267. There were some timid

It is interesting to observe how contemporary economic agents navigated this tension between principles and practices. Commercial publishers and breweries alike faced moral censure for supposedly undermining Germany's cultural or physical strength, yet developed innovative ways of marketing their respective products.²⁰ Another pertinent example can be found in the way that some major industrialists hesitated to present themselves as capitalists to a skeptical public. Some reacted by stressing their patriotic sense of purpose; others preferred to limit their exposure. Heinrich Thyssen-Bornemiza, for example, moved his investment activities abroad and, when in Germany, adopted the role of a nobleman and horse racing amateur. Friedrich Flick, by contrast, remained very active within Germany but managed to cover his traces so shrewdly that even the staff of his own companies had little idea for whom they were working.²¹ Local savings banks, the *Sparkassen* that are still a cornerstone of the German economy, strove to reconcile their self-image as a people-friendly alternative to the major banks with the need to return a profit.²² Companies even called each other out for capitalist behavior. Toward the end of World War II, when forced laborers and, in many cases, concentration camp inmates were deployed across the board, some construction firms leveled the charge of human trafficking against their competitors, whom they accused of inflating their workforces in the interest of obtaining government compensation. In the context of the Third Reich, this proved a more effective discursive strategy than complaining about insufficient profits.²³

The *second* tension was between a preoccupation with the essence of capitalist development, widely assumed to lie in concentration and “organization,” and the experience of capitalism's bewildering complexity. Surveying economic and sociological discourse, Roman Köster has convincingly identified the predominance of one particular notion

attempts to promote a popular capitalism in Weimar Germany, but nowhere near to the extent discernible in interwar Britain. See Kieran Heinemann, “Investment, Speculation and Popular Stock Market Engagement in 20th-Century Britain,” *Archiv für Sozialgeschichte* 56 (2016): 249–72, here 254–61.

²⁰ Gideon Reuveni, *Reading Germany: Literature and Consumer Culture in Germany before 1933* (New York, 2005); see Sina Fabian (Chapter 7) in this volume.

²¹ See Simone Derix (Chapter 4) and Tim Schanetzky (Chapter 5) in this volume.

²² Chapter by Pamela E. Swett (Chapter 10) in this volume.

²³ Marc Buggeln, “‘Menschenhandel’ als Vorwurf im Nationalsozialismus: Der Streit um den Gewinn aus den militärischen Grossbaustellen am Kriegsende (1944/45),” in Mark Spoerer, Helmut Trischler, and Andreas Heusler, eds., *Rüstung, Kriegswirtschaft und Zwangsarbeit im Dritten Reich* (Munich, 2010), 199–218.

centered on large-scale technology, industry, and bureaucracy. Capitalism understood in these terms was seen to erase human individuality and cultural specificity.²⁴ Social Democrats, most importantly economic theorist and future minister of finance Rudolf Hilferding, saw similar tendencies at work, although they rewrote them into a more optimistic scenario. They hoped that *organisierter Kapitalismus* (organized capitalism) would facilitate codetermination by the trade unions and thus an eventual shift toward a socialist economy.²⁵ This was, however, a view characteristic of the calmer years between hyperinflation and depression – and even then some Social Democrats raised doubts about their party’s stance. Other observers stressed the dispersed rather than concentrated nature of Weimar-era capitalism, how it tended toward chaos rather than greater political control. Disagreement prevailed over whether it was leveling or fostering individuality, creating homogeneity or causing heterogeneity, about to disappear or stronger than ever. Moreover, uncertainty about capitalism’s dynamic was linked to uncertainty about male privilege, which is why women’s increasing presence in services and consumption triggered such hostile reactions.²⁶

Again, the interesting issue is less which assessment was “right” and more how contemporaries dealt with this tension. The numerous advocates of a gradual or evolutionary transformation from the left were struggling with capitalism’s simultaneous predominance and elusiveness. Hence, they found it difficult to imagine what a transition to a new economic order would actually look like and how it could be ushered in, while also being reluctant to scale back expectations of political agency.²⁷ By contrast, others toiling in the growing commercial sector were more concerned with the practicalities of analyzing consumers and designing or selling products. But they too were unsure about the direction of economic and cultural development, striving simultaneously to rationalize consumption and appeal to popular desires.²⁸ In general, business owners and managers had a clear stake in a capitalist economy while grappling

²⁴ Roman Köster, “Transformationen der Kapitalismusanalyse und Kapitalismuskritik in Deutschland im 20. Jahrhundert,” *Geschichte und Gesellschaft*, Special Issue 24 (2012), *Kulturen der Weltwirtschaft*, ed. Werner Abelshauser, 284–303.

²⁵ Historians debated the validity of Hilferding’s assessment in the 1970s but have since lost interest in the issue. See Heinrich August Winkler, ed., *Organisierter Kapitalismus: Voraussetzungen und Anfänge* (Göttingen, 1974).

²⁶ See Geyer, *Verkehrte Welt*; Bernd Widdig, *Culture and Inflation in Weimar Germany* (Berkeley, 2001), chapter 8.

²⁷ See Moritz Föllmer (Chapter 1) in this volume.

²⁸ See Jan Logemann (Chapter 8) in this volume.

with its sheer complexity. Some entrepreneurs excelled at exploiting the chaos of the inflation years, whereas a key trend of the stabilization years was to reduce market volatility by forming cartels and syndicates.²⁹

Such volatility was again in evidence during the depression of the early 1930s, which triggered calls for further consolidation. Against this backdrop, the Nazis' arrival in power could be seen as an opportunity to reorder a complex economy. For business, participating in the elimination of the Jewish presence in an industry or pushing for its rationalization were ways to simultaneously accommodate the regime's political demands and pursue economic interests.³⁰ Companies could accept a trade-off by which government control stabilized profit-making, and the rhetoric of *Volksgemeinschaft* (national community) enhanced their status without requiring a drastic change of pre-1933 self-understandings.³¹ Jewish entrepreneurs had to bear the brunt of this mix between dynamism and consolidation. As some recent studies have argued, they maintained a degree of agency for some time and should thus not be reduced to mere victimhood. This said, their adaptation strategies in the interests of economic survival were designed in a bewilderingly complex situation and implemented in a context of discrimination and persecution.³²

During the war German industry continued to aim at a rigidly controlled version of capitalism. Along these lines many companies were keen to apply a Fordist approach to production, increasingly drawing on forced

²⁹ Gerald D. Feldman, *Hugo Stinnes: Biographie eines Industriellen 1870–1924* (Munich, 1998), chapter 9; Martin H. Geyer, *Kapitalismus und politische Moral in der Zwischenkriegszeit. Oder: Wer war Julius Barmat?* (Hamburg, 2018), chapter 3; Alfred Reckendrees, "From Cartel Regulation to Monopolistic Control? The Founding of the German 'Steel Trust' in 1926 and Its Effect on Market Regulation," *Business History* 45 (2003): 22–51.

³⁰ Frank Bajohr, "Aryanisation" in Hamburg: *The Economic Exclusion of Jews and the Confiscation of Their Property in Nazi Germany*, trans. George Wilkes (New York, 2002); Christoph Kreutzmüller, *Final Sale in Berlin: The Destruction of Jewish Commercial Activity, 1930–1945*, trans. Jane Paulick and Jefferson Chase (New York, 2015), chapter 6. Anne Sudrow, *Der Schuh im Nationalsozialismus: Eine Produktgeschichte im deutsch-britisch-amerikanischen Vergleich* (Göttingen, 2010), 346–7, 402–3, 444–7, demonstrates that shoe producers, rather than merely adapting to political constraints, had a genuine interest in introducing surrogate materials and limiting consumer choice.

³¹ See, for instance, the case of commercial advertisers discussed in Pamela E. Swett, *Selling under the Swastika: Advertising and Commercial Culture in Nazi Germany* (Stanford, 2014), chapters 2–4.

³² Kreutzmüller, *Final Sale in Berlin*, chapter 9; Benno Nietzel, *Handeln und Überleben: Jüdische Unternehmer aus Frankfurt am Main 1924–1964* (Göttingen, 2012), 99–149.

laborers and concentration camp inmates.³³ The quest for order was thus inextricably linked to violent forms of factory discipline. Yet, given the dire military situation, not even extreme state repression could suppress the chaotic side of economic activity. Long before the defeat, the regulation of scarce resources through rationing had the unintended consequence of fostering black market trading. This has been interpreted as a “radical experience of the free market,” one that was later glossed over by a sanitized image of coordinated German capitalism.³⁴

Capitalism’s oscillation between concentration and complexity was closely related to a *third* tension – namely, between the importance of state intervention and the equally crucial dynamics of the market. Germany boasted a long-standing tradition of expecting profit-seeking to be moderate and order to be guaranteed by the state; Werner Plumpe even speaks of a peculiar economic style that semantically underpinned the German variant of capitalism.³⁵ The state had massively expanded its influence on the economy during World War I and remained involved to a much larger extent than before 1914. It exerted control over wage settlements and crucial sectors, for instance, tightly regulating the housing market through rent controls and tenant protection.³⁶ State involvement was not simply imposed but often called for by capitalist agents. Store owners demanded government compensation for the destructive

³³ Rüdiger Hachtmann, “Fordism and Unfree Labour: Aspects of the Work Deployment of Concentration Camp Prisoners in German Industry between 1941 and 1944,” *International Review of Social History* 55 (2010): 485–513. On companies’ profitable partnership with the SS, see also Marc Buggeln, *Slave Labor in Nazi Concentration Camps*, trans. Paul Cohen (Oxford, 2014), 66–73, 82, 117–35, 245–6, 276–7.

³⁴ Malte Zierenberg, *Berlin’s Black Market*, trans. Jeffrey Verhey (Basingstoke, 2015), 209–14.

³⁵ Werner Plumpe, “Ökonomisches Denken und wirtschaftliche Entwicklung: Zum Zusammenhang von Wirtschaftsgeschichte und historischer Semantik der Ökonomie,” *Jahrbuch für Wirtschaftsgeschichte* 2009, no. 1: 27–51, here 51. Even in the context of the United States, though, recent studies have stressed just how much capitalist development hinged on institutional conditions created by government. See Noam Maggor, “To Coddle and Caress These Great Capitalists: Eastern Money, Frontier Populisms, and the Politics of Market-Making in the American West,” *American Historical Review* 122 (2017): 55–84.

³⁶ Karl-Christian Führer, *Mieter, Hausbesitzer, Staat und Wohnungsmarkt: Wohnungsmangel und Wohnungszwangswirtschaft in Deutschland 1914–1960* (Stuttgart, 1995). Even in this domain, however, the continuing significance of private enterprise after 1918 should not be underestimated; see Christoph Bernhardt, “Vom Terrainhandel zur Weimarer Städtebaukoalition: Unternehmen und Unternehmer im Berliner Eigenheimbau von 1900 bis 1939,” in Heinz Reif, ed., *Berliner Villenleben: Die Inszenierung bürgerlicher Wohnwelten am grünen Rand der Stadt um 1900* (Berlin, 2008), 71–91.

consequences of political unrest.³⁷ Industrialists cultivated political connections, leading to a further growth in the importance of interest representation and lobbying. Many came to expect subsidies and bailouts, so that critical observers could not help noticing the contradiction in business's incessant complaints about government interference.³⁸

Ardent free traders, such as Hamburg's coffee merchants, were struggling to find a balance between new arrangements with the interventionist state and the hope of reestablishing the prewar liberal order.³⁹ Then again, private initiative remained crucial, especially in sectors that could not hope for much state support. The aforementioned breweries and commercial publishers, which found ways to make a profit at a time of scarce disposable incomes, are a case in point.⁴⁰ Tourism provides another interesting example. Independent travel agencies prospered during the Third Reich despite the much better-known offerings of "Strength through Joy," while hotel owners benefited from visitors to major attractions – classic sites as well as those associated with Hitler and the Nazi Party.⁴¹

What made this a tension, rather than simply a coexistence of different sectors with varying degrees of government influence? The answer lies in contemporary discourses of unity and decision, reinforced by media dynamics. These discourses prevented an acknowledgment that state-economy relations were inevitably complex; they also rendered it difficult for the advocates of a return to the liberal past to gain much traction. Thus, various scandals attested to the proximity between business and government, which was less discussed in depth than conveniently blamed on the republican *System* and some prominent Jews.⁴² More distant observers were keen to distinguish between a modern, "rational" and an

³⁷ See Molly Loberg (Chapter 9) in this volume.

³⁸ See Philipp Müller, "Neuer Kapitalismus und parlamentarische Demokratie: Wirtschaftliche Interessenvertreter in Deutschland und Frankreich," in Tim B. Müller and Adam Tooze, eds., *Normalität und Fragilität: Demokratie nach dem Ersten Weltkrieg* (Hamburg, 2015), 154–76; Philipp Müller, *Zeit der Unterhändler: Koordinierter Kapitalismus in Deutschland und Frankreich zwischen 1920 und 1950* (Hamburg, 2019); Fritz Blaich, "'Garantierter Kapitalismus': Subventionspolitik und Wirtschaftsordnung in Deutschland zwischen 1925 und 1932," *Zeitschrift für Unternehmensgeschichte* 22 (1977): 50–70.

³⁹ See Dorothee Wierling (Chapter 6) in this volume.

⁴⁰ Reuveni, *Reading Germany*; see Sina Fabian (Chapter 7) in this volume.

⁴¹ Kirsten Semmens, *Seeing Hitler's Germany: Tourism in the Third Reich* (Basingstoke, 2005), chapters 2–4.

⁴² Martin H. Geyer, "Contested Narratives of the Weimar Republic: The Case of the 'Kutisker-Barmat Scandal'," in Kathleen Canning, Kerstin Barndt, and Kristin McGuire, eds., *Weimar Publics – Weimar Subjects: Rethinking the Weimar Republic* (New York,

older, “political” capitalism, while grudgingly admitting that the wartime and postwar periods had led to a revival of blatant influence-peddling.⁴³ During the depression, the widespread perception of speculation as the root cause of current economic problems led to calls for government to intervene with an authority that it, in fact, sorely lacked.⁴⁴

Once again the Third Reich brought about a putative solution. While claiming to have eliminated “speculation” and “corruption,” it led to mutually profitable synergies between private companies on the one hand and government and party agencies on the other. Often these synergies actually reinforced competition. Even the aircraft industry, where demand was almost entirely state-driven, has been labeled a “playground for entrepreneurial initiative.”⁴⁵ Such entanglements were often far more questionable than those of the Weimar period, but the difference was that they were now justified by a desirable primacy of politics rather than exposed and condemned by a free press.⁴⁶ Academic debate on economic issues was less threatening and thus to some extent tolerated in the Third Reich: contrary to a long-standing myth, the neoliberal vision of a more competitive economic order protected by a neutral state was only partly formulated in exile or opposition.⁴⁷ Thanks not least to keen transnational networking, this quite authoritarian brand of neoliberalism later merged with a democratic critique of cartels and trusts that underpinned attempts to demarcate a clean American capitalism from a compromised German one in the immediate postwar period.⁴⁸

2010), 211–35; Geyer, *Kapitalismus und politische Moral*; Cordula Ludwig, *Korruption und Nationalsozialismus in Berlin 1924–1934* (Frankfurt, 1998), chapter 2.

⁴³ See Martin H. Geyer (Chapter 2) in this volume.

⁴⁴ Martin H. Geyer, “What Crisis? Speculation, Corruption, and the State of Emergency during the Great Depression,” *Bulletin of the German Historical Institute in Washington, D.C.* 55 (Fall 2014), 9–35; see Moritz Föllmer (Chapter 1) in this volume.

⁴⁵ Adam Tooze, *The Wages of Destruction: The Making and Breaking of the Nazi Economy* (London, 2006), 129.

⁴⁶ See Tim Schanetzky (Chapter 5) in this volume; Frank Bajohr, *Parvenüs und Profiteure: Korruption in der NS-Zeit* (Frankfurt, 2001), 114–16, 140, 147–9. On the discourse around the primacy of politics over the economy see Stefan Scholl, *Begrenzte Abhängigkeit: “Wirtschaft” und “Politik” im 20. Jahrhundert* (Frankfurt, 2015), chapter 3.

⁴⁷ Ralf Ptak, “Neoliberalism in Germany: Revisiting the Ordoliberal Foundations of the Social Market Economy,” in Philip Mirowski and Dieter Plehwe, eds., *The Road from Mont Pèlerin: The Making of the Neoliberal Thought Collective* (Cambridge, MA, 2009), 98–138. Among treatments of neoliberal thinkers Jean Solchany, *Wilhelm Röpke, l’autre Hayek: Aux origines du néolibéralisme* (Paris, 2015) stands out.

⁴⁸ See Kim Christian Priemel (Chapter 3) in this volume; Priemel, “‘A Story of Betrayal’: Conceptualizing Variants of Capitalism in the Nuremberg War Crimes Trials,” *Journal of Modern History* 85 (2013): 69–108.

A peculiarly German variant of capitalism, widely and conveniently faulted for Nazism after the war, had been a focal point of longing in the Weimar and Nazi periods. However, a predominantly national framework of perceiving, debating, and attempting to steer capitalism sat uneasily with the German economy's transnational entanglements, constraints, and opportunities. This *fourth* tension continued to flare up throughout the period in question. Soon after World War I, companies resumed their attempts to seek investment opportunities beyond Germany's borders, by profiting from the reconstruction of destroyed facilities in northern and eastern France or by camouflaging their activities given the restrictions imposed by the Treaty of Versailles.⁴⁹ Captains of industry were simultaneously practicing a form of transnationalism and loudly proclaiming their patriotic credentials.⁵⁰ Such activities were difficult to own up to in public given the predominant political atmosphere. Yet, after the French and Belgian occupation of the Ruhr subsided, the optimistic vision emerged that national and transnational orientations would once again be compatible. From 1924 to 1929 Foreign Minister Gustav Stresemann negotiated a consensual reparation regime in the interest of foreign loans and international trade.⁵¹ Much as contemporaries were obsessed with America, especially its Taylorism and Fordism, most thought that quintessentially "German"-quality production and cultured consumption could be maintained even in times of rationalization.⁵²

The interplay between German capitalism's national and transnational orientations was always controversial, but it seemed to have reached a dead end during the depression of the early 1930s. Chancellor

⁴⁹ Anna Karla, "Westeuropas Wiederaufbau – *Made in Germany?* Baumaterial aus Deutschland im Versailler Vertrag," *Zeithistorische Forschungen* 13 (2016): 426–41; Jan-Otmar Hesse, "Die globale Verflechtung der Weimarer Wirtschaft: 'De-Globalisierung' oder Formwandel?" in Christoph Cornelissen and Dirk van Laak, eds., *Weimar und die Welt: Globale Verflechtungen der ersten deutschen Republik* (Göttingen, 2020), 347–77.

⁵⁰ Compare Conan Fischer, "Scoundrels without a Fatherland? Heavy Industry and Transnationalism in Post-First World War Germany," *Contemporary European History* 14 (2005), 441–64, with Moritz Föllmer, "Der 'kranke Volkskörper': Industrielle, hohe Beamte und der Diskurs der nationalen Regeneration in der Weimarer Republik," *Geschichte und Gesellschaft* 27 (2001), 41–67.

⁵¹ Tooze, *Wages of Destruction*, 3–12; Peter Krüger, *Die Aussenpolitik der Republik von Weimar* (Darmstadt, 1985), chapters 3–4; Manfred Berg, *Gustav Stresemann und die Vereinigten Staaten von Amerika: Weltwirtschaftliche Verflechtung und Revisionspolitik 1907–1929* (Baden-Baden, 1990), chapters 5–6.

⁵² Mary Nolan, *Visions of Modernity: American Business and the Modernization of Germany* (New York, 1994), chapters 4–6.

Heinrich Brüning's government introduced capital controls and tried in vain to form a customs union with Austria. In contrast to what – fairly or unfairly – appeared to be Brüning's cluelessness, the Nazis loudly promised to restore national sovereignty through sheer willpower.⁵³ Yet in many ways the tension remained, blamed though it was on alleged Jewish influences. As Adam Tooze stresses, even Hitler's regime could not transcend the structural limitations of the German economy – namely, its twin dependence on imports to bring in commodities and exports to earn much-needed foreign currency. But to a significant extent, it was possible to hide these limitations from the public through complicated arrangements paired with dictatorial secrecy.⁵⁴ Some relations continued, particularly those with non-Western partners. Small industrialists in Saxony, representatives of the Leipzig trade fair, and German-Romanian chambers of commerce worked hard to promote exports to southeastern Europe. Chemical concern I.G. Farben ventured out to India: it produced dye in the British colony, appealing to the Indian nationalist project of creating a domestic textile industry.⁵⁵ Other activities were hectic and often tacit, owing to the drive toward rearmament and autarky. German companies cloaked their foreign assets, with or without the support of their government, and bought up vital goods – for instance, sesame seeds, vegetable oils, and pig intestines in Japanese-occupied Shanghai.⁵⁶

⁵³ The predominant view among economic historians now is that there were no clear superior alternatives to Brüning's deflationist stance, although the issue continues to be debated. See the seminal article by Knut Borchardt, "Constraints and Room for Manoeuvre in the Great Depression and the Early Thirties: Towards a Revision of the Received Historical Picture," in Borchardt, *Perspectives on Modern German Economic History and Policy* (Cambridge, 1991), 143–60, and the latest controversy over Brüning in the *Vierteljahreshefte für Zeitgeschichte*: Paul Köppen, "'Aus der Krankheit konnten wir unsere Waffe machen': Heinrich Brüning's Spardiktat und die Ablehnung der französischen Kreditangebote 1930/31," *Vierteljahreshefte für Zeitgeschichte* 62 (2014): 349–75; Tim B. Müller, "Demokratie und Wirtschaftspolitik in der Weimarer Republik," *Vierteljahreshefte für Zeitgeschichte* 62 (2014): 569–601; Roman Köster, "Keine Zwangslagen? Anmerkungen zu einer neuen Debatte über die deutsche Wirtschaftspolitik in der Grossen Depression," *Vierteljahreshefte für Zeitgeschichte* 63 (2015): 241–57.

⁵⁴ Tooze, *Wages of Destruction*, 35–325.

⁵⁵ Stephen G. Gross, *Export Empire: German Soft Power in Southeastern Europe, 1890–1945* (Cambridge, 2015), chapters 2 and 5; Christina Lubinski, "Global Trade and Indian Politics: The German Dye Business in India before 1947," *Business History Review* 89 (2015): 503–30. For similar efforts in China, see Mathias Mutz, "'Ein unendlich weites Gebiet für die Ausdehnung unseres Geschäfts': Marketingstrategien des Siemens-Konzerns auf dem chinesischen Markt (1904–1937)," *Zeitschrift für Unternehmensgeschichte* 51 (2006): 93–115, here 105–111.

⁵⁶ Christopher Kobrak and Jana Wüstenhagen, "International Investment and Nazi Politics: The Cloaking of German Assets Abroad, 1936–1945," *Business History* 48 (2006):

During the war, this tension once again appeared to have been resolved. German economic nationalism could now draw on an empire. Exploiting occupied countries and coaxing allied or neutral ones into arrangements that benefited the dominant power created numerous business opportunities. Steel companies could acquire shares in their foreign competitors, secure sites or plants in Western Europe, and begin to take over Soviet state enterprises that were to be privatized after the war.⁵⁷ In Poland and the Netherlands major banks, whose domestic activities were restricted, competed to secure a large share of the future credit market and eagerly participated in the confiscation of Jewish assets.⁵⁸ Bankers working for the SS resettling apparatus aimed to mobilize ethnic Germans' capitalist potential by fostering their economic self-reliance, to the detriment of the native population.⁵⁹ The Nazi empire thus rested on capitalist agents both present and future, German as well as European – the latter insofar as the occupation authorities incentivized companies to produce for the *Wehrmacht* rather than the domestic market.⁶⁰

These four tensions, with a little simplification, yielded a situation in which many Germans critiqued capitalism, searched for its essence, and called for its containment by the state and the nation, while others accepted it, along with its complex, market-driven, and transnational character. But what interests us more than static ideal types are the overlaps and shifts between these two poles, often within the same groups or even persons. The dynamic process of reshaping a preexisting economic

399–427; Frederic Wakeman, *The Shanghai Badlands: Wartime Terrorism and Urban Crime, 1937–1941* (Cambridge, 1996), 7–8.

⁵⁷ Ralf Ahrens, “German Steel Industry’s Expansion in Occupied Europe: Business Strategies and Exploitation Practice,” in Marcel Boldorf and Tetsuji Okazaki, eds., *Economies under Occupation: The Hegemony of Nazi Germany and Imperial Japan in World War II* (London, 2015), 247–61.

⁵⁸ Harald Wixforth, “Die Banken in den abhängigen und besetzten Gebieten Europas 1938–1945: Instrumente der deutschen Hegemonie,” in Christoph Buchheim and Marcel Boldorf, eds., *Europäische Volkswirtschaften unter deutscher Hegemonie 1938–1945* (Munich, 2012), 185–207; Christoph Kreuzmüller, *Händler und Handlungsgehilfen: Der Finanzplatz Amsterdam und die deutschen Grossbanken (1918–1945)* (Stuttgart, 2005), chapters 3–4; Ingo Loose, “Credit Banks and the Holocaust in the *Generalgouvernement*, 1939–1945,” *Yad Vashem Studies* 34 (2006): 177–218.

⁵⁹ See Alexa Stiller (Chapter 11) in this volume.

⁶⁰ Marcel Boldorf, “European Economies under National Socialist Rule,” in Boldorf and Okazaki, *Economies under Occupation*, 7–23, here 13–16; Jonas Scherner, “Europas Beitrag zu Hitlers Krieg: Die Verlagerung von Industrieaufträgen der Wehrmacht in die besetzten Gebiete und ihre Bedeutung für die deutsche Rüstung im Zweiten Weltkrieg,” in Buchheim and Boldorf, *Europäische Volkswirtschaften*, 69–92.

and cultural order had different potential outcomes. Capitalism did not “create Fascism,” as a classic left narrative has suggested, but, in the cultural context of Germany between 1918 and 1945, it could be harnessed effectively by the Nazi regime, so that its various agents contributed to implementing a racist and imperialist agenda. This is especially evident with regard to antisemitism, which provided ready diagnoses of and “solutions” to all four tensions. Jews could be identified with bewildering complexity, speculative and volatile markets, transnational dependencies, and indeed with capitalism itself. They “became the *personifications* of the intangible, destructive, immensely powerful, and international domination of capital as an alienated social form,” as the late Moishe Postone aptly put it.⁶¹ Jewish entrepreneurs were not devoid of agency, but the strategies they designed for economic survival ran up against an increasingly desperate situation. Antisemitism thus underpinned the entire Nazi promise of an economy that preserved crucial advantages of the established system, in stark contrast to Marxism, but that had moved decidedly beyond capitalism.

To stress how capitalism was reshaped in a tension-ridden process furthermore allows us to revisit the issue of continuities and ruptures. Important elements of the Weimar and Nazi periods stemmed from the pre-1914 era and pointed toward future “Rhenish capitalism.” Many companies continued to exist for decades or are still in business today. The ways in which they interlocked with capital and personal networks were remarkably persistent, and the same can be said about institutionalized industrial production.⁶² The attitudes of these companies’ owners and managers, who tended to view society and approach family life through the prism of established middle-class values, were equally long-lived.⁶³ However, continuities are not simply there for the historian to

⁶¹ Moishe Postone, “Anti-Semitism and National Socialism,” in Anson Rabinbach and Jack Zipes, eds., *Germans and Jews since the Holocaust: The Changing Situation in West Germany* (New York, 1986), 302–14, here 311–12 (emphasis in original). See also, more broadly, Jerry Z. Muller, *Capitalism and the Jews* (Princeton, NJ, 2010).

⁶² Alfred Reckendrees, “Historische Wurzeln der Deutschland AG,” in Ahrens, Gehlen, and Reckendrees, “*Deutschland AG*,” 57–84; Werner Abelshauser, “Umbruch und Persistenz: Das deutsche Produktionsregime in historischer Perspektive,” *Geschichte und Gesellschaft* 27 (2001): 503–23. But see also the critical discussion by Volker Berghahn, “Das ‘deutsche Kapitalismus-Modell’ in Geschichte und Geschichtswissenschaft,” in Berghahn and Vitols, *Gibt es einen deutschen Kapitalismus?*, 25–43, who stresses the importance of political shifts and American influences.

⁶³ Jonathan Wiesen, *Creating the Nazi Marketplace: Commerce and Consumption in the Third Reich* (Cambridge, 2011); Hartmut Berghoff, *Zwischen Kleinstadt und Weltmarkt. Hohner und die Harmonika 1857–1961: Unternehmensgeschichte als*

identify; they are also relevant as matters of construction and contention. The Allies told a long-term story that explained business's involvement in Nazi crimes, while German companies promoted a counternarrative of economic activity fundamentally untainted by political interference.⁶⁴

Moreover, one might argue that the deliberate creation of continuities and ruptures is partly what capitalist agents do. Christoph Buchheim, who made major contributions to the economic and business history of the Third Reich before his premature death, saw the essence of capitalist behavior in a long-term orientation. Companies profited from the Nazi regime while attempting to plan ahead for a postwar future that they expected to be governed by the market.⁶⁵ This was doubtless the case. But is it really any less capitalist to exploit short-term advantages, for example, by destroying competitors or peddling political influence?⁶⁶ Companies that had managed to survive the interwar decades had grown used to a highly volatile, complex, and state-influenced environment. They, like many policy makers and individual consumers, demonstrated remarkable flexibility in adapting to new circumstances – so much so that Gerald D. Feldman spoke of a gambling mentality and an “economic shortness of breath” during the inflation years and beyond.⁶⁷ Both long-term and short-term strategizing marked the reshaping of capitalism in Germany, and they were often inseparable – for instance, when

Gesellschaftsgeschichte (Paderborn, 1997); Cornelia Rauh-Kühne, “Zwischen ‘verantwortlichem Wirkungskreis’ und ‘häuslichem Glanz’: Zur Innenansicht wirtschaftsbürgerlicher Familien im 20. Jahrhundert,” in Dieter Ziegler, ed., *Grossbürger und Unternehmer: Die deutsche Wirtschaftselite* (Göttingen, 2000), 215–48.

⁶⁴ Compare Priemel, “A Story of Betrayal” with S. Jonathan Wiesen, *West German Industry and the Challenge of the Nazi Past* (Chapel Hill, NC, 2001) and Sebastian Brünger, *Geschichte und Gewinn: Der Umgang deutscher Konzerne mit ihrer NS-Vergangenheit* (Göttingen, 2017).

⁶⁵ Christoph Buchheim, “Unternehmen in Deutschland und NS-Regime 1933–1945: Versuch einer Synthese,” *Historische Zeitschrift* 282 (2006): 351–89, here 385, 389.

⁶⁶ See Thomas Welskopp's critique of an overly harmonious view of market competition: “Zukunft bewirtschaften: Überlegungen zu einer praxistheoretisch informierten Historisierung des Kapitalismus,” *Mittelweg* 36, *Zeitschrift des Hamburger Instituts für Sozialforschung* 26, no. 1 (February/March 2017): 81–97, here 91–3. For a case study of a conflict between representatives of a long-term and a short-term orientation, see Boris Gehlen and Tim Schanetzky, “Die Feuerwehr als Brandstifter: Silverberg, Flick und der Staat in der Weltwirtschaftskrise,” in Ingo Köhler and Roman Rossfeld, eds., *Pleitiers und Bankrotteure: Geschichte des ökonomischen Scheiterns vom 18. bis 20. Jahrhundert* (Frankfurt, 2012), 217–50.

⁶⁷ Gerald D. Feldman, “Weimar from Inflation to Depression: Experiment or Gamble?” in Feldman, ed., *Die Nachwirkungen der Inflation auf die deutsche Geschichte 1924–1933* (Munich, 1985), 385–401, here 398.

companies strove to safeguard their assets while simultaneously scrambling to secure forced laborers and concentration camp inmates. In that sense, different “temporalities of capitalism” were at work in the Weimar and Nazi periods, and the “process of forward-looking valuation” assumed a variety of forms, which were compatible both with a parliamentary democracy and a profoundly inhuman regime.⁶⁸

0.3 DEBATING, CONCEALING, PROMOTING, AND RACIALIZING GERMAN CAPITALISM

These four thematic tensions did not work in isolation from one another, as explained earlier, and each of the eleven chapters that follow could be said to provide evidence of at least one – sometimes several – of these elements. We have not, therefore, chosen to use these tensions as a strict organizing tool for the volume. Instead, we have grouped the essays in sections that speak to these tensions but also touch on four ways in which Germans interacted with, lived within, and shaped capitalism across the tumultuous years from 1918 to 1945.

Part I of the volume, “Debating Capitalism,” seeks to introduce the topic by laying out the main contours of the lively discussions about capitalism held in these decades. All three of its chapters start out from contemporaries’ recognition that World War I had ushered in a new age in which the state had become deeply entwined in the economic order and industry had grown increasingly concentrated (and politically influential) through the establishment of cartels and monopolies. The evaluation of these developments, however, remains deeply contentious.

In the first chapter, Moritz Föllmer accepts the existence of strong anticapitalist currents in interwar Germany but turns his attention toward the ways in which contemporaries understood individual agency with regard to capitalist practice. Across the political spectrum activists struggled to find ways to realize their ambitions to reform or overthrow the capitalist order. While the German Communist Party got its start during an era in which a victorious revolution seemed possible, even likely, capitalism held, buoyed by economic and social structures that kept most workers obedient and by incentives that enticed them to keep the

⁶⁸ Sewell, “Temporalities of Capitalism”; Levy, “Capital as Process,” 485. Vanessa Ogle also stresses that capitalism combines a general orientation toward the future with varying temporalities (“Time, Temporality, and the History of Capitalism,” *Past & Present* 243 [May 2019]: 312–37).

capitalist machinery in place. Other critics had no interest in overthrowing capitalism, but they found even reform, a difficult task. The role of the state in the project of reform was also hotly debated. Some maintained that it provided a necessary brake on the fundamental amorality of capitalism, while liberals believed that state intervention and industrial concentration through cartel formation undermined the individual agency and innovation of earlier decades. Here too, however, there seemed to be limits on what could be achieved in the way of taming its expansion. As Föllmer explains, capitalism was a target of criticism from across the political spectrum, but no one seemed able to nail down this adversary – was it on its last legs, or was it unstoppable in its power and reach? Föllmer offers an important corrective. He reminds us that while many critics of capitalism seemed unable to conceive of a way to rein in, reform, or destroy it, other individuals continued to successfully take advantage of its openings for agency. From small-time entrepreneurs like street hawkers to the wealthiest industrialists, individuals were showing the adaptability and creativity needed to participate in a rapidly changing economy.

Martin Geyer's contribution (Chapter 2) also focuses on the critique of capitalism in the interwar period, and he begins by reminding us that the financial crisis of the early 1930s was to many a sign that capitalism had run its course. Like Föllmer, Geyer examines one key component of the anticapitalist discourse. For him, the dangers of "political capitalism" are identified as fundamental to the criticism across the political spectrum. Various forms of rent-seeking were commonplace in the early modern period, according to Max Weber, but the modern state and accompanying legal frameworks had gone a long way toward weeding out such behaviors. The efforts involved in fighting the first total war, however, had meant that the number of intersections between political phenomena and the economy had grown exponentially by 1918. On the left, the problem was blamed on greedy industrialists; on the right, Jews were targeted more specifically for rigging price controls, supply channels, and other things for their own benefit. Regardless of where blame was laid, the belief was that such profit-seeking political interference had shunted capitalism off its normative track and that what was needed was a purging of these influences to restore capitalism to its natural, "rational" state. For Social Democrats, effecting political change through economic policy-making heralded a great opportunity for reform. For the majority of economists, however, political intentions "overloaded" the economy, as witnessed in 1929. While liberal economists sought to disentangle the state and economy, other voices, including political theorist

Carl Schmitt, argued that the state itself had fallen prey to a politicized economy. By 1930, others echoed Schmitt's call for a strong state that could overcome this submissive and degenerative posture.

In Chapter 3, Kim Christian Priemel follows some of these same debates to their conclusion in the immediate post-1945 period. Like the main characters described in the first two chapters, the jurists at the center of Priemel's study recognized the significance of World War I as marking a whole new level of integration, leaving many wondering "who was in the driver's seat – the state or (big) business?" Despite the revolution that followed defeat, the 1919 constitution kept capitalism on the table but left ample room for jurists to consider the relationship between economic and political interests. What they observed in the 1920s was the growing number and complexity of combines and trusts. Two young republicans, Heinrich Kronstein and Franz Böhm, sought administrative reforms to shift the balance of power in favor of the republic so it could bring capitalism under control. After 1933, Kronstein was forced into exile, but Böhm remained convinced that his critique of classical liberalism promised a stable and confident government that would protect and uphold economic freedom. And indeed Priemel illustrates how Böhm's theories remained relevant, because his vision of economic freedom had its origins in competition and struggle. By 1937 Böhm and his Freiburg colleagues had a clear sense of the role the state should play in setting and policing the rules of the marketplace. Only an authoritarian state could protect economic freedom. From the safety of New York City, Kronstein would become involved in the circles of legal thinkers who believed that the destruction of Germany's cartels was a necessary outcome of the war. On returning to Germany, Kronstein and Böhm contributed to establishing the ordoliberal doctrine that would provide the economic foundation for the Federal Republic. Working with other key figures in academia and the civil service, they highlighted the deep roots of Nazism in Germany's political economy and stressed the necessity of locating "freedom in law."

In Part II, "Concealing Capitalism," Simone Derix, Tim Schanetzky, and Dorothee Wierling examine the behavior of capitalist agents, particularly the very wealthy, and the ways in which they sought to mask their riches and influence. The task, however, was fraught with difficulties. On the one hand, a visible demonstration of wealth and power was required for someone to be perceived as successful. On the other hand, that same visibility opened one up to being lambasted as amoral, immoral, or even criminal. The sets of actors in this section each negotiated this paradox in their own ways.

Simone Derix (Chapter 4) begins by dissecting these very complexities, noting that scholars and other observers have traditionally identified capitalist behaviors as visible ones. By the interwar period, for example, “success” had become the catchword for a new literary genre of (auto) biographies of captains of industry and another of self-help books aimed at the common man. In all of these examples “success” had risen above the concept of high performance as the goal, and the difference between the two, Derix notes, had to do with the capacity for rendering one’s abilities visible to the public. Media coverage of financial scandals, however, provided a way for observers and critics to uncover, measure, and condemn practices once kept secret because they skirted or crossed moral or legal boundaries. The tension between visibility and invisibility intensified at the end of the nineteenth century, as new forms of surveillance developed, including an expanding tax system, so that “successful” Germans, in turn, sought increasing levels of protection from prying eyes. Derix examines the Thyssen family and details three avenues by which its members sought to conceal their wealth: the use of trusted middlemen who evaluated risk and moved assets, the crossing of national boundaries to hide these assets, and reliance on the contemporary discourse that cast light on individual success while exploiting the complexities of personal, kin, and business networks to keep certain behaviors and assets shielded from public view. For example, Heinrich Thyssen-Bornemisza was able to travel secretly in the interwar and war years and to maintain a private cosmopolitan lifestyle abroad. Back in Germany, however, he was sure to make himself seen in public at patriotic events, which protected him from further scrutiny. Similarly, cloaking family foundations under names derived from female family members or obscure relations meant that few officials realized the provenance of the holdings.

The example of the Thyssen family is followed by Tim Schanetzky’s comparative analysis of Friedrich Flick and Henry Kaiser (Chapter 5). In this chapter, as in the previous one, “success” is put under the microscope as a discursive concept. Schanetzky’s analysis sets up the two titans of interwar and wartime industry in Germany and the United States to illustrate the ways their differing semantics of success operated to orient the internal workings of their industrial empires and the external images of both men. Schanetzky points to two key elements in Kaiser’s image making – the speed at which his production facilities operated and his personal leadership. In both cases, the media and general public seemed to lap up this image of American can-do spirit, of an individual entrepreneur with limitless talent. What was concealed, however, was the fact that

Kaiser's stake in some of the enterprises was limited and that, particularly during wartime, this industrial empire was managed by an ever-expanding bureaucracy rather than an individual tycoon. Friedrich Flick, though working in very different circumstances in Nazi Germany, was also concerned about his public image, which he cultivated in ways that emphasized his success at overcoming his humble beginnings. In contrast to Kaiser, Flick sought to conceal his own involvement in his empire, after critics voiced their belief that he was little more than a capitalist speculator, divorced from the more honorable labor of production. From then on, his major deals and his own personal life were kept out of the newspapers, in contrast to Kaiser's media saturation. Nonetheless, Schanetzky explains, Flick was willing behind closed doors and in his dealings with the regime to cultivate a personal image that gave his willingness to serve the nation pride of place. He also took steps to shape his industrial holdings in ways that made his allegiance to National Socialist ideology visible by stressing the manufacturing side of the enterprises and the notion that his was a "family business." In both cases what stands out is that these two men took advantage of the special circumstances of state contracts and war to build their fortunes while concealing their capitalist behaviors with skillful semantic strategies.

Dorothee Wierling's study of Hamburg's coffee traders (Chapter 6) takes a longer view of the challenges and opportunities that faced this particular community of capitalist agents. Like the others examined in this part, the members of the exclusive Kaffee-Verein (Coffee Association) protected their (collective) image. In this case, the association nurtured a vision of its members as modest and prudent representatives of the centuries-old Hanseatic trading lifestyle. That they carried on this tradition was evidence of their commitment to the city and to Germany. But this lifestyle and business success were built on exclusivity. They took care to support each other, but also to keep competitors at bay. While this system had worked well for several generations, the arrival of World War I was the first major challenge that confronted the Hamburg traders. Wierling finds that their determination to hold onto their independence meant they lost out as others rushed to cooperate with the state. After the war there was no quick return to earlier freedoms. And yet, the constant vigilance needed to maintain a position in the changing 1920s economy meant that the community itself drew tighter. The coming to power of the Nazi regime in 1933 brought new challenges, and whereas the industry saw stabilization and even growth by 1938, the community lost ground as far as its ability to chart its own course was concerned. After the war, Wierling concludes, the

Western Allies sought to break up what they believed to be a dangerous economy controlled by cartels. While the Kaffee-Verein tried to rebuild, most of its members no longer saw free trade as the answer. Nonetheless, the Hanseatic ideal – the modest and community-oriented capitalist – remains part of the cultural fabric of Hamburg, leading in recent years to public commemoration of this past in the area around the old wharves.

While the chapters in Part II focus primarily on the ways that capitalist agents sought to conceal their business dealings and wealth or minimize the public's perception of their personal imprint on the economy, Part III, "Promoting Capitalism," explores the opposite perspective. It offers examples of actors who sought to confront their critics head-on and demand recognition from the state for their contributions to society. The essays also speak to the growing recognition by capitalist agents of the important role played by individual consumers as powerful participants in the market.

Sina Fabian (Chapter 7) illustrates the strategies employed by brewers in the Weimar era to defend themselves against discourses that tarred beer drinking as unhealthy and wasteful. In other words, Fabian's protagonists provided a counter to the anticapitalist discourses of the early 1920s. According to many, breweries, pub owners, and beer drinkers themselves epitomized the moral failings of capitalism (and of Germany more generally) in the years following its defeat in World War I. Selfish desire and greed overshadowed societal needs and personal health, beer critics argued, which led to the wasteful use of essential crops of barley and wheat in a time of shortage. The industry, however, attempted to provide a scientific defense for beer consumption, relying largely on rather exaggerated health claims. Spokesmen also repeated statistics on the important role the industry played in the struggling economy. As the situation stabilized in the mid-1920s, criticism of alcohol production, sales, and consumption waned to some extent. Nonetheless the Brewers Association remained vigilant, and, as Fabian illustrates, industry leaders took a much more sophisticated approach toward public relations in the years that followed in an effort to stay ahead of their detractors. Reaching out directly to consumers and legislators with the aid of the press, lobbyists, and tradeshow exhibitions, the brewers did not shy away from touting the importance of their products as essential to Germany's overall well-being – economic, social, and even physical – and continued to marshal evidence for this position from recent (beer-friendly) scientific studies and generations-old cultural tradition.

Jan Logemann (Chapter 8) examines how capitalist actors concentrated their efforts during the interwar years on managing consumer perceptions and behavior. His protagonists are the same sort of experts that the beer industry relied upon to craft its image for the consuming public. Among the professionals Logemann examines, the goal was to identify and create consumer desire and to predict or manage consumer behavior in ways that tempered the potential boom and bust cycles – the volatility – that seemed to characterize modern markets. Paradoxically, however, the 1920s ushered in a period in which the desire for standardization and efficiency as tools to make commerce more rational was coupled with greater attention to fashion and innovation. Agents within the creative economy, including those working in marketing, advertising, design, and fashion, sought to marry the two impulses together, but, as these fields were in their infancy, there was still considerable debate as to the location of the keys that would unlock the mysteries of consumer motivation. Did engineers, designers, or psychologists have the answers? By the time business owners and policy makers sought ways out of the global depression that struck at the end of the 1920s, to embrace fashion seemed little more than frivolity and wastefulness. In the decade that followed, particularly under the racist vision of an “organic” commercial marketplace, the individual and her or his wants seemed more of a drain on the community than an aspect of its vitality. Logemann concludes that, regardless of the political caesura of 1933, the overall trend continued in which the consumer’s place within capitalism remained paramount and an ever-growing cadre of experts offered tools for unlocking (and managing) their power.

In Molly Loberg’s analysis (Chapter 9) of the reemergence of the 1850 Tumult Law in the interwar period, we see even more clearly the links between capitalism and political culture, as business owners worked to assert what they saw as their rights as contributors to the local and national economy in an era of violent political upheaval. As in the previous chapter, despite the changing political and economic fortunes facing commercial interests in the interwar years, there was a growing confidence that the state owed the agents of capitalism a safe and protected environment in which to do business. Historically, the law sought to punish communities by making them financially liable for collective violence against property that occurred within their local area. However, the scale of the violence after 1918 coupled with the economic crises that befell the republic meant that many municipalities sought to shift the duty of compensation to the national government. But revision of the law only

fueled debate. The state wanted to limit compensation according to need, but business owners and municipal leaders insisted that those most affected were the bedrock of towns and cities – middle-class taxpayers, who both suffered the destructive violence and paid the taxes that covered compensation. After January 1933, Jewish retailers suffered greatly from the regime-sanctioned thuggery of the SA. But Loberg shows that Jewish Germans fought for their rights under the Tumult Law, and in some early cases, received compensation. Ultimately, it was easier for the regime to find legal workarounds than it was to rein in their most violent supporters, which meant that after *Kristallnacht*, in which thousands of Jewish-owned businesses suffered significant damage, the regime found itself again in legal jeopardy. This time, however, Jewish property owners were fashioned as the perpetrators and the state forced private insurers to provide restitution for theft and fire (not “tumult”) to non-Jews caught up in the rioting. The chapter thus demonstrates the power of capitalism to shape politics, as both the republic and the dictatorship were held accountable for the protection of businesses and private property.

Part IV, “Racializing Capitalism,” includes two chapters that speak to some of the complexities that have led historians to debate whether the Third Reich can even be considered a capitalist system. Alexa Stiller (Chapter 11) opens with a brief synopsis of the major contours of this debate, but ultimately she and Pamela Swett demonstrate through their case studies of racialized thinking in the Reich’s financial institutions that certain aspects of a market economy were maintained and private property was upheld, even if the dictatorship and its war aims shaped these elements in significant and oftentimes brutal ways. Both authors refer to this peculiar variety of capitalism as *völkisch* (nationally or ethnically distinctive) in order to draw attention to the specifically racist motivations at its core.

Swett (Chapter 10) examines the unique role that the *Sparkassen* (public saving banks) played in the German economy and national consciousness. Long before the establishment of the dictatorship, these institutions had fashioned themselves as “anticapitalist,” even while they supported small businesses with loans and individuals with their dreams of homeownership and capital accumulation. Drawing from the examples of two *Sparkassen* in Stuttgart, Swett focuses on three local ways in which managers’ capitalist thinking was entwined with National Socialist ideals and policy. First, she looks at the decisions made in 1933 with respect to employees with non-Nazi political views. In some cases, republic-supporting employees remained on the staff – not out of a principled aversion to Nazification on the part of their employers, but out of

a desire to hold onto skilled colleagues. Even so, in basing their determinations on what was “best for business,” the men in question often chose to align their decisions with capitalist virtues as a way to rationalize persecution. Swett then turns to other behaviors that illustrate the prioritization of capitalist ways of thinking, which, while obscuring the era’s racism, served the regime equally well. Fierce competitiveness, individual greed, participation in Aryanization, and forgoing past bank policies in search of “better deals” that aided the regime’s war aims were normalized by the language of capitalism. She concludes with a brief look at the postwar reckoning these banks faced. The capitalist reasoning of the prewar and war years could now be called upon as evidence that the men acted in the banks’ best (business) interests – that racist thinking had not distorted their objective calculations. Swett insists that such claims should be read not solely as postwar apologia, but in line with the reasoning that generated the criminal behavior of the 1930s and early 1940s.

Alexa Stiller’s chapter, which brings the volume to a close, demonstrates how the Nazi regime’s embrace of capitalism was dependent upon its antisemitism. In other words, her essay brings us full circle with regard to the anticapitalist critiques of the Weimar era. By externalizing all aspects of capitalism that were perceived to have sown societal discord, inequality, and instability as “Jewish,” National Socialists could claim to be building a *Volksgemeinschaft* in which private property and market competition were still foundational, though now cleansed of insidious “Jewish” greed and criminality. Stiller’s first section focuses on private property and the ways in which the regime upheld (non-Jewish) citizens’ rights to property, even when expropriating land for state projects. This procedure was not followed in the annexed territories of western Poland, the so-called Wartheland. Here both residential and commercial property was expropriated without any recognition of the rights of property owners. In order to handle the vast number of financial transactions taking place related to the resettlement of *Volksdeutsche* (ethnic Germans) in the Wartheland starting in 1939, Himmler set up a limited liability corporation, the Deutsche Umsiedlungs-Treuhandgesellschaft (German Resettlement Trust Company) (DUT). The tasks of the bank were to handle the liquidation of assets left behind by those moving to the Wartheland. Compensation for these individuals was also managed by the DUT with racial criteria used as the key feature in decision-making. Stiller’s analysis of the DUT and its partner institutions as well as the postwar lives of the DUT’s leadership corroborate the arguments put forward by Swett and other authors in the volume: the financial and commercial decisions and deals made during the

years of dictatorship were shaped and motivated by racist ideology. That statement, however, is inextricably tied to the assertion that the actions taken by economic actors also conformed to capitalist precepts. As Stiller explains, racism was a driving force in the establishment and daily decision-making of the DUT, yet that racist vision also “promoted central elements of the capitalist social and economic order: property, entrepreneurship, and productivity.”

This volume’s principal argument regarding the transition from the Weimar Republic to the Third Reich is thus that Nazism was attractive not least for promising to resolve the tensions of German capitalism. It is our hope that other scholars will debate this position critically and differentiate it further, all the more since there are many avenues of exploration that we were not able to pursue. Perhaps the most glaring is that our study is purely urban in focus at a time when about 30 percent of all Germans still lived in rural communities and made their livelihoods in agriculture. Besides farmers and the intermediaries who connected them to markets, additional capitalist agents await further attention – for instance, salesmen and women, creditors, debtors, and white-collar criminals. Finally, given the separate, existing literature on individual consumers and consumption, we did not devote substantial space to these important actors.⁶⁹ All of these were “real” enough while also forming part of cultural imaginations. Many of them were also active beyond national borders, a further dimension that our analyses have not fully explored.

Whatever directions this inquiry follows in coming years, we advocate explicit efforts to think through the cultural impact of capitalism and, vice versa, the impact of culture on a specific time and place in capitalism’s development – in Germany and beyond. By doing so historians will further understand the resilience of this economic form and the attractions of life within it, despite the inequalities and injustices it has created and continues to create to this very day.

⁶⁹ Some titles about individual consumers and consumption in the Weimar and Nazi eras: Nancy R. Reagin, *Sweeping the German Nation: Domesticity and National Identity in Germany, 1879–1945* (New York, 2008); Molly Loberg, *The Struggle for the Streets of Berlin: Politics, Consumption and Urban Space, 1914–1945* (Cambridge, 2018); Claudius Torp, *Konsum und Politik in der Weimarer Republik* (Göttingen, 2011); Swett, *Selling under the Swastika*; Peter-Paul Bänziger, *Die Moderne als Erlebnis: Eine Geschichte der Konsum- und Arbeitsgesellschaft 1840–1940* (Göttingen, 2020); Shelley Baranowski, *Strength through Joy: Consumerism and Mass Tourism in the Third Reich* (New York, 2007).

