Die "Arisierung" der Privatbanken im Dritten Reich: Verdrängung, Ausschaltung und die Frage der Wiedergutmachung [The "Aryanization" of private banks during the Third Reich: repression, exclusion, and the question of restitution]. *By Ingo Köhler*. Munich: Verlag C. H. Beck, 2005. 602 pp. Appendix, tables, bibliography, notes, index. Paper, €78.88. ISBN: 3-406-53200-4.

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The business history of National Socialist Germany is unique in that it is heavily preoccupied with "dirty business." In the case of this thoughtful, meticulously researched, richly detailed, and methodologically sophisticated prize-winning study, the central topic is precisely such "dirty business," namely, the elimination of Jews from private banking in Germany and the despoliation of their assets. The description and analysis of this complex process is the major contribution of this book. In 1933, 490 (46.4 percent) of Germany's 1,053 private banks were "Jewish," according to National Socialist criteria. By 1939, all these banks had been either liquidated or "Aryanized," that is, placed under non-Jewish ownership and control. As Ingo Köhler shows, there was no single plan or program to achieve this end, but rather, a concatenation of circumstances and developments that promoted the outcome.

An important factor in the process was the banking crisis of 1931 that left the private banking sector weakened and only beginning to recover when Hitler took power. The new regime insured that Jewish private banks would not benefit from any recovery, because Jewish-owned banks were subject to boycotts, loss of "Aryan" customers, tax discrimination, and chicanery and intimidation by local branches of the Nazi Party and government agencies. Eighty percent of the Jewish-owned banking houses simply closed down before 1938 without any serious notice being taken and very little concern shown by the public. Their harassed owners stopped operating not only because they could not make a go of it, but also because they could see no point in continuing on. Those who were able to emigrate escaped being murdered in the deportations that began in 1941, and may thus be counted as among the lucky.

There were other Jewish banks whose fate could not be passed over so lightly, however. Large Jewish banks, such as Gebrüder Arnhold and S. Bleichröder, Mendelssohn & Co., L. Behrens & Söhne, Jacquier & Securius, M. M. Warburg & Co., and H. Aufhäuser, to name just a few that were examined in detail by Köhler, were of great importance to the economy, and the authorities in Berlin were fully aware of their international, national, and regional or local significance. These banks played a major role in German foreign trade and, in some cases, were used by the international financial community to administer the lines of credit established under the standstill agreements following the 1931 banking crisis. They were also important for their role in floating industrial share and bond emissions and in other forms of industrial financing. The Arnhold bank, for example, controlled a holding company, called the Braubank, that was a key player in the financing of the German brewing industry. The simple disappearance of these banks would have profoundly disturbed Germany’s international financial and trade relations and would have disrupted an economy very short of foreign exchange and still recovering from the depression. Thus, even if they persistently took the demands of the Party into account, the Reich Economics Ministry and the Banking Supervision Authority therefore resisted pressures from the Party leadership, on both the national and regional levels, to Aryanize such banks in ways that would have been economically damaging. To be sure, these banks were subject to increasing pressures, which were manifested in the form of loss of supervisory-board seats and major industrial customers; ever-growing restrictions on their access to foreign exchange, as well as harassment and threats in connection with foreign-exchange matters; and exclusion from their previous roles as influential members of business associations and advisers to government and industry. The real pressure, however, came in 1937, and intensified in 1938, when the radicalizing regime decided that there was no place in Germany for Jewish ownership of private banks.

Köhler provides his readers with a detailed tour of the varieties of Aryanization, and while his account of the journey is sometimes a bit wearying, the effect, both as a study of the efforts of an oppressed group seeking to make the best of an impossible situation and as a revelation of the extent to which German bankers and businessmen were willing to make use of the license afforded them by the Nazi regime, is overwhelming. The most interesting cases, as might be expected, deal with the role of the big Berlin banks, the Dresdner Bank and the Deutsche Bank, in the Aryanization of, respectively, the Arnhold and the Mendelssohn banks. Because of his work on the historical commission studying the Dresdner Bank in the National Socialist period, Köhler is particularly effective in dealing with the Arnhold Aryanization, but he is also very informative on the Mendelssohn Aryanization and the role of Hermann Josef Abs of the Deutsche Bank. Köhler is properly cautious in dealing with the question of whether the Mendelssohn Aryanization was “friendly,” pointing out that the material is not available that would enable us to determine whether the price paid was fair or not. Certainly there were “friendly” Aryanizations, as demonstrated in the case of the Warburg bank, whose trustees Rudolf Brinkmann and Paul Wirtz did try to protect the Warburg interests; and there were also cannibalistic “Aryanizers,” like August von Finck of Merck, Finck & Co., whose Aryanization of J. Dreyfus & Co. showed the way for other private banks seeking to expand at the expense of their competitors. Most of the takeovers of the assets of private Jewish banks and/or the banks themselves, as Köhler, cogently argues, were neither “friendly” nor “unfriendly,” but were done because the sellers had no other recourse and the buyers simply accepted the opportunity afforded by the regime and made the most of it. Nevertheless, the common characteristic of these Aryanizations was that, in most cases, the prices paid made no provision for goodwill and did not account for the debts of Jews to the banks involved, which, by definition, were written off as “bad debts.” There were some cases, very few to be sure, where purchasers of Jewish bank assets did find ways and means to compensate Jewish owners for their losses by making pension and other provisions. It would be wrong to believe, however, that the Jewish sellers were allowed to keep their money. As Köhler shows, most emigrating Jews were forced by the government to surrender most of what they had received—especially after the pogrom of November 9, 1938—through extortionate taxes, levies, and currency regulations.

In a particularly interesting conclusion, Köhler deals with restitution and compensation efforts after 1945. He shows that it was difficult for the Jewish bankers to come to equitable terms even with “friendly Aryanizers,” who were affronted by some of their claims. In general, a lack of sufficient evidentiary material hindered the determination of fair compensation. Most important, however, was the inability and/or unwillingness of the German businessmen and officials involved to accept German complicity in a process of thievery and to comprehend its massiveness. In conclusion, this is a very important book and a definitive study of its subject.

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