

August Thyssen und Hugo Stinnes: Ein Briefwechsel, 1898–1912 [August Thyssen and Hugo Stinnes: Correspondence, 1898–1912]. *Edited by Manfred Rasch and Gerald D. Feldman, prepared and annotated by Vera Schmidt.* Munich: C. H. Beck, 2003. 752 pp. Cloth, €39.90. ISBN 3-406-49637-7.

Reviewed by Jeffrey Fear

Manfred Rasch and Gerald Feldman have assembled a unique collection of letters between two of Germany's most dynamic entrepreneurs of the late nineteenth and early twentieth centuries. Their correspondence offers an unprecedented inside look into August Thyssen's and Hugo Stinnes's relationship, which was marked by both outstanding cooperation and intense rivalry. An American equivalent might be two decades of letters between Andrew Carnegie and John D. Rockefeller.

Although neither figure waxes poetic about the nature of the times in Germany at the turn of the century or reveals his interior life, their exchange at times becomes quite personal. Thyssen sent Stinnes flowers for his birthday. Stinnes helped clean up the legal fallout from Thyssen's awful relationship with his son, August Jr. Except for a few gems, such as Thyssen's letter to Alfred von Tirpitz about the political situation in 1917 (p. 576), these writings are largely devoid of self-reflection or political content, being largely concerned with daily business life and problem-solving. Since this correspondence, if conducted today, would most likely have been by e-mail, the book represents another reminder to historians that important decisions or ruminations are disappearing into the ether of the telephone wire or of cyberspace. Fortunately, these two men corresponded in the days of pen and ink.

This book was produced in the face of considerable odds, as researchers have had great difficulty in working with Thyssen's nearly illegible scribble. Even Konrad Adenauer had to have Thyssen's letters deciphered. Vera Schmidt deserves special credit for the decoding intelligence she applied to this yeoman's task. Rasch and Feldman have done future biographers of Thyssen a great service in compiling this collection, although a veil of secrecy still surrounds his life. Unlike Stinnes, who found a good biographer in Gerald Feldman, Thyssen's biography remains far in the future; someone would still have

to assemble the immense number of letters strewn throughout Germany that were addressed to many of the most prominent figures in German history. This volume is an important first step. Most of the correspondence conveniently takes place between 1900 and 1911, a decade that represents one of the most dynamic periods in German economic history. Thyssen and Stinnes propelled some of the largest mergers of the time. The editors have provided an invaluable service by assembling a 170-page appendix identifying people and companies mentioned in the letters, thus helping to supply the context for the often cryptic allusions to larger events or conflicts and important but lesser-known people.

Rasch provides a first-rate sketch of Thyssen's rather sad family life and his wide-ranging business activities, adding some important insights into the history of the House of Thyssen. He points out that, throughout his career as an industrialist, Thyssen remained a type of banker, even a speculator (p. 22), although he permitted no speculation with his own companies. Rasch intimates that Thyssen earned a great deal of his income from portfolio investments. His industrial operations, which financed their own spectacular growth, were not profitable enough to support his wide array of outside activities or his luxurious lifestyle. If any one thing becomes clear from the letters, it is that Thyssen and Stinnes had incredibly detailed (and often inside) knowledge of the commercial and industrial world. Both kept their ears to the ground for any available opportunity or potential crisis, and, in so doing, picked up information ranging from the latest fluctuation in company stock prices, to the type of coal found by exploratory drilling, to the advantages and disadvantages of certain types of workers' homes (pp. 172–3), to the gamesmanship practiced by banks, to the impact of growing international tensions on second-tier banks (p. 174).

Since Thyssen traveled constantly, he had to rely on talented, powerful managers. Both he and Stinnes had a sixth sense for picking bright, capable people, and they paid scrupulous attention to personnel issues, arguably one of the most neglected areas in business theory. Personnel decisions played a critical role in the largest merger of day, between Gelsenkirchen and Schalker Verein, which Thyssen and Stinnes brought off after maneuvering themselves onto the board of Gelsenkirchen, no mean feat in the light of company president Emil Kirdorf's anti-Semitism and nearly pathological distrust of

Thyssen. Thyssen, a Catholic who had faced anti-Catholic prejudice, was not prejudiced against Jews (pp. 240–1). The behind-the-scenes discussion of their evolving strategy is one of the highlights of the correspondence. Another highlight is the ongoing debate between the two about the leadership of the Saar-Mosel company, an important joint venture in Alsace-Lorraine. In their dramatically different assessments of the performance of the company's lead director, Thyssen comes across as irascible, impatient, and intolerant.

More than previous scholars, Rasch stresses the important contribution of ancillary activities to the Thyssen Konzern, which acquired a gas and waterworks company, an innovative mining-shaft construction company, a regional bank, and the regional electricity company (*Rheinisch-Westfälische Elektrizitätswerke*, or RWE). Still one of the major electricity providers in Germany, RWE was the crowning achievement of the Stinnes–Thyssen collaboration before their relationship soured. Although Stinnes began as the junior partner, his vision and leadership soon brought him to prominence. Gerald Feldman's brief essay in this book describes their "complicated relationship," which, though highly professional and personal, was also intensely competitive. Its mixture of cooperation and competition perfectly reflects the workings of the German business system at the time. Often what the two did not reveal to one another was as telling as what they did. When Thyssen sold a large mine to the Prussian state to stave off a liquidity crisis, Stinnes assumed that the funds would be used in RWE, their joint venture, but Thyssen later informed him that the money had been spent. Feldman also contrasts their entrepreneurial styles. Stinnes was a true visionary with a tendency to overextend himself; unlike Thyssen, he was a great persuader of men, even of skeptical people, like Thyssen, who were careful with their money. His business vision and strategy incorporated political dimensions, something that Thyssen was often loath to do, an outlook that cost him at times. Stinnes operated with an expanding, often egoistic, vision of reordering industrial life in the Ruhr, while Thyssen, who was more sensitive to affronts, viewed the world through the lens of his own operations and financial limits. Thyssen preferred to stay in the background and relied on his self-sufficient enterprises. He regularly warned Stinnes not to overextend himself financially or physically (p. 335), advice that Stinnes usually ignored. Their exchanges foreshadowed the very different

future trajectories they would follow after the war, both in their personal lives and with their firms.

Their correspondence represents a treasure trove of inside information about the conduct of business in this period. The letters shed light, for instance, on one of the most important questions in German business history: the role of the banks. Both these men relied extensively on banks but were never captured by them. They exploited bank rivalries, played banks off against one another, and advised each other about how to deal with them, especially how to circumscribe the potential influence of these institutions. Stinnes relied on bank credit, yet found it somehow “unworthy” (p. 415). In another letter, Stinnes wrote Thyssen that he did not worry about large bank loans as long as they were offered by a “reliable” bank. Both viewed banks as more or less reliable partners, not as parents or tutors (pp. 173, 236, 245, 249, 415).

The book would have benefited from the insertion of brief descriptive expositions at critical junctures, either in the letters or at the beginning of each year, as a way of orienting the reader to salient events. Even with the aid of the appendix, it is sometimes difficult to figure out the more cryptic allusions.

Finally, this book will be especially valuable to those wishing to examine the everyday lives of businessmen. It is extraordinary how much arranging and coordinating these men accomplished. One is amazed at how much business took place on the fly during brief meetings at train stations or hotels across Germany, where the paths of the two men happened to cross. There is still much that social and cultural historians can accomplish in analyzing these letters, and other letters like them, to derive the “habitus” through the language and expressions. Although the letters centered on ways to increase financial capital, the correspondence betrayed strategies for accruing social and cultural capital as well.

*Jeffrey Fear is associate professor at Harvard Business School in the Business, Government, and International Economy section. He was formerly assistant professor of history at the University of Pennsylvania and a Harvard-Newcomen Research Fellow at Harvard Business School.*