

*Economic Interests and Lobbying in the Early Weimar Republic: Holtendorff's Political Salon**

by D. K. BUSE**

Lobbying to defend interests or to affect public policy has become a norm of political and economic life in most industrialized countries. Special pleading through briefs, bribery, contributions to political parties or detailed reports by experts are among the many mechanisms developed by lobbyists. A lesser known and perhaps less frequently utilized means is the creation of a salon or discussion circle. This means was utilized by one of Germany's largest shipping firms during and after World War I. An examination of the lobbying undertaken through that salon provides an opportunity to re-examine the relationship between big business and the state in the context of the early Weimar Republic. While historians have frequently presented business as the dynamic factor, and the state as the static factor in the relationship, the new documents on which this essay is based suggest a dual dynamism: the documents illustrate a "transfer mechanism" by which the influence of economic interests finds expression in the political sphere as well as showing how such interest groups can become tied to a state and help stabilize it. Further, these materials provide insight into the interaction among German élites, especially co-operation among élite groups with divergent interests.

In one of the few public references to the salon in question, the German liberal publicist Ernst Jäckh attributed extensive influence to a so-called *Holtendorff-Tisch* (Holtendorff round table). According to Jäckh,

every chancellor, every minister, every party leader ... the leading economists and intellectuals, everyone who held a significant post met there with each other, not all together, but varying ... preferably eight in number ... There many appointments and institutions were decided upon.¹

Jäckh cited some letters and documents to support his claims. He mentioned other salons but in his estimation, "personally and politically the most influential among round tables was that of Holtendorff".² Though a con-

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** Department of History, Laurentian University, Sudbury.

¹ E. JÄCKH, *Der goldene Pflug: Lebensernte eines Weltbürgers* (Stuttgart: Deutsche Verlagsanstalt, 1954), pp. 189-90.

² *Ibid.*, p. 189.

temporary could leave such a large hint for historians, little has been written about this salon because the firm's archives relating to them have not generally been opened to researchers. The activities of Arndt von Holtzendorff, the lobbyist of the Hamburg-Amerikanische-Paketschiff-Aktien-Gesellschaft (Hapag) can only be traced through those papers.³

The man who ran the discussion circles remains an elusive character. Holtzendorff (1859-1935) grew up in a cultivated aristocratic family. He received the thorough education in select schools that provided his class with social grace and command of languages. Having studied law he started a career in the army and then served as private secretary to the Princess Frederick, the wife of the Hohenzollern Prince who reigned as Kaiser for a hundred days in 1888. A brother, Hennig, with whom he remained on close personal terms while diverging politically, attained the rank of *Grossadmiral* and became known for his outspoken support of Admiral Tirpitz's expansionist programme. A nephew, as undersecretary in the British Foreign Office, provided ties to Britain and a niece was married to another relative of this undersecretary. In 1898 Holtzendorff obtained a directorship in the Hapag and undertook public relations for the firm, eventually becoming a confidant of Albert Ballin, the firm's general director. From 1914 until his retirement in 1924 he worked in Berlin as the political informant, social organizer and main lobbyist of the Hapag. He served on the Presidium of the Hansa-Bund für Handel, Gewerbe und Industrie (Hansa-League for Trade and Industry), was a director of the German Auslandsinstitut (German Institute for Foreign Affairs) and the German Zundholzfabrikanten (German Match-makers Federation). He kept the Hapag directorate in Hamburg well informed on the political workings of the German state through a stream of very detailed reports. A photograph from 1919 shows Holtzendorff as an immaculately groomed man with the demeanour of an elderly, friendly uncle, holding his cigar in a refined but relaxed manner. Always the polite and engaging host, he had made a name for himself during the World War with his political salon. At first his reputation had been current primarily among the Berlin military,

³ The materials are from the Hapag Archiv, Hamburg and were made available by Rolf Finck, Information Office, Hapag-Lloyd, to whom the author is very grateful. The original sources will hereafter be cited as Holtzendorff or Cuno collections with file numbers. The numbering system on the files in their loose-leaf binders usually contains reference to the two files per binder, and hence the two numbers in the references below. The documents are mainly type-written originals or carbons with some handwritten additions. Lamar CECIL employed parts of this collection for his biography *Albert Ballin: Business and Politics in Imperial Germany 1888-1918* (Princeton: Princeton University Press, 1967). In his bibliography, especially, pp. 357-59, he has provided a convenient survey of the Holtzendorff documents, including their gaps. But a further clarification is necessary. The documents Cecil cites as Holtzendorff-B contain original reports by Holtzendorff to Ballin and carbons of Ballin's letters and instructions to Holtzendorff for the period 1914-18. They were previously in the Preussisches Geheimes Staatsarchiv, Berlin and are now located in Koblenz, Bundesarchiv (hereafter BA) collection R I/1-16. The documents which Cecil cites as Holtzendorff-A are carbons and some originals in possession of the Hapag Archiv, Hamburg. They extend beyond 1918, are somewhat in disarray and much richer than Cecil's remarks would suggest. Cecil only employed the materials up to 1918 as did F. ZUNKEL, *Industrie und Staatssozialismus* (Düsseldorf: Droste Verlag, 1974), pp. 109, 151-55, who employed the Bundesarchiv collection.

commercial and bureaucratic élite which had spent long hours enjoying his firm's generosity. By the end of the World War, in keeping with German political trends, he widened the circle to include some bourgeois and Social Democratic leaders.⁴

Holtendorff's role and his reports to Hapag headquarters in Hamburg were to be much more significant for the period of the Weimar Republic than during the war. Despite his access to influential figures in the government and the administration, Holtendorff remained a listener on the outside of decision-making events during the war. This may have been due to the Hapag's interest in an accommodation with Britain and the United States or the Hapag general director's mild stance on territorial annexations when the military and heavy industry successfully favoured a policy of aggressive war aims. Probably Holtendorff's limited role was due to Ballin, the general director who personally oversaw his shipping line's affairs, and who controlled Holtendorff as his medium while reserving for himself direct access to the really significant persons such as the Kaiser. After Ballin died in November 1918 Holtendorff was on equal footing with the other Hapag directors, especially the new general director, Wilhelm Cuno. Holtendorff could now act on his own initiative rather than merely follow instructions. A corresponding change of tone is evident in the Holtendorff reports after November 1918.⁵ In addition to these personal circumstances, the crucial role of shipping and commerce during the armistice and peace-making period when the new German government frantically sought the aid of commercial experts with contacts to the international financial community and also sought to resolve the problem of transporting food supplies, enhanced Holtendorff's and the Hapag's position after 1918.⁶

One of the reasons so little became known about the councils convened by Holtendorff was his reluctance to accept public posts. For instance, he rejected the Reich President's offer to become chief of protocol during February 1919.⁷ Another pertinent reason was that the round-table participants who came from opposing political parties and represented a wide range of institutions could hardly reveal that they frequented compromising private sessions with their supposed "opponents". Finally, Holtendorff wrote no memoirs and his reports remained secret.⁸

⁴ The following provide information on Holtendorff: *Reichs Handbuch der Deutschen Gesellschaft*, 2 vols (Berlin: Deutscher Wirtschaftsverlag, 1931), I: 793; Ernst SCHROEDER, "Otto Wiedfeldt als Politiker und Botschafter der Weimarer Republik", in *Beiträge zur Geschichte von Stadt und Stift Essen*, 86 (1971): 220; CECIL, *Albert Ballin*, p. 249, describes Holtendorff as a "cherubic, demilitarized Hindenburg". On the question of contacts to the SPD see BA, R I/16, reports of October 1918, especially 29 October 1918.

⁵ For example, compare BA, R I/13 reports of July 1917 with those cited below.

⁶ The fullest account is Leo HAUPTS, *Deutsche Friedenspolitik 1918-19: Eine Alternative zur Machtpolitik des Ersten Weltkrieges?* (Düsseldorf: Droste, 1976), pp. 183ff.

⁷ Holtendorff I and II, Holtendorff to Cuno, 28 February 1919; Я́АКН, *Goldene Pflug*, p. 189.

⁸ Other possible sources on the Holtendorff sessions are difficult to find. From among the most frequent participants, Ebert and Schiffer, the papers of the former were destroyed (see *Die Zeit*, 7 March 1975, p. 9) while Schiffer's diary-memoirs contain occasional references to the Holtendorff contact without substance (BA, Schiffer Nachlass, A "Memoiren" 4, 550).

Holtzendorff received an occasional laudatory reference in the memoirs of the Weimar Republic's leading individuals. The long-time Minister of Defence, Otto Gessler, "fondly remembered" the political salon.⁹ More informative, and illustrating that the Hapag representative provided more than pleasant gatherings, was a statement by Hans Luther, Minister of Finance and Reich Chancellor:

During the course of creating the cabinet, Cuno [Chancellor from November 1922 to August 1923] asked me to visit him in late November [1922]. The meeting took place in the rooms of the Hapag. Their Berlin representative, Admiral [sic] von Holtzendorff, had long understood how to organize modest gatherings in these rooms, where he brought together personalities of differing political viewpoints, even the Reich President and other leading Social Democrats with decisive German Nationalists.¹⁰

Gustav Noske, Minister of Defence before Gessler, noted that he had been Holtzendorff's guest on the night (31 May 1919) that the body of Rosa Luxemburg was discovered. From there he had no qualms giving orders to dispose of her corpse. Most instructive, though, are Noske's statements on a later gathering:

On 14 April 1921 I was invited to a *Herrenabend* by Director Holtzendorff. In particular the question of rebuilding the Prussian cabinet was discussed ... the individual ministers too were considered. Raumer [Minister of Finance, a leading manager of an industrial trade association and German People's Party member] offered to look up Labour Minister Brauns, who had already left the meeting ... Brauns would then convince Stegerwald [a leading Catholic trade unionist]. That had to be done systematically. Next day at noon when Stegerwald came to Ebert, with whom I was invited to dine, he presented Schiffer's [a leading Democratic Party member and former Finance Minister] arguments as his own and mentioned the names which had been proposed as ministers during the previous evening.¹¹

Noske's revelation that political decisions were hammered out at the *Herrenabende* (club sessions) appears to cast a different light on these sessions.

The authors who have concentrated upon the relations between industry-finance and politics in the Weimar era rarely mentioned the Hapag's lobbying or political involvements.¹² An exception is a documentary

⁹ OTTO GESSLER, *Reichswehrpolitik in der Weimarer Zeit* (Stuttgart: Deutsche Verlagsanstalt, 1958), p. 420.

¹⁰ HANS LUTHER, *Politiker ohne Partei: Erinnerungen* (Stuttgart: Deutsche Verlagsanstalt, 1960), pp. 90-91; Luther confused the Hapag director Arndt with his brother the admiral Hennig. See also H. LUTHER, "Zusammenbruch und Jahre nach dem ersten Krieg in Essen", *Beiträge zur Geschichte von Stadt und Stift Essen*, 73 (1958): 18.

¹¹ GUSTAV NOSKE, *Erlebtes aus Aufstieg und Niedergang einer Demokratie* (Offenbach: Bollwerk, 1947), pp. 85, 202. The conversation's contents are confirmed, almost in identical words, in Holtzendorff V and VI, Holtzendorff to Cuno, 15 April 1921.

¹² For example, a conference devoted to the interrelationship between politics and the industrial system of Weimar took no notice of Holtzendorff and hardly any of the Hapag or shipping industry. The proceedings were published as H. MOMMSEN, D. PETZINA, B. WEISBROD, eds, *Industrielles System und politische Entwicklung in der Weimarer Republik* (Düsseldorf: Droste, 1974). For the Hapag's activities during World War I compare ZUNKEL, *Industrie*, pp. 109ff and G. D. FELDMAN, "German Business Between War and Revolution: The Origins of the Stinnes-Legien Agreement", in *Entstehung und Wandel der modernen Gesellschaft*, ed.: G. A. RITTER (Berlin: Walter de Gruyter, 1970), pp. 318, 321, with HAUPTS, *Deutsche Friedenspolitik*, pp. 110ff.

study on Otto Wiedfeldt, a Krupp director, German ambassador to the United States and a frequent candidate for cabinet posts.¹³ In that documentary collection Ernst Schroeder presented telegrams which show that General von Seeckt asked Wiedfeldt to participate in an authoritarian directory. This offer to replace the national government during November 1923 went through Holtzendorff and the Hapag with the approval of the Reich President. Schroeder wanted to exonerate Wiedfeldt by illustrating that Seeckt proposed a "small cabinet with directory characteristics and with emergency powers" at Ebert's express wish but that Wiedfeldt categorically refused to participate.¹⁴ Why were such significant matters of state entrusted to a Berlin lobbyist? How had he obtained such a position of confidence in ruling circles? Was it due to his frequent *Herrenabende* and how were the interests of the Hapag represented by a man so involved in the affairs of state? Schroeder ventured an estimate on Holtzendorff and his political endeavours: "In German politics under Ebert he was not exactly a grey eminence, but he did function as an influential adviser behind the scenes."¹⁵ What made his salon different than others might be worth exploring.

Little attention has been paid to political salons, their role in lobbying or their effect on the governmental system in Weimar Germany. A variety of such regularized gatherings operated in Berlin but the great majority were of the "cocktail-with-prominent-people" variety. Some were huge lecture and discussion sessions, a type which had become popular during the war.¹⁶ This genre included the Deutsche Gesellschaft 1914 (German Society of 1914) which had a very large membership (over 900) that encompassed varied industrialists, intellectuals, military leaders and bourgeois politicians. This society, headed by Wilhelm Solf, Minister for Colonies, was supposed to provide a place for discussion and exchange of views. The government encouraged it as a means of keeping alive the nationalistic and unitary "spirit of 1914". The members met in a large house purchased for the society's use by Robert Bosch, the automobile electronics magnate, who hoped that the formal lectures and informal discussions would bridge political gaps from the Conservatives to the Social Democrats and sectarian interests from big business to trade unions. By 1917, however, this forum served primarily as a meeting place for those supporting Chancellor Bethmann Hollweg's war aims and tactics.¹⁷

¹³ SCHROEDER, "Otto Wiedfeldt als Politiker", especially p. 219.

¹⁴ Ernest SCHROEDER, "Wiedfeldt und die Seeckt-Ebertschen Direktoriums-pläne des Jahres 1923", in *Das Münster am Hellweg*, XIX (November 1966): 136-37.

¹⁵ SCHROEDER, "Otto Wiedfeldt als Politiker", p. 220.

¹⁶ The fullest accounts of German political salons are in D. FRICKE, ed., *Die bürgerlichen Parteien in Deutschland* (Berlin: Europäisches Buch, 1968-70), especially the entries under "Mittwochabend (Delbrück)", "Deutsche Gesellschaft 1914", "Mittwochgesellschaft (Bassermann-Stein)". For the wartime efforts of these groups see the short essay by G. SCHMIDT, "Bürgerliche Klubs und staatsmonopolistischer Kapitalismus im ersten Weltkrieg", in *Monopole und Staat in Deutschland 1917-1945* (Berlin: Akademie, 1966), pp. 69-77, who cites most of the pertinent literature. For the Weimar era a general survey is H. WIEDMÜLLER, "Die Berliner Gesellschaft in der Weimarer Republik" (Ph.D. dissertation. Freie Universität Berlin, 1956). His focus is upon "high society" and his references to the Holtzendorff salon inaccurate (pp. 44-45).

¹⁷ J. SCHELLENBERG, "Deutsche Gesellschaft 1914", in *Bürgerliche Parteien*, ed.: FRICKE, pp. 378-80.

The membership of the Deutsche Gesellschaft 1914 overlapped with other circles and salons, in particular the *Mittwochabend* (Wednesday Evening) initiated by Delbrück. This group was kept to approximately twenty members who would occasionally invite guests to their discussions of public affairs. Some participants came from finance and industry, but the majority were conservative and liberal political leaders who favoured what had been termed a policy of "liberalized imperialism", that is indirect hegemony through economic control over neighbouring states coupled with internal reforms. This group tried to influence government policy through position papers and select invitations to cabinet ministers.¹⁸

Another salon which also sought to influence governmental policy by drawing together representatives from industry, finance, the political parties and the ministerial bureaucracy was the *Mittwoch-Gesellschaft* (Wednesday Society) initiated by Bassermann-Stein. This group, which expanded to nearly fifty members of primarily right-wing parties and élites from bureaucratic and military circles advocated the extreme war aims of heavy industry and the military surrounding General von Ludendorff. Though they opened their weekly sessions to divergent views and invited an occasional liberal or socialist, they formed a close-knit group.¹⁹

These salons attempted to appear to be above party politics but in practice the leadership of each sought to use the gatherings more for indoctrination or preaching to the converted than exchanging views. After a few years the participants tended to represent a fairly unitary outlook. By contrast, the smaller political clubs, like the *Herrenklub* (Gentlemen's Club) comprised of aristocrats and select officers made no pretence of including persons of other viewpoints or social backgrounds.²⁰ Similarly, the political Left had at least two clubs in which mostly Independent Socialist leaders (Simon) and trade-union officials (Sassenbach) participated.²¹ A close look at the composition and activities of Holtzendorff's salon indicates that only he brought together a manageable although extensive set of politically and socially significant figures.

Allegedly, Holtzendorff established his round table at the advice of Ernst Jäckh who had operated a similar institution financed by Robert Bosch, the auto parts manufacturer.²² Ballin encouraged this method of gathering approximately eight to ten individuals every few weeks to gain information on political developments and to affect industrial-financial policy.²³ The Holtzendorff-*Tisch* existed from early in the World War

¹⁸ W. GUTSCHE, "Mittwochabend (Delbrück)", in *ibid.*, pp. 330-34.

¹⁹ B. MEISSNER, "Mittwochgesellschaft (Bassermann-Stein)", in *ibid.*, pp. 335-37.

²⁰ G. FELDBAUER, "Deutscher Herrenklub", in *ibid.*, pp. 463-68 and compare entry "Nationalklub".

²¹ See WIEDMÜLLER, "Berliner Gesellschaft", pp. 34-35 and Sassenbach's memoirs in typescript at Deutscher Gewerkschaftsbund Archiv, Düsseldorf.

²² Claimed by JÄCKH, *Goldene Pflug*, pp. 189, 195.

²³ CECIL, *Albert Ballin*, pp. 252-53. In reporting on the arrangements for one *Herrenabend* Holtzendorff wrote that he had invited some parliamentarians, government members "and gentlement to whom we are indebted in the Foreign Office, War Ministry and General Staff" (BA, R I/13, report of 4 July 1917).

until the beginning of 1924. The Social Democrat, Ebert, who had been invited to a session during the last days of the Empire, apparently requested that such a meeting-place, where issues and opinions could be freely debated, be kept available.²⁴ Thus the *Herrenabende* continued from November 1918 through January 1919 as if oblivious to the tremendous turmoil shaking the German state. In February 1919 Holtzendorff moved his gatherings to Weimar where the National Assembly and government deliberated. On 27 February 1919 he reviewed his activities and concluded: "I believe that these *Herrenabende* in Weimar have proven themselves a very useful arrangement just as in Berlin."²⁵ By then the pattern for who participated in the postwar sessions had been established.

Six types of individuals — according to institutional affiliation — attended the discussions from late 1918 to early 1924: representatives of industry-finance (Gwinner, Rathenau, Warburg, Cuno, Raumer, Schacht); bourgeois leaders of the liberal and Catholic parties (Schiffer, Naumann, Dernburg, Petersen, Gessler, Erzberger, Koch, Brauns, Stresemann, Luther); the administrative and diplomatic élite (Solf, Simons, Langwerth, Rantzau, Albert, Haniel, Meissner, Lucius, Maltzan, Hamm); the military (Oertzen, Trotha, Groener, Seeckt, Schleicher); intellectuals-technocrats (Francke, Jäckh, Freytag, Colsman, Eckener, Koeth); and moderate or right-wing Social Democrats (Ebert, Baake, Rauscher, Südekum, Noske, Hermann Müller, Heine, Bauer).²⁶ Persons representing what was to establish itself as the political "middle" in Weimar made up the bulk of the membership.²⁷ Only two of the decisive power factors in Weimar's complex system were conspicuously unrepresented: heavy industry and the trade unions. Their absence is not surprising since heavy industry (with few exceptions) sided with the political Right, and the trade unions at least in the early postwar years tended towards the far Left.²⁸ Further, these groups had their own form of co-operation and interest representation in the *Zentralarbeitsgemeinschaft* (Central Working Community of the German commercial and industrial employers and employees).²⁹ This

²⁴ JÄCKH, *Goldene Pflug*, p. 191, has confused the issue because Holtzendorff's round table did not cease with Ballin's death.

²⁵ Holtzendorff I and II, Holtzendorff to Cuno, 27 February 1919.

²⁶ Some individuals could fit into more than one category. A methodological note: though this essay focuses only on Holtzendorff's round table for the years 1918-20 the composition here shown is for the period 1918-24 to illustrate shifts and continuity of membership.

²⁷ Compare the use of the term "middle" as employed by L. E. JONES, "'The Dying Middle': Weimar Germany and the Fragmentation of Bourgeois Politics", *Central European History*, V (1972): 23-31 and the more accurate term "parliamentary center" used by C. S. MAIER, *Recasting Bourgeois Europe: Stabilization in France, Germany and Italy in the Decade after World War I* (Princeton: Princeton University Press, 1975), pp. 227ff.

²⁸ See H. POTTHOFF, *Gewerkschaften und Politik zwischen Revolution und Inflation* (Düsseldorf: Droste, 1979), esp. pp. 66ff. Another reason the union leadership might have been absent is because until the end of the World War workers in the shipping industry had hardly been unionized.

²⁹ On the industrialists' primacy in this working partnership see the studies of G. D. FELDMAN now resumed in his *Iron and Steel in the German Inflation 1916-1923* (Princeton: Princeton University Press, 1977), pp. 82ff.

institutionalized set of written agreements between big business and industry took the form of negotiations between equals and set them apart from the salons. The composition of Holtzendorff's round table makes it appear to have been a means by which a sector of commerce, with ties to light industry, sought to influence political figures.

In Holtzendorff's reports on his round tables, a politician's name appears almost simultaneously with that individual's appointment to a cabinet post or significant position. The disappearance of a name, too, coincides with his loss of authority. For instance, the diplomat Solf, who acted as secretary for foreign affairs in November and early December 1918, participated during December 1918 and January 1919. Similarly, Baake, Simons and Albert, who held decisive posts as undersecretaries in the Chancellery, participated during their time in office and then disappeared. Schiffer dropped out in 1921 to be replaced by Brauns and Raumer while Stresemann and Luther joined in 1923, almost paralleling their rising or falling fortunes in party or state. From the military, Groener, a frequent participant during 1919-20, gave way to Seeckt, who remained until the end of 1923. Among the Social Democrats, Südekum's last mention is 1920, Heine's and Noske's 1921, while Hermann Müller remained from mid-1919 through 1923. A similar pattern appears for the liberals, in that Dernburg left in 1919 but Gessler remained a constant after November 1919.

A review of the early Weimar cabinets and top posts in the Chancellery and Foreign Office reveals that only a few names are missing from those who attended Holtzendorff's circle during their periods in power. Most evident are the trade-union cabinet members (Wissell, Schlicke, Giesberts). With the exception of Brauns and Erzberger, the Catholic Centre Party's leaders such as Fehrenbach, Wirth, Bell and Hermes never seem to have participated. The most frequent attenders were Ebert and Schiffer. Gessler, Hermann Müller, Noske, Albert, Groener, Seeckt and Warburg were frequent guests. Baake, Jäckh, Naumann, Rantzau, Simons, Solf and Oertzen participated fairly frequently.³⁰

Holtzendorff usually reported to the Hapag directory the day after the *Herrenabende*. Three of his reports will be summarized to illustrate the type of information sent and the format Holtzendorff employed. On 18 December 1918 Holtzendorff sent a four-page type-written report, by special delivery and registered mail, to the board of the Hapag for the attention of its managing director, Cuno. Holtzendorff mentioned he was enclosing a letter from the Swiss Embassy in the United States forwarded by the German Foreign Office. After this business matter concerning the sale of Hapag ships detained in the United States, Holtzendorff wrote:

Yesterday I invited to my *Herrenabend* here:
 Excellency State Secretary Schiffer [responsible for finances],
 Mr Ebert, People's Commissar [head of the provisional government],
 Undersecretary Baake [from the Chancellery],

³⁰ Since the documents are incomplete no statistical accounting was attempted on guest frequency.

Excellency State Secretary Solf [foreign affairs],
 Professor Dr Francke [member of the socialization commission],
 Major von Oertzen [general staff member, head of a Free Corps unit],
 Professor Dr Jäckh [liberal publicist],
 Dr Friedrich Naumann [Democratic Party chairman],
 Dr Heuss [editor of *Deutsche Politik*],
 Mr Ulrich Rauscher [press aide in the Chancellery],
 Ministerial director Dr Simons [from the Chancellery].

Unfortunately Ebert, Baake and Rauscher declined at the last minute because yesterday evening a cabinet session with the supreme workers' and soldiers' council, called due to the unrest a day earlier, had lasted until past midnight.³¹

After listing who had been invited and who actually attended, Holtzendorff usually reported the general discussions, specific issues on which conclusions had been reached or opinion formulated. Holtzendorff's report normally took the form of minutes on the exchanges between three or four persons. In this instance, Holtzendorff reported his discussion with Schiffer. He had informed Schiffer of the coal magnate Hugo Stinnes' opinion that the Entente would place extensive financial controls on everything which belonged to the German state while leaving private property uncontrolled. Stinnes had therefore proposed an attempt not to let the finance ministry implement the tax measures introduced during the revolution. Schiffer suggested that the peace conditions would have to be implemented before he could take a stance. "It appeared to me, though, as if he were prepared in principle to consider the matter", Holtzendorff concluded. With Francke Holtzendorff discussed the same matter and asked him to point out to the socialization commission "how dangerous it was right now to increase the state's value by taking over private property". The two conversations obviously represent attempts to influence political decisions in a direction consistent with the ideological preferences and financial interests of the possessors of war gains or large-scale property.

Holtzendorff continued by reviewing the main discussion topic of the evening, the counter-revolutionary putsch of 6 December inspired by underlings of the Foreign Office staff. All agreed that this incident had hurt the moderate elements in the provisional government. In particular, Ebert's attempt to obtain a mandate for early elections at the Allgemeiner Kongress der Arbeiter-und Soldatenräte Deutschlands (General Congress of Workers' and Soldiers' Councils in Germany) had been harmed, though the salon members assumed that large demonstrations by workers could be held in check. Holtzendorff also reported that the government had publicly admitted through posters that the counter-revolutionary putsch had originated in the Foreign Office in order to take the wind out of its opponents' sails by depriving them of agitation material.

³¹ This resumé is based on a report by Holtzendorff to the Hapag directory, 8 December 1918 (Holtzendorff I and II). Background information on the items discussed is readily available in such studies as A. J. RYDER, *The German Revolution of 1918* (London: Cambridge University Press, 1967), S. MILLER and G. A. RITTER, eds, *Die deutsche Revolution 1918-1919* (Frankfurt: Campe und Hoffmann, 1968) or S. MILLER and H. POTTHOFF, eds, *Die Regierung der Volksbeauftragten 1918/19*, 2 vols (Düsseldorf: Droste, 1969).

Invited to the session of 10 December 1918 were Baake, Schiffer, Simons, Count Bernstorff (wartime ambassador to the United States), Jäckh, Ebert and Solf.³² The last two had to decline. The discussion focused on the proposed constitution. Simons, Holtzendorff noted, was currently drafting an outline. The round-table participants generally thought that the constitution had to be organized federally and that the unitary strivings "which had much support in the country" should not be implemented. Agreement existed that Prussia should not remain in its present form. One proposal included division into four large provinces. This proposal "was rejected skillfully" by Schiffer, who pointed out that if Prussia were divided, the eastern provinces would be "damned to poverty". Then Holtzendorff reported:

I took the opportunity of speaking alone with Schiffer about the financial agreements of the armistice terms, in accordance with the letter which Cuno had recently sent me [regarding tax impositions on property]. Schiffer ... did not believe that the Entente would enter into such detailed considerations. Yet, [he thought] our viewpoint very worthy and at his wish I have put Cuno's ideas on paper. Schiffer will immediately put it into the departmental mill and come back to it.

After a few minor matters, the discussion turned to the convening of the National Assembly: "All shared the opinion, that it was necessary to set the date as early as possible. Undersecretary Baake, so he told me, immediately passed the proposal to [secretary of the interior] Preuss and Ebert." Holtzendorff also discovered that the Centre Party wanted to have the old Reichstag recalled merely to sanction the legality of the existing government. Though Holtzendorff thought the idea worthwhile Baake insisted this path could not be travelled. Holtzendorff closed with some minor business information, remarking that he would report separately on the meeting with the Foreign Office that morning.

Before reporting on the *Herrenabend* of 4 January 1919, Holtzendorff outlined the situation of four Hapag ships in Danzig.³³ He had contacted the responsible officials in the Admiralty and in the Marine Office. They had been convinced to approve the ships' transport to German ports. In addition, the banker Max Warburg and industrialist Walther Rathenau had informed Holtzendorff of their conversations with the secret American delegation which had been in Berlin about peace negotiations. On the *Herrenabend* he listed the participants: Gwinner from the Deutsche Bank, Solf, Deutmoser from the government information office, Jäckh, Rauscher, Oertzen, Regendanz from the Warburg Bank, Langwerth from the Foreign Office, the Kaiser's former adjutant Admiral von Müller and Rathenau. Owing to pressing cabinet matter, Ebert, Baake and Rantzau had to decline. The discussion considered the political situation. "It appears as though the new member of the government, Noske, will now seriously start to reorganize the army. That is naturally a pre-condition if,

³² The following information and citation are from Holtzendorff I and II, Holtzendorff report to Hapag directory, 11 December 1918.

³³ The following resumé is based on Holtzendorff I and II, Holtzendorff to Hapag directory, 5 January 1919.

as is presently intended, the fight with the Spartacists is to be energetically taken up." Rauscher informed Holtzendorff that Philipp Scheidemann and Ebert had sought a showdown with the marines during the Christmas fighting but found they were without sufficient means. Holtzendorff noted a similar situation existed for Noske with regard to Poland. Noske intended to create volunteer units, a reliable troop of eight to ten thousand men. Noske was prepared to take old officers, but they would have to serve at present under the conditions imposed by the soldiers' councils; later the old system could be slowly restored. During this discussion Rathenau proposed two possible ways of creating a military: either through small local units recruited like a fire crew from reliable personnel, or by allowing officers to recruit men they knew. Noske's plan, the round-table members thought, was easier to realize, especially since Rathenau's second suggestion would seem to be counter-revolutionary and could hardly be kept secret. With Rathenau, Holtzendorff also discussed air transport. New difficulties had surfaced in government circles. For the time being, the responsible officials wanted complete state control. Since the Hapag was intensively interested in this new method of transport, Holtzendorff ended: "I will have an opportunity in the presence of Cuno, when he is in Berlin, to visit the responsible government offices."

Holtzendorff collected primarily two types of information through his *Herrenabende* as these sample reports illustrate. He tried to ferret out the political intentions of government leaders and, if possible, to affect policies. Second, he attempted to gain access to financial-economic information early, especially if it could affect his firm. Undoubtedly the Hapag wanted a head start on competitors. Holtzendorff's success as a lobbyist must be measured by two criteria: first, his influence on policies which might affect his firm or the social-political concepts of his class; second, knowledge gained about the intentions of those creating state policies. On the latter his success can be readily measured if the reports cited above are compared to other sources, especially the cabinet minutes, from the same period.³⁴ The information on the constitutional draft, the attempt to recall the Reichstag, or Ebert's and Scheidemann's preparedness for a forceful show-down with the marines indicate how well informed he kept the Hapag. The degree of success on the former is the story of the *Herrenabend* itself.

Though the round-table discussions ranged all over the political and social landscape, Holtzendorff frequently steered them back to the shippers' interests. The casual mixing of business and politics reflected the

³⁴ A few examples might be selected. On the background to the putsch of 6 December 1918 and the role of the Foreign Office compare MILLER and POTTHOFF, *Regierung der Volksbeauftragten*, I: 285ff., especially p. 292. On the drafting of a preliminary constitution see *ibid.*, I: 251-52; on the possibility of calling the Reichstag, *ibid.*, I: 381-92. On Ebert's hopes to gain approval for early elections at the council congress, a highly placed government official confided the same view to his diary on 12 December 1918 (Trautmann Nachlass in private possession of Trautmann family, Berlin). On Ebert's and Scheidemann's intentions during the December 1918 fighting compare MILLER and POTTHOFF, *Regierung der Volksbeauftragten*, II: 73ff., where this fundamental question went unanswered.

salon's air of co-operation prevalent among leading Social Democrats, top-echelon administrators and representatives of the liberally inclined business-financial world. Given the revolutionary situation in Germany, and particularly in Berlin, these sessions seem an anomaly. But perhaps the easy entrée by a lobbyist for a shipping firm to the very tip of the governmental pyramid provides insight into the social and political relationships of Germany's élites. Since only Social Democrats and none of their coalition partners from the Independent Socialists participated, it appears that the Social Democratic leaders were already, early in December 1918, making a common front with the bourgeoisie without the Independents' knowledge.³⁵ Indeed, the information exchanged and the tenor of the discussions suggest that the leading Social Democrats found their "natural" discussion partners more among the upper bureaucracy and representatives from commerce and light industry than among the other political parties representing labour or socialists. The *Herrenabend* reports underscore that decisive individuals, for example Ebert, never sought to displace big business but rather sought to co-operate with it, just as the trade unions had through their pact of 15 November 1918 with the employer organizations.³⁶ Historians may have grasped the question by the wrong handle when they argue that the "revolutionary" leaders of 1918 should have exploited differences within the ranks of big business to create a new social structure.³⁷ Not changing, but maintaining and restoring, held top priority

³⁵ In analysing the "anti-revolutionary" endeavours of the SPD leadership, focus has been almost exclusively upon the co-operation with the military, in particular the Ebert-Groener "pact", on which U. KLUGE, *Soldatenräte und Revolution* (Göttingen: Vandenhoeck und Ruprecht, 1975), pp. 260ff., reviews the problem and the literature most thoroughly. The simultaneous co-operation with sectors of industry and the old bureaucracy has not been systematically investigated, though W. ELBEN, *Das Problem der Kontinuität in der deutschen Revolution* (Düsseldorf: Droste, 1965) provides an overview. In examining the relations of industry to labour, the latter has constantly been equated with the trade unions, without considering that, as the Holtzendorff documents illustrate, the Social Democrats worked primarily with representatives of light industry, while the trade unions worked primarily with heavy industry. Such distinctions are not even considered in what is probably the best analysis of the problem: G. D. FELDMAN, "The Social and Economic Policies of German Big Business, 1918-1929", *American History Review*, LXXV (1969): 47-55. On the relations of the SPD to the Independent Socialists and the SPD to the bourgeoisie (including bureaucracy), the authors of studies on the Independent Socialists subscribe almost to a conspiracy theory (SPD against USPD) without providing substance for their assertions. See H. KRAUSE, *USPD* (Frankfurt: Europäische Verlagsanstalt, 1975), pp. 115ff., or Robert WHEELER, *USPD und Internationale* (Frankfurt: Ullstein, 1975), pp. 45ff.

³⁶ A similar interpretation with substantial new evidence is in HAUPTS, *Deutsche Friedenspolitik*, pp. 212ff.

³⁷ The "revolutionary" leaders from the SPD were against any revolutionary action and this is missed by many authors, including E. KOLB, *Arbeiterräte in der deutschen Innenpolitik 1918-1919* (Düsseldorf: Droste, 1962). Kolb suggests that the authors (especially East German ones) who find the "opportunistic-reformist" SPD leaders "betrayed" the workers in voting war credits during August 1914 are illogical since the "opportunists" were merely being consistent. The same could be noted about Kolb who finds the SPD leaders were weak-minded and unclear about their goals during the World War, but excepts a decisive revolutionary leadership from the same people. If, as Kolb argues, pp. 24ff. and 40ff., the democratization and transformation of Germany stood on the political agenda, then the removal of the SPD "opportunists" and anti-revolutionary leaders should have headed any "revolutionary" agenda.

for the decision-making element of the "revolutionary" leadership. Ebert had stated to the first *Herrenabend* he attended on 30 October 1918 that "the firm [Imperial Germany] can and must be upheld."³⁸ At issue for the men frequenting the *Herrenabende* was thus not the transformation of German society, but rather assuring co-operation among existing institutions. Information not arising out of the *Herrenabende* but also conveyed by Holtzendorff to the Hapag substantiates the view that the form of co-operation between the new government and the business community was at issue, not the displacement or breakup of concentrated economic power. Holtzendorff's round table should be seen in the context of the situation of the Hapag at war's end and of the relations between the shipping industry and the national government.

The World War wreaked havoc with German shippers' business. By 1917 they had lost more than two million BRT of their 5.5 million total in 1914. Another million were stuck in allied or neutral ports. Transoceanic shipping came to a complete stop, primarily owing to the British blockade.³⁹ The German shippers, especially the two largest firms, the Hapag and the Norddeutsche Lloyd, responded by trying to utilize their organizations in new ways as well as banding together, for instance in a common tourist operation. However, they recognized that they could not overcome the effects of the war on their own and soon turned to government aid, especially since it became evident by 1917 that the Entente merchant fleets were rapidly expanding so that German shippers would face heightened and improved competition after the war. Through the Reichsausschuss der deutschen Reederei (War Committee of German shippers) a formal lobby was organized. They achieved a legislative success, the Law for the Re-establishment of the German Trading Fleet in November 1917.⁴⁰ The shippers did not receive the full compensation for losses that they sought but they did receive non-repayable loans which would begin immediately for the construction or gaining of merchant ships. In this business sector the leading firm was undoubtedly Albert Ballin's Hapag. Ballin had anticipated the post-war building boom and in 1916 already fostered the building of a new wharf, adding another during 1918. Ballin undertook these projects in conjunction with Ruhr coal-mining and smelting firms so as to tie their interests and resources to Hamburg's future shipping role.⁴¹ When the war ended in German defeat and revolution the shipping firms found themselves in a difficult position for they feared that the Entente might place restrictions upon trade and that the demobilization might be coupled with government controls by the new "leftist" coalition of socialist parties ruling in Berlin. However, the shippers knew that the government needed employment and also aid in

³⁸ JÄCKH, *Goldene Pflug*, p. 449, citing a *Herrenabend* discussion; confirmed by BA, R I/16, Holtzendorff report of 31 October 1918.

³⁹ This section is based primarily upon P. WULF, "Schwerindustrie und Seeschifffahrt nach dem 1. Weltkrieg: Hugo Stinnes und die Hapag", *Vierteljahrschrift für Sozial- und Wirtschaftsgeschichte*, 67 (1980): 1ff.

⁴⁰ See CECIL, *Albert Ballin*, pp. 230ff., and BA, I/13-6, Holtzendorff reports.

⁴¹ See WULF, "Schwerindustrie und Seeschifffahrt", pp. 5-6.

transporting foodstuffs. In this context Holtzendorff's reports on his lobbying become especially revealing.

On 11 November 1918 Holtzendorff offered the Hapag's services to the head of the provisional government Reich Chancellor Ebert.⁴² Out of that offer a meeting occurred on 15 November 1918. Ebert, August Müller for the economics ministry, Seelinger for the foreign office and Wilhelm Dittmann, who was responsible for transportation in the provisional government, represented the government. Stapelfeldt of the Bremen Norddeutsche Lloyd and Holtzendorff and Cuno of the Hapag attended on behalf of the war committee, or cartel, of German shippers. Cuno stated without opposition from the government representatives:

The only fact which the war has left behind in the economic field is the possibility of reviving the free economy. It must be taken up without delay because it is already needed during the demobilization. It dare not halt at the borders of the Reich, but must, as before the war, extend to oversea areas if the Reich and Volk are to survive.⁴³

Cuno offered the co-operation of the German shipping industry in rebuilding the economy through a deal. If the shippers made transport means available, continued building ships already under construction, and offered advisers for the armistice negotiations, then in return they asked the government for authorization to prepare mothballed ships, for the demobilization officials' assurance that the wharfs had supplies, and for the shipping experts' participation in the armistice negotiations. Ebert thanked the shippers and emphasized the significance of this sector for the future of the Reich and assured he would do all in his power to have the sea-faring vessels moving again. In particular, Ebert was prepared to allow representatives of the shippers to participate in the peace negotiations and asked that they contact Erzberger immediately since the latter was busy with the peace preparations.

The other government officials indicated that they basically agreed with the shippers' proposals, including keeping all vessels under the German flag. Müller offered to sign the necessary authorizations. In a separate letter Holtzendorff reported that Erzberger had been sympathetic — the shippers would be heard in any case. The shipping firms could participate but Erzberger cautioned that the Entente wanted only a small number at the negotiations. Erzberger showed no reservations about detailing past armistice negotiations. He provided the Hapag with the official texts though they were to be kept secret. Erzberger delineated his plans for the peace negotiations. He also suggested how Germany might pay its debts by selling Alsace-Lorraine potash supplies to the Americans. Indeed, the idea of "shifting German debts onto American shoulders" found frequent mention.⁴⁴

⁴² Holtzendorff I and II, Holtzendorff to Ebert, 11 November 1918.

⁴³ The quotations and information in the following are based on Cuno's notes from 15 November 1918 in Holtzendorff XVIII.

⁴⁴ Holtzendorff I and II, Holtzendorff to Hapag directory, 16 November 1918.

The manner in which Ebert and Erzberger took up the shippers' requests indicates that all these groups — shipping industry, bureaucratic élite, Social Democratic and Centre Party leaders — saw their situation as a shared difficulty. The viewpoint of many historians that these groups stood diametrically or partially opposed to each other, finds little basis in these reports.⁴⁵ Indeed, when Cuno reported back to the Hamburg shippers the day after his meeting with Ebert, he stated: "Among the members of the national government ... [I] ... found full understanding for the situation of the shippers and complete preparedness to recognize, if at all possible, the interests of German sea faring."⁴⁶ If it is time to seek why and how the winners emerged during the German Revolution of 1918, as a leading historian recently argued, then these documents imply a significant aspect of the answer: the industrialists were hardly threatened.⁴⁷ The "external threat" to the nation-state, with which all the significant groups in Germany from unions and Social Democracy to military and industry identified, united them to face a common "enemy", the Entente, whose threatening existence the armistice terms had reinforced.

The co-operation sought by the shippers and the government did not mean perfect harmony reigned. In particular the signing of the armistice renewal during January 1919 brought a sharp clash. Under pressure from the Entente, Erzberger signed a renewal on 16 January before the shippers' experts could be consulted. The terms, in effect, transferred control over the German merchant fleet to the Entente. Naturally the shippers protested, first asking the government not to ratify the agreement. When that proved impossible, they asserted that under such conditions they could not help to rebuild the economy, that unemployment and the destruction of German shipping would result. Once they recognized that the government had had no choice but to sign, the shippers appealed for attempts to gain a modification. That had been possible with the December armistice on farm machinery.⁴⁸ When attempts at modification failed, the shippers made the best of a bad situation by organizing a campaign to gain full

⁴⁵ For example, E. EYCK, *A History of the Weimar Republic*, 2 vols (Cambridge, Mass.: Harvard University Press, 1961), I: 76ff., and R. N. HUNT, *German Social Democracy 1918-1933* (Chicago: Quadrangle, 1964), p. 32, though most authors assume this opposition without exploring the question or differentiating between the actions and assumptions of the leadership and the members of the socialist movement. This gap between a leadership which placed priority upon maintaining society and state and a membership which expected a transformation of both is touched upon by S. MILLER, "Die Sozialdemokratie in der Spannung zwischen Oppositionstradition und Regierungsverantwortung in den Anfängen der Weimarer Republik", in *Sozialdemokratie zwischen Klassenbewegung und Volkspartei*, ed.: H. MOMMSEN (Frankfurt: Fischer, 1974), pp. 95-97.

⁴⁶ Cuno Lebensmittelversorgung, Cuno report to Hapag and Hamburg shippers, 15 November 1918.

⁴⁷ G. D. FELDMAN, "Wirtschafts-und sozialpolitische Probleme der deutschen Demobilisierung 1918/19", in *Industrielles System*, eds: MOMMSEN, PETZINA, WEISBROD, p. 618. A similar perspective was previously presented by D. K. BUSE, "Friedrich Ebert and German Socialism, 1871-1919" (Ph.D. dissertation, University of Oregon, 1972), pp. 3-5.

⁴⁸ Cuno Friedensverhandlungen, exchange of telegrams between Hamburg shippers and Ebert, 19 January, 1919. See also E. MARHEFKA, ed., *Der Waffenstillstand 1918-1919*, 3 vols (Berlin: Deutsche Verlagsanstalt, 1928), II: 28ff; and telegram from war committee of German shippers to Ebert, 20 January 1919, in Cuno collection.

compensation for their losses. On 30 January Holtzendorff noted that the Hamburg and Bremen shippers had again been in Berlin to negotiate with the government. But first they had conferred among themselves. The shippers agreed that in estimating losses, present market value of the ships, not the value at the time of loss, had to be the basis for negotiations. If the government did not want to accept "three times peacetime value plus twenty percent" then evaluations by experts would be demanded.⁴⁹ They discussed which officials and government leaders were most amenable and which were most opposed to the shippers' position. Jonquières from the economics ministry was thought to be the most favourable, whereas Noske had "in this instance again thrown his old socialization ideas into the debate". Holtzendorff had been instructed to inform Jonquières of the shippers' position.

On one issue full agreement existed between the government and the shippers: private property had to be protected. Holtzendorff's report of 30 January mentioned the attempt to obtain military protection for the shippers' property. During a meeting with the minister of defence, Cuno informed Noske that negotiations had begun between the central organization of German shippers and the seamen's union in Hamburg. But the international seamen's union, according to Cuno "an institution of the far Left-radical seamen with strong Spartacist tendencies", demanded to participate. Though Cuno misestimated this union's political affiliation and ascribed frustration at internal union differences to Bolshevism, the harbour workers and seamen were primarily radicalized by Hamburg's unemployment, limited food supplies and inflation.⁵⁰ When the shippers refused to negotiate, the union threatened to use force not only against the property of the shippers but the shippers themselves. Therefore strong military protection had to arrive quickly. Holtzendorff added that Noske had confidentially informed them that a heavily armed, four-thousand man troop was marching on Bremen. Since he did not have enough troops to undertake the same action against Hamburg, Noske hoped the "energetic measures in Bremen would have a favourable influence on Hamburg".⁵¹ Later, Noske's adjutant Gilsa telephoned Holtzendorff and assured him that the workers' and soldiers' councils would protect the shippers' property.

Most of Holtzendorff's report of 30 January 1919 concerned the efforts to gain a lucrative compensation agreement. At a three-and-one-quarter hour meeting between the representatives of the shippers and the representatives of the economic, finance and marine ministries, Jonquières reviewed an earlier meeting with the provisional government on 27 January: "The atmosphere had not been friendly toward the shippers: the provisional government seemed to be under the impression that the shippers

⁴⁹ The following, including citations, is based on Holtzendorff I and II, Holtzendorff notes of 30 January 1919.

⁵⁰ See R. A. COMFORT, *Revolutionary Hamburg: Labor Politics in the Early Weimar Republic* (Stanford: Stanford University Press, 1966), pp. 68, 91ff., 106.

⁵¹ This citation and following information based on Holtzendorff I and II, Holtzendorff report to Hapag, 30 January 1919; the cabinet minutes for this period provide no further information on Noske's activities.

wanted to achieve special, private advantages." The provisional government could only be persuaded that if the shippers incurred losses, they were to be compensated. The government had refused any contract or formula on evaluation. But Holtzendorff had privately been assured by Jonquières that the shippers' demands had not been totally rejected; they were not discussable *at present*. A member of the bureaucracy here acted in favour of the shippers with whom he was to work out the details of principles set down by the government. To the ministry officials the shippers re-emphasized the conditions which they wanted. Jonquières tried to moderate their demands by stating that "it was not possible to obtain more from the government." Another official supported him: "From among the cabinet members Ebert had expressly announced that in the case of losses the shippers had to be compensated. But any further guarantees ... were sharply rejected." Another official stated further demands might be the first step toward state take-over. Cuno immediately countered that then the shippers would rethink their own programme of ship building which could mean much unemployment. In the end the matter was left at the exchange of telegrams in which compensation had been requested by the shippers and a general guarantee provided by the government. The shippers could not gain their specific terms. Noteworthy is that state intervention only arose as a possibility *after* the shippers insisted on extensive gains.

In concluding this report Holtzendorff mentioned that an official from the marine ministry had warned about difficulties because the shippers had obtained monies for repairs but none had been undertaken. The official had suggested making a few repairs to undermine those wishing to utilize this information against the shippers. Further he suggested the threat of socialization should not be underestimated. Noske and other important individuals, the official confidentially informed Holtzendorff, were playing with the idea of a state take-over of shipping. Nothing came of such ideas — if they were serious is doubtful — and, as later reports reveal, Noske became a frequent and cherished guest at the round table. The government and the shippers continued to co-operate though they occasionally disagreed on how the shippers' interests were to be handled. Meanwhile these lobbying activities by Holtzendorff complemented his use of the political salon.

The *Herrenabend* reports and the other information submitted by Holtzendorff reflect one striking element: the number of individuals in the highest echelons to which he had frequent access and the extent to which they shared information with him. For example, members of the general staff informed him of the secret conversations between the American and German governments preliminary to the armistice and peace negotiations. He even obtained an official report from 12 February 1919 in which an American officer presented views on France's current attitude toward Germany, the route of returning American soldiers and the delay in food supply shipments.⁵² Through his contacts and his information

⁵² Cuno Lebensmittelversorgung, Holtzendorff report; similar information in Holtzendorff I and II, Holtzendorff report to Cuno, 28 February 1919. On these conversations,

Holtzendorff not only provided himself with a basis for representing the Hapag's interests. He gained enough insight into the decisive government institutions and the leading politicians' intentions for his *Herrenabende* to become a meeting-place between equals.

Holtzendorff early attained a position near the heart of the Weimar political world. He appeared not as a pleading outsider, but as a confident insider. Typical was a *Herrenabend* on 26 February 1919 attended by Schiffer, Dernburg, Petersen, Südekum, Naumann, Gilsa and Albert.⁵³ After obtaining a promise that Erzberger's secret memorandum on the armistice negotiations would be supplied to the Hapag, Holtzendorff led the discussion to the armistice terms of January. He argued that under the pretence of foodstuff transport the Entente had achieved control over German shipping, against which the government representative Erzberger had done nothing. Only Petersen took exception to this interpretation and attack on the government. In an aside intended for the reader of the report, namely Cuno, Holtzendorff mentioned that an article in the *Berliner Tageblatt* by Dombrowski stated the issue "correctly" and was undoubtedly based on information Holtzendorff had supplied to Theodor Wolff, the editor. Most of the round-table session focused on taxation, especially property taxes. To Holtzendorff, Dernburg expressed "his worries about how a property tax would affect industry ... But that will not change the fact that we must expect an enormous property tax." With Gilsa Holtzendorff discussed the internal situation and learned that Noske's adjutant thought the latest Spartacist unrest could be readily controlled. When Holtzendorff informed Südekum that he had heard critical remarks about Südekum's speech on Germany's financial situation, Südekum agreed to correct the impression. On the Austrian *anschluss* question Holtzendorff learned that many German politicians' reservations stemmed from Austria's financial difficulties. Südekum also proposed, and the round table considered, the creation of a small press council in major German cities to influence the press. Holtzendorff concluded: "The gentlemen remained here last night until twelve o'clock and were particularly grateful for the opportunity to express themselves in a small confidential group."

By the end of February 1919 Holtzendorff had become a respected social co-ordinator within the new German state. Ebert invited him to join the newly-established bureau of the Reich President. But the Hapag, especially Cuno, wanted Holtzendorff to remain in its service. Holtzendorff promised Ebert private aid instead.⁵⁴ Why Ebert offered Holtzendorff the post becomes evident from Holtzendorff's remark about others whom Ebert selected for his staff: "All these individuals lack contacts in the economic field so Ebert was especially grateful that I was prepared

known as the Conger-Loeb discussions, consult F. EPSTEIN, "Zwischen Compiègne und Versailles", *Vierteljahrshefte für Zeitgeschichte*, III (1955): 412ff.; H. SCHULZE, ed., *Das Kabinett Scheidemann* (Boppard: Boldt, 1971), p. 28.

⁵³ Citations and information from Holtzendorff I and II, Holtzendorff to Cuno, 27 February 1919.

⁵⁴ Holtzendorff I and II, Holtzendorff to Cuno, 28 February 1919.

to help him.”⁵⁵ Holtzendorff included an evaluation of his own endeavours: “Obviously I will do all I can here [in Weimar] to influence again the mood of the parties in the National Assembly to favour our interests.”⁵⁶ Knowing top government officials and party leaders very well and having become an adviser to the Reich President, Holtzendorff had established the pre-conditions for successful lobbying through his political salon.

The round table of 18 March 1919 illustrates well the interweaving of Holtzendorff’s negotiations and contacts with the government with the political policy discussions at the *Herrenabende*.⁵⁷ Early in the day Cuno and Holtzendorff had discussed crews for ships transporting food with government officials. Unfortunately, Holtzendorff noted, the economics ministry had negotiated with the seamen’s union and thereby recognized them as partners. In his telegraph to Hamburg Holtzendorff outlined Jonquières’ thinking: the economics ministry should temporarily arbitrate between the shippers and the union; a quick agreement had to be reached because of the ships’ impending departure; and, the union’s power was so great nothing could be done without their co-operation. Jonquières, whose ministry was to act as a “neutral” arbiter, suggested the negotiations could begin in Hamburg, and if unity were not achieved his ministry in Berlin could act as a last resort for the shippers. However, Jonquières refused to accept the shippers’ immediate demands until he had heard from the union “despite all sharp counter-proposals from Cuno and Holtzendorff”. Jonquières had the support of his ministerial colleagues; “all three based their views on the power at the union’s disposal.” With the issue unsettled, Cuno and Holtzendorff invited Ebert, his secretary Baake, Erzberger, Bernstorff and Simons to dine with them. The banker Warburg joined them. Holtzendorff recorded that:

I immediately brought the discussion to the meeting with Jonquières, and I as well as Cuno indicated ... to these gentlemen what difficult and problematic consequences the stance of the economics ministry could have. Happily, the Reich President and Erzberger were fully of our opinion that one could not give in to the seamen’s union. Finally it was resolved to await the results of the negotiations and eventually to contact the *Reichswehr* minister regarding military intervention as well as making the necessary noises in the press to make the whole world see that through the unpleasant actions of the seamen’s union food supplies were again endangered since these radical elements once more hindered and made difficult the task of getting the ships underway.⁵⁸

The degree of agreement on such ideological issues is as noteworthy as the openness with which business and political questions were mixed.

⁵⁵ Ibid.; Holtzendorff had also suggested that Cuno write Ebert a personal letter of thanks; on 1 March 1919 Holtzendorff thanked Cuno for sending a letter of explanation to Ebert.

⁵⁶ Ibid.; compare CECIL, *Albert Ballin*, pp. 250, 252.

⁵⁷ Holtzendorff I and II, Holtzendorff notes, 18 March 1919; on 14 March the German government had signed an agreement for the utilization of German ships to haul Entente foodstuffs to Germany. Compare SCHULZE, *Kabinett Scheidemann*, pp. 45ff.

⁵⁸ Holtzendorff I and II, Holtzendorff notes, 18 March 1919.

Holtzendorff's lobbying success depended on cultivating contacts and gaining confidence. He consciously pursued these aims. For example, on 2 April 1919, "Cuno and I talked about the necessity of gaining contact with the chief of the admiralty, *Vizeadmiral Trotha*."⁵⁹ On 17 July 1919: "I organized last night's *Herrenabend* in order to gain access to the new Minister of Foreign Affairs, Müller."⁶⁰ Holtzendorff's systematic pursual of the leading persons, especially cabinet ministers, appears in a notation after the new cabinet had been formed in June 1919: "I hope to see [Chancellor] Bauer ... and the present Minister of Economics Schmidt here yet this week. Then I will again have the necessary contact with all decisive offices which are of interest to us."⁶¹

If a lobbyist's effectiveness depends upon obtaining the confidence of those to be influenced then a prime example is Holtzendorff's relationship with Joseph Koeth, the demobilization commissioner. During March and April 1919 Koeth negotiated with the shippers on a programme to construct freighters. On 5 April Holtzendorff wrote that he was reporting his most recent negotiations with Koeth by letter because the contents "were not of the sort to be given by telephone".⁶² Koeth had set a deadline of 6 April and stated his reasons for placing the shippers under pressure. These reasons he did not want known publicly.

Koeth was personally extraordinarily kind and informed me very confidentially that he intentionally placed great pressure upon the shippers, which was in their own interest. He had been secretly informed — and he asked that this be considered *exceptionally confidential* [underlined in original] — it was intended to ask in the National Assembly about the delay ... It would be said that neither the demobilization office nor the shippers had attacked the problem with sufficient energy and the state had to intervene. That would naturally be the first step towards socializing the shipping industry. In order to prevent that and only for that reason, did he pressure so dictatorially ... because only then could he emphasize in response to the National Assembly that everything possible was happening to attain a contract.

Koeth was particularly worried about socialization: "He is a great enemy of these ideas and therefore wants to play a preventive role."

Being aware of the tactics employed by those whose confidence he gained, Holtzendorff knew he had to be cautious with certain politicians. For instance, on the evening of 2 April 1919 Holtzendorff dined publicly with the Finance Minister and Jäckh. The aged liberal Eugen Payer appeared and "it was therefore not possible in an unobtrusive way to bring the conversation with Schiffer to our steamer *Fürst Bismarck*."⁶³ The *Bismarck* had been sold by the Hapag but the Entente refused to acknowledge the sale. Holtzendorff concluded: "I shall visit Schiffer about it."

The purpose behind the intensive cultivation of contacts and trust clearly related to the Hapag's many interests. Between 1918 and 1920, on

⁵⁹ Ibid., Holtzendorff notes, 3 April 1919.

⁶⁰ Holtzendorff III and IV, Holtzendorff to Cuno, 17 July 1919.

⁶¹ Ibid.

⁶² Citations and information based on Holtzendorff I and II, Holtzendorff to Cuno, 5 April 1919.

⁶³ Ibid., Holtzendorff notes of 3 April 1919.

such questions as compensation for loss of ships, taxation regulations, air transport subventions or special terms for the shipping industry under the reparations agreements, Holtzendorff worked intensively to influence the cabinet. On 11 July 1919, not long after the Versailles Treaty placed the German shippers in the difficult situation of having to hand over the remainder of their merchant fleet as reparations, the Hapag directors invited Erzberger to dinner. "The discussion went very satisfactorily. After the very general political talk ... we came to our matter. The quintessence was that very quickly a list of the value of German ships which have been handed over or are in neutral ports or being built, must be given to Erzberger."⁶⁴ Cuno promised to have a list ready in eight days and then Erzberger would arrange for payment. Erzberger

feared that if it did not transpire quickly, the reparations commission might intervene under the pretext that the sums which the Reich owed us had to be set back in favour of the sums owed to our enemies. We are to estimate the ships' value ourselves and later they could be evaluated again by third-party experts. To this purpose we will already contact the third party surreptitiously so no great differences appear in the two evaluations.

In addition to this manoeuvre Cuno argued that the shippers needed to get back into business and for that transport means were necessary which, since the Entente was taking away newly-produced ships, could only be bought. Therefore, payment for the ships had to be advanced quickly and Erzberger agreed in principle to an advance payment when the list was prepared.

The shippers encountered the same co-operation when they visited Erzberger about *Reichsnotopfer* (special taxation). Erzberger refused any delay of the taxation but agreed to hear the shippers on details. He assured them that the valuations would be made so that "no economic unit as such would be endangered".⁶⁵ Here the shippers wanted a low evaluation on the same ships they had previously wanted evaluated at high rates for compensation purposes. Erzberger guaranteed this and Holtzendorff fittingly commented that "the results of the discussion were in my opinion very positive for us."

The ability to manipulate between policies and persons is further illustrated in Holtzendorff's relationship to Undersecretary Albert of the Reich Chancellery. Albert took a particularly friendly attitude towards the shipping industry. When the ship evaluation did not go exactly as planned, Holtzendorff wrote on 6 November 1919 that

I took the opportunity at my *Herrenabend* yesterday to complain energetically about the miserable treatment which the shippers received in the marine evaluations to the Reich President, Undersecretary Albert and Vice-Admiral Trotha. The chief of the admiralty ... fully agreed with me and Albert promised that he would still speak with the Chancellor today about the matter and attain

⁶⁴ Holtzendorff III and IV, Citations from Holtzendorff notes, 12 July 1919. Compare P. WULF, ed., *Das Kabinett Fehrenbach* (Boppard: Boldt, 1972), pp. 480, 499.

⁶⁵ Holtzendorff III and IV, Holtzendorff to Cuno, 7 October 1919; on the taxation question see K. EPSTEIN, *Matthias Erzberger and the Dilemma of German Democracy* (Princeton: Princeton University Press, 1959), pp. 338ff.

improvements. Further I spoke with Foreign Minister Müller and Albert in depth on the consequences which the new Entente note [regarding the handing over of cranes and dock supplies as reparations] would have on German sea faring and trade. Naturally I painted in the darkest colours.⁶⁶

Albert again assured him that the Chancellor would agree fully with the shippers' position. Later in the month Albert aided Holtzendorff once more:

As we agreed in our conversation yesterday I went to Albert today and informed him of the situation. He counselled the following path: he would speak with the Chancellor and ask him to permit an audience ... Albert thought it right and clever to invite Jonquières to this audience and for him to suggest a *Chefkonferenz* (internal cabinet) to present our viewpoint. Albert thought it unwise to have representatives of the shippers at the internal session because Erzberger would become distrustful ... that we were achieving something in a round about way and wanted to place pressure on him ... Albert and I agreed on using Jonquières because the latter undoubtedly has a heart for the shippers and is as objective as it is possible for an administrator to be.⁶⁷

With the compensation rate for lost ships again at stake, Holtzendorff's confidential relationship to the bureaucracy undoubtedly aided the Hapag.⁶⁸ The cabinet minutes of the period November-December 1919 confirm that the admiralty, the state officials as well as the politicians Holtzendorff identified did support the position outlined at the Holtzendorff discussions.⁶⁹

A high degree of ideological unity developed among Holtzendorff's main guests. At a round table during April 1919 Holtzendorff asked Noske "why he still tolerated the press of the Independent Socialists, especially *Freiheit* and *Roter Galgen* (*Rote Fahne*, the main Communist Party newspaper) in Berlin. Noske answered that he could not outlaw these papers just before the council congress since it would be seen as a provocation. After the congress he would use the first opportunity to make these papers dead silent."⁷⁰ Similarly, the shippers found the bureaucracy inclined to share their disparaging views of the workers' and soldiers' councils. On 27 April 1919 Cuno and Holtzendorff saw Jonquières about workers' councils on the food transport ships which Cuno announced were an impossibility.

Jonquières completely agreed. He too thought workers' councils on board an impossibility, but maintained that the shippers could not avoid employees' and workers' councils for the whole industry. In his opinion it would be impossible to make an exception for the shipping industry and he suggested placing emphasis upon constituting these councils, since they had to be erected, so that they covered the whole industry, not single ships, and therefore always met on land."⁷¹

⁶⁶ Holtzendorff III and IV, Holtzendorff to Cuno, 6 November 1919.

⁶⁷ Ibid., Holtzendorff to Cuno, 27 November 1919. Compare BA, R 43 I/2, "Chefbesprechung", 27 February 1920.

⁶⁸ ELBEN, *Problem der Kontinuität*, has left this second level of bureaucrats and their readiness to co-operate with industry unexamined.

⁶⁹ See especially the cabinet session of 9 December 1919 in M. VOGT, ed., *Das Kabinett Bauer* (Boppard: Boldt, 1978), pp. 461-63, 466-68, 498ff.

⁷⁰ Holtzendorff I and II, Holtzendorff to Cuno, 7 April 1919. Later in the year Noske prohibited *Freiheit* without even consulting the cabinet (see minutes of the SPD caucus for 10 October 1919 at the International Institute for Social History, Amsterdam).

⁷¹ Holtzendorff I and II, Holtzendorff notes of 27 April 1919.

The anti-Left attitude also surfaced in November 1919 when General Groener related to the round table a plan he had begun to develop with General Pershing early in the year to fight Bolshevism but which had been undermined by President Wilson.⁷² Or, another instance from January 1920:

With a certain grim humour Noske described to me, naturally very confidentially, his discussions and instructions which he had given to Social Democratic journalists yesterday. He had ... declared that no matter which workers — be they railworkers or miners or postal or whoever — begin a strike, he would let the leaders be taken directly to Moabit [jail]. The journalists were to make clear to the people throughout the land that he was not fooling and the situation was so serious that only the worst and sharpest measures helped.⁷³

Agreement existed not only concerning the Left. The Right in the form of the German Nationalists and parts of heavy industry were also criticized. The round table participants of 14 November 1919 shared the viewpoint that the Nationalists were misusing General Hindenburg's name. When Noske asserted that "the gentlemen from the Right had in the first period not been able to say enough kind and worthwhile things about me, but now attacked me and undermined my authority in the military", Holtzendorff added that "the German Nationalists remain, as most of my upper-class comrades in the conservative party, very short-sighted and have no political nose for that which is presently necessary".⁷⁴ The liberals attending Holtzendorff's sessions naturally placed great hopes in the German Democratic Party. At a *Herrenabend* on 9 October 1919 Holtzendorff and Schiffer discussed why this party alone should be supported:

Schiffer regretted extremely that industry provided so little financing for the Democratic Party, since the German People's Party was surely a hopeless matter, especially after Stresemann had officially committed himself to the monarchy ... A government of the Right, even including the bourgeois parties, would be an impossibility in Germany's present situation, for the consequences would be a series of strikes. The only party which in the future can work with the Social Democrats and the Centre is the Democratic Party and in that lies its great value, for the Democrats can keep the Social Democrats a bit under control and above all support the right-wing Social Democrats, who will certainly be weakened by the elections, against the left wing, especially the Independents and Communists.⁷⁵

In late 1919 and early 1920 the Social Democratic leaders too favoured a middle-of-the-road coalition, without of course knowing the extent to which elements of light industry saw them primarily as objects of their power plays.⁷⁶ The support for a politics of the "middle" also appeared

⁷² Holtzendorff III and IV, Holtzendorff to Cuno, 15 November 1919; compare SCHULZE, *Kabinett Scheidemann*, pp. 210ff., especially p. 214. The question as to whether actual contacts had been taken up between the Entente and the German military for the purpose of fighting Bolshevism can thus be answered affirmatively.

⁷³ Holtzendorff III and IV, Holtzendorff to Cuno, 29 January 1920.

⁷⁴ Ibid., Holtzendorff to Cuno, 15 November 1919.

⁷⁵ Ibid., Holtzendorff to Cuno, 10 October 1919.

⁷⁶ For the SPD see especially the discussion between Bauer and Koch-Weser, November 1919 (BA, Koch-Weser Nachlass 16/303-305), partially cited in A. KASTNING, *Die deutsche Sozialdemokratie zwischen Koalition und Opposition* (Paderborn: Schöningh, 1970), p. 39. For the liberals see L. ALBERTIN, *Liberalismus und Demokratie am Anfang der Weimarer Republik* (Düsseldorf: Droste, 1972), pp. 355ff. and R. OPITZ, *Der deutsche Sozialliberalismus* (Köln: Pahl-Rugenstein, 1973).

in Holtendorff's question to Simons, who had become manager for the largest employers' association after his career in the Reich administration, on how he combined his new position with his convictions. "Simons argued that he had made his acceptance conditional upon no politics à la heavy industry".⁷⁷ The German People's Party was also criticized in this circle for having circulated the retouched, scandalous picture of Noske and Ebert in swimming trunks.⁷⁸ The anti-Left and anti-Right attitudes prevalent in this political salon not only confirm old adages about birds of a feather flocking together, but that a community of men interested in the continuance of the Weimar system had coalesced.

Two preliminary conclusions emerge from Holtendorff's extensive contacts. First, the continuance of the Imperial bureaucracy into the new state gave the established power factors in the economic realm — industry in all forms — a huge jump over such newcomers as the unions. The differences within the unions and socialists, indeed, labour in general, were successfully exploited by the entrepreneurs and help explain their emergence unscathed from the revolution.⁷⁹ Second, emphasizing a cosy relationship between elements of Social Democracy, the state bureaucracy, the shipping industry and the leaders of the German Democratic Party does not suggest that politically inclined persons should not participate in forums, discussions or exchanges of their choosing. The workings of the Weimar Republic, however, become more understandable when it is known that Noske and Müller were more open with these discussion partners than with their own caucus which continually complained about a lack of information on the government's intentions.⁸⁰ These Social Democrats may not have "betrayed" their cause or their following, but they played with cards from different decks on each occasion. The recently advanced perspective that Weimar Social Democracy had a dual character — one element, the social-liberal, hoping to improve capitalism for the workers' benefit and one element, the socialist-reformist, hoping to overcome capitalism through parliament — is supported in that the leaders of the former element were making common cause here with the bourgeois liberals.⁸¹

In the Holtendorff round-table sessions the major participants seem to have stepped out of the role one would have anticipated from their party-interest affiliation. Given the participants' diverse origins, the surprising element is the apparent agreement on the general purpose behind German politics. Without considering the dynamics of small groups, a hypothesis may be advanced. Just as the war had demonstrated that the

⁷⁷ Holtendorff III and IV, Holtendorff to Cuno, 10 October 1919.

⁷⁸ Ibid. The picture appeared in the *Berliner Illustrierte*, 21 August 1919, as Ebert signed the new constitution into force and he and Noske began official state visits to southern Germany.

⁷⁹ Compare FELDMAN, "The Social and Economic Policies", p. 48.

⁸⁰ For example, caucus minutes (see note 70) of 28 October 1919 and PARTEI-VORSTAND, *Protokoll der Sitzung des Parteiausschusses* (Berlin: Verlag der Sozialdemokratie, 1919), pp. 7, 36 (session of 13 December 1919).

⁸¹ G. FÜLBERTH and J. HARRER, *Die deutsche Sozialdemokratie 1890-1933* (Darmstadt: Luchterhand, 1974), pp. 18ff.

trade unions and Social Democracy were so integrated into the German political and social system that they were forced to try to make it function, indeed, they were the last to leave the sinking ship, now those elements of the bureaucracy, industry and military which had successfully defended themselves during the Revolution of 1918 were so intertwined with the new system that they were forced to try to make it function. Holtzendorff's political salon may have been, unintentionally, such a reflex action and, thereby, a stabilizing factor in the early Weimar Republic.

Typical of this "negative integration" of some elements of big business is the consequence of Holtzendorff's salon for the managing director of the Hapag, Cuno. He was kept in the eye of officials and cabinet members. Rathenau apparently stated about this elegant, suave future Chancellor: "That cigar too will have to be smoked."⁸² These documents show how often matches were lit. Cuno met very frequently with cabinet members and reiterated his belief in a free-market economy. By early 1920 he had a high reputation as a financial expert. In March 1920 when a scandal forced Erzberger to resign as finance minister, Cuno was chosen as his successor. Warburg proposed a cabinet of non-party "experts": Cuno (finance), Schmidt (food supply), Wiedfeldt (economics), Rantzau (foreign affairs). They would replace the party-affiliated ministers with Bauer remaining as Chancellor.⁸³ Well before Erzberger tendered his resignation, lists were being established of undersecretaries, the response of the People's Party checked and the Hapag directory requested to give Cuno leave.⁸⁴ Behind the scenes Holtzendorff handled arrangements with Ebert, Schiffer and Albert. After discussions with party leaders Holtzendorff thought a cabinet of experts improbable though Müller personally was prepared to relinquish foreign affairs. The Centre wanted Josef Wirth to obtain treasury if Cuno took finances. Cuno replied he still awaited, on 9 March, a meeting of the Hapag directory and wanted three matters clarified: who would follow the Social Democrat Hirsch as economics undersecretary (Cuno insisted on his removal); what views did Wirth have, in case he obtained treasury; could the Foreign Office be persuaded to accept Cuno's economic policies.⁸⁵ Holtzendorff again spoke with Schiffer who suggested possible undersecretaries, assured that Wirth could easily be controlled and maintained that the Foreign Office "could be brought into the same current" since the decisive department head was amenable.⁸⁶ Ironically, Holtzendorff negotiated with Schiffer, Albert and Trimborn of

⁸² Cited in K.-H. HARBECK, ed., *Das Kabinett Cuno* (Boppard: Boldt, 1968), p. vii.

⁸³ Holtzendorff XXIII, Holtzendorff to Cuno, 8 March 1920; already on 1 March 1920, Holtzendorff, Ebert, Bauer, Koch, Seeckt and Schiffer had agreed that Erzberger could not possibly remain in office. As ALBERTIN, *Liberalismus und Demokratie*, p. 360, notes, the liberals had taken over the terminology of the political Right regarding a cabinet of experts and the hope to "de-politicize the economic ministries".

⁸⁴ Holtzendorff XXIII, Holtzendorff to Cuno, 8 March 1920; the information in these documents corrects the view that Erzberger's removal did not alter the coalition cabinet's make-up as argued by R. MORSEY, *Die deutsche Zentrumspartei 1917-1933* (Düsseldorf: Droste, 1966), p. 300.

⁸⁵ Holtzendorff XXIII, Holtzendorff to Cuno, 9 March 1920.

⁸⁶ *Ibid.*, Holtzendorff to Cuno, 11 March 1920.

the Centre about Cuno's terms just days before the Kapp Putsch on 13 March 1920 sent the national government scurrying to Dresden and Stuttgart. Cuno had set down his views on reparations, socialization and under-secretaries but the Hapag directory still delayed Cuno's leave.

Schiffer asked me [Holtzendorff] to inform you [Cuno] that an individual from the Hapag ... occupying the most important post in the ministry ... would strengthen the Hapag's position against its competitors ... All asked me to re-emphasize to you and the directory how important your entry into the cabinet is right now.⁸⁷

The Kapp Putsch interrupted these negotiations, but their existence reveals that one part of the industrial world had no inkling of the Kapp adventure.⁸⁸ These businessmen, having become an integral part of the system, recognized the need to make it function. Naturally they did not seek to follow the pattern of the factionalized parties; the proposed cabinet of experts illustrated their hope to circumvent parliament. Yet, the attempt to rebuild *from within* reflected this business sector's approach to politics. In the cabinet reshuffling after the putsch, Cuno still assumed he would become finance minister. Not until 27 March did Cuno inform Ebert, Schiffer, Albert and Bauer that he would not participate because he thought the unions' position had become too strong.⁸⁹

An important *Herrenabend* discussed the consequences of the Kapp Putsch in early April 1920.⁹⁰ The relations of the industrial-military complex to the Weimar state were well illustrated. The participants appeared to be a mixture of the old and new cabinets: Müller, Schiffer, Seeckt, Groener, Gessler, Albert, Noske, Warburg. Holtzendorff first reported his lengthy talk with Gessler "who is completely of our opinion" that it was necessary to be mild with the officers who had participated in the putsch. "Confidentially Gessler informed me that the treatment of putsch participants had been the main reason he took the extraordinarily difficult and thankless post of *Reichswehr* minister." With Seeckt Holtzendorff also discussed the putsch and Cuno's reasons for not entering the ministry. "Of course I found complete understanding". Gessler had asked Holtzendorff to bridge the gap between Noske and Seeckt:

Naturally I shall attempt to make amends between these two first-rate men ... Happily Noske and Gessler work together excellently. Noske lives in his old apartment and he and Gessler meet daily and Gessler frequently gets advice from him. That can only be applauded. The Social Democratic undersecretary who was attached, or more accurately forced onto Gessler, has been given a room in Noske's apartment and by this purely local arrangement a certain amount of working together behind the scenes is possible.

To Müller, the new Chancellor, Holtzendorff outlined Cuno's intentions for his trip to the United States. "He agreed [Cuno] could be exceptionally

⁸⁷ Ibid.

⁸⁸ Compare G. D. FELDMAN, "Big Business and the Kapp Putsch", *Central European History*, IV (1971): 99ff., and E. KÖNNEMANN, ed., *Arbeiterklasse siegt über Kapp-Lüttwitz*, 2 vols (Berlin: Auvernmann, 1971), I: 26ff. on the role of heavy industry.

⁸⁹ Holtzendorff XX, Cuno to Ebert, 27 March 1920; on 23 March Bauer had again offered Cuno the finance ministry.

⁹⁰ Holtzendorff III and IV, Holtzendorff to Cuno, 12 April 1920, for the following citations and information.

useful in America just now and perhaps his influence ... could compensate for not taking the finance ministry." Holtzendorff's salon provided an essential link between government officials and light industry.

The *Herrenabende* provide numerous examples in which government officials and cabinet members discussed and exchanged advice on pressing questions. In addition to the amount of information leaked here, conspicuous is the casual assumption that all present shared a common purpose. The "unspoken assumption" of serving a "higher" national purpose had a dual aspect: the necessity of making a common front against the Entente and the concern to revive the German economy.⁹¹ These assumptions surfaced infrequently but they played a key role in bringing and keeping the discussion partners together. The relations between Cuno and Ebert, which Holtzendorff cemented, illustrate this motivation. In September 1920 Cuno spent two days with Ebert, who was holidaying in Freudenstadt, to report on a business trip to South Germany:

I was together with Ebert and the Württemberg representative Hildenbrandt who both were extraordinarily happy about the shippers' attempts to combine Hanseatic and South German interests. On 3 September, Ebert ... let himself be informed in detail on the merchant fleet and our interests. He stated his agreement in the compensation question ... He promised his support. He showed a special understanding for the necessity to achieve an economic revival, to put aside all party-political differences and to join together all forces desirous of rebuilding the economy.⁹²

Similarly, when Cuno heard that Ebert might not run for election to the presidency Cuno wrote him:

At a time when the Reich can only regain its health if all work untiringly ... and it appears to be impracticable in the long run that the Social Democrats are not in the cabinet, then certainly it must be avoided that the last tie between the bourgeois parties and Social Democracy falls ... Therefore I direct this urgent appeal to you not to deny the fatherland.⁹³

Ebert answered with a review of the Reich's difficulties and the assertion that "a way has to be found out of the plight of our country. The first precondition is that the bourgeois parties recognize that the issue is not the form of the state but rather our economic and financial survival."⁹⁴ Frequently at the *Herrenabende*, this concern about the well-being, even a re-established "great-power" position of the Reich, simmered through the discussions.⁹⁵

⁹¹ The concept was developed by James JOLL, in his study of war origins, *1914: The Unspoken Assumptions* (London: Weidenfeld and Nicolson, 1968). On the identification of businessmen with the general welfare, see also FELDMAN, "The Social and Economic Policies", p. 47.

⁹² Holtzendorff XXI, Cuno notes from September 1920.

⁹³ Cuno Politik 1919-22, Cuno to Ebert, 22 September 1920.

⁹⁴ *Ibid.*, Ebert to Cuno, 14 October 1920, also printed in *Friedrich Ebert 1871-1925* (Bonn: Neue Gesellschaft, 1971), pp. 155ff.

⁹⁵ Examples in Holtzendorff V and VI, Holtzendorff to Cuno, 16 October 1920, or 19 December 1920, or 9 September 1921. During the crisis of September 1923 Ebert talked to Holtzendorff about a possible war of revenge against France (Holtzendorff XXIII, Holtzendorff to Hapag directory, 8 September 1923).

Information, contacts and even advice cannot be equated with influence. Although a prominent participant at the round table wrote to his wife in 1921, "this evening Holtzendorff's, which always means a small cabinet session",⁹⁶ Holtzendorff's political salon never amounted to a secret, second cabinet. Otherwise its termination could not have been so abrupt in early 1924. It served as a convenient place for the élite among the middle-of-the-road coalition partners to trade ideas, opinions and occasionally make plans. With fine wines and good cigars the shipping firm made its presence felt, evidently, because the shippers and the government mutually assumed they needed each other. Patriotic and political assumptions united leaders who thought that their tactic — externally co-operating with Britain and the United States, internally revitalizing a capitalist economy — would restore German great-power stature in Europe. Thus Holtzendorff stated, convincingly and logically from this perspective, about the conversation in which Ebert spoke of a war of revenge during the Ruhr crisis of 1923: "one must be grateful that one has in the highest position of the Reich such a man who is undoubtedly patriotic through and through, very clever and calm and will certainly do everything on his part to save the situation."⁹⁷

The information to which Holtzendorff had access provides insight into the functioning of the Weimar Republic. Significant is the circle of contacts, agreements and arrangements revealed to be in operation here. The coalescing and cohesion of what has been termed the Weimar "middle" — that element which disintegrated in the later stages of the republic — as a state-supporting element (including parts of industry, bureaucracy and military) separate and distinct from far Left and far Right political parties, from heavy industry and unions, can be followed in this political salon. Holtzendorff's table served as a prime meeting place for the decisive leaders of this political tendency.

As a lobbyist Holtzendorff served his firm well. His salon, contacts and advice-giving illustrate the mechanism by which large-scale economic interests can adjust, alter and subtly affect policy through government officials. The usual means of briefs and cartel representation to politicians and ministries were here supplemented by a political salon. But the man to whom Holtzendorff primarily reported, Cuno, illustrated by his career that lobbying could be a two-way street. From an aloof co-operator at war's end prepared to offer deals to the government to attain the shippers' ends, he increasingly became tied to the Weimar system. He eventually served as Chancellor in 1922 on the assumption that governmental and business interests could be combined.⁹⁸ After a mediocre performance he

⁹⁶ Washington, National Archives, Papers of General Hans von Seeckt, Reel 28, Letters to his wife, 14 April 1921.

⁹⁷ Holtzendorff XXIII, Holtzendorff to Hapag directory, 8 September 1923.

⁹⁸ In 1917 Ballin had written to Holtzendorff: "It would be a shame for your *Abende* if the false impression arose that they did not serve national concerns as opposed to private interests. Both aims are easily capable of being combined". Cited in CECIL, *Albert Ballin*, p. 253. During February 1919 when Holtzendorff wrote Cuno regarding the use of Hapag ships to transport foodstuffs, he mentioned that in speaking with the government the Hapag was not putting top priority upon its own interests.

continued to serve the state in attempting to arrange a currency system in November 1923 and a year later he seriously considered the post of ambassador to the United States.⁹⁹ He had been so drawn into the state system that he risked a clash with his own firm. Cuno's career reminds one of others from leading sectors of industry: Rathenau, Wiedfeldt, Raumer, Stresemann. Thereby a decisive difference — largely unexplored by historians but underscored by the Holtzendorff documents — between the early (1919-23) and later (1929-33) crisis years of Weimar may be emphasized: in the later crisis no men of this stature from the business community committed themselves to the responsibilities of public office.¹⁰⁰ Holtzendorff's political salon, serving as a combination of interest representation and political integration, contributed in keeping alive the precarious "middle" in a republic where power remained divided among the state, the military, the bureaucracy, the unions, the parties and the diverging sectors of industry.¹⁰¹

In a larger perspective the utilization of a political salon as a lobbying instrument by an industrial concern is part of a broader social development. Political salons, as forums for ideas and opinions on current events, have a long history. Their emergence paralleled the rise of political parties within which small groups frequently built a special circle. Such groups occasionally took the form of a salon, or, through the insight of such gracious outsiders as Madame de Stael, places were provided where different views could be debated without public scrutiny. With the simultaneous rise to societal pre-eminence, inter-penetration and interdependence of *big* business and *giant* state during the last hundred years, powerful economic interests have sought to influence most political groups including salons, or have resorted to financing their own. Holtzendorff's round table represents one mechanism in a variety, ranging from special pleading to bribery, from party financing to detailed briefs, employed to keep the state aware of big business' economic and political interests.

The man who operated so adroitly behind the scenes of the early Weimar Republic had his own estimation of this situation and his salon. In October 1919 Holtzendorff declined an offer to be elected to the Reichstag for "in consideration of my present position, which is to provide a neutral ground for all parties, I must be doubly cautious and not gain attention in any way but rather remain 'one of the quiet ones in the land'."¹⁰²

⁹⁹ Cuno Politik 1923-30, Stresemann to Cuno, 11 December 1924.

¹⁰⁰ A comparison might be made with individuals such as P. Moldenauer, H. Warmbold or H. Dietrich. It could be posited that these men sought primarily to use the state to uphold the economy after 1929, while the earlier individuals were concerned to uphold the state.

¹⁰¹ According to a high official in the Foreign Office, the following had to be consulted or considered on every question: "cabinet, party leaders, industry, unions and press". Politisches Archiv des Auswärtigen Amtes, Bonn, Brockdorff-Rantzau Nachlass 14/1, Maltzan to Brockdorff-Rantzau, 26 April 1923.

¹⁰² Holtzendorff III and IV, Holtzendorff to Cuno, 10 October 1919.

RÉSUMÉ.

Au lendemain de la révolution allemande de 1918-19, les élites traditionnelles ont réussi à conserver leurs positions sociales et politiques. Nous étayerons ici cette esquisse devenue classique en examinant l'un des véhicules qu'a utilisé un secteur des milieux d'affaires pour se faire entendre dans les cercles gouvernementaux. Dans le salon politique de Holtzendorff, des pressions subtiles étaient exercées sur des personnalités politiques triées sur le volet; ces pressions ont largement bénéficié à la Société de navigation Hapag, qui finançait de telles activités mondaines. Par contre, et de façon assez inattendue, les représentants du monde des affaires ont ainsi été entraînés dans les rouages de la vie politique, de sorte que ce salon a, de fait, facilité l'intégration d'élites disparates à la jeune République de Weimar.