

Noble Entrepreneurs



Bommerius, Christian: *Der Fürstentrust. Kaiser, Adel, Spekulanten*, Berlin: Berenberg Verlag, 2017. 150 pp.

The journalist Christian Bommerius examines in his publication a business enterprise undertaken by Christian Kraft zu Hohenlohe-Öhringen (1848–1926) and Max Egon II Fürstenberg (1863–1941) in Imperial Germany just before the Great War. The author was denied access to the protagonists' family archives (Hohenlohe in Neuenstein, Fürstenberg in Donaueschingen), so his study is largely based on period newspaper articles and materials from the Foreign Ministry archive in Berlin (Politische Abteilung im Politischen Archiv des Auswärtigen Amtes). The book is written in a gripping lively style and it is clear that it was not penned by a classic historian but by a pressman accustomed to writing investigative articles. On some 130 pages of text it reveals to the readers an astounding practice of gamesmanship that ended in a scandalous failure.

The prologue to the whole story takes place in Madeira in 1904, when the protagonists attempted to build a casino under the pretext of building a sanatorium. Their efforts to obtain a licence and the necessary land soured the already strained relations between Germany on one side and Portugal with Great Britain on the other side. Now Bommerius introduces the two central characters, cousins Christian Kraft zu Hohenlohe and Max Egon II Fürstenberg, who ranked among the richest German aristocrats. In Christian Kraft he reveals a strong desire to speculate (for that matter, his father was entangled with a fraudulent scheme of "Railway King" Bethel Henry Strousberg, 1823–1884); and characterises Max Egon as a close friend of German Emperor Wilhelm II, and a frequent butt of criticism for his marked influence over the emperor. Extraordinary attention was aroused by Fürstenberg's contacts with the reigning Austro-Hungarian dynasty, plus the fact that he owned a large estate in the territory of Bohemia (Křivoklát). The cousins were passionate hunters, capable of breaking off negotiations with banks and instead heading to the theatre.

In the central part Bommerius focuses on the joint-stock company Handelsvereinigung AG, set up by the princes in 1908 in Dorotheenstraße in Berlin in the centre of the banking district. The golden rule of the Fürstentrust was summed up in the phrase "private capital over bank capital". The cousins did not want to give a mandate on the supervisory board to any bank and in particular, strove to be independent of the influence of Deutsche Bank, the biggest bank in Germany. Their contemporaries saw in this approach the dawning of an era of financial power able to get ahead to the exclusion of traditional banking capital. But, neither Christian Kraft nor Max Egon could freely dispose of their assets because they were constrained by fideicommissum, which means as the owners of the inherited large estates they could not mortgage them beyond a fixed acreage limit. Fideicommissum was also to prevent splitting up and alienation of properties whose list was filed with a competent court. The cousins walked a tightrope between the economic legislation and the period business usages. They snapped up everything they could: sea transport companies, construc-



tion firms (Boswau und Knauer), luxury hotels, shipping companies, bus lines, financial institutions (Deutsche Palästine Bank). Soon the game acquired undreamed-of dimensions and as a result of massive debts came to an inglorious end in the summer of 1913. Emperor Wilhelm II exercised his influence over Deutsche Bank, which first had to bail the company out and then lead its liquidation. The cousins Hohenlohe and Fürstenberg were compelled to pay off the debts they had run up in a vertiginous amount of 110 million marks (but they were devalued after 1918 by hyperinflation and the counts could meet their obligations). The closing passages are not devoted only to attempts to cover up the outcome of their speculation but also to further exploits of the protagonists.

Bommerius has brought to life a long-forgotten scandal from the end of Imperial Germany to grip the attention of today's readers and to acquaint them through an "economic crime novel" with the most important political events of the pre-war period. Yet the reviewer cannot resist the feeling that such an important economic and social topic that the establishment and the workings of Fürstentrust surely were is depicted superficially in the journalistic style as a mere political scandal that caught the fancy of the public. A major asset of this publication is the chosen theme; on the other hand, we lack an in-depth analysis of the instruments with which Fürstenberg and Hohenlohe played the whole game. There is complete absence of placing the property speculations in the context of economic development of pre-war Germany. Nonetheless, it is necessary to evaluate positively the author's outline of the protagonists' psychology, and the way he reveals their character traits and personal motivation. The topic merits the attention of an economic historian employing an appropriate method (ideally business history) and analysing the princes' business operations and strategies to help clarify the mechanisms used by Fürstenberg and Hohenlohe. Let us hope the two families' private archives open in the future, so that this objective may be accomplished.

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