



THE ROTHSCHILD ARCHIVE  
Review of the year April 1999 – March 2000







# The Rothschild Archive Trust

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## INTRODUCTION

*Emma Rothschild, Chairman of the Rothschild Archive Trust*

The inauguration of the new Rothschild Archive premises, which took place in the Insurance Hall at New Court in May 2000, marked the culmination of an extraordinary year for the Archive. The formation in 1999 of the Rothschild Archive Trust, and the gift to the Trust, by N M Rothschild & Sons Limited, of the materials which constitute the Rothschild Archive, have secured the future of the Archive as a place of scholarship and research. The Trust thanks the Board of N M Rothschild and its Chairman, Evelyn de Rothschild, for this truly remarkable act of generosity.

The Rothschild Archive is the outcome of two centuries of history. The work of writing, filing, packing and numbering, which started in or near the New Court premises nearly 200 years ago, continuing in Frankfurt, Paris and Vienna, through times of war, crisis and economic boom, has itself been an extraordinary collective enterprise on the part of many thousands of people. Rothschilds have been collectors of almost everything, including papers, and the survival of the Archive owes a great deal to this instinct. My late father, Victor, was deeply engaged with the Archive during his period in the Bank, as was my brother Amschel. The Trust's collaboration with French and Austrian Rothschilds is already flourishing. The Archive is also indebted to successive professional archivists at New Court. In its present form it is in an important sense the creation of Vic Gray, the Director of the Archive, an exceptional scholar and diplomat, who comes from the public sector to the magnificent premises in the Insurance Hall.

The richness and depth of the Archive's holdings are evident to many tens of thousands of readers of Niall Ferguson's book, *The World's Banker: The History of the House of Rothschild*. The study makes brilliant use of private, uninhibited, sometimes quasi-encrypted correspondence between the Rothschilds, their wives and their children, throughout the 19th century. There is far more material yet to be used. The Archive consists of almost 2 million documents, in almost every European language, taking up more than a kilometre of shelving and covering the entire period from 1800 to 1970. The Guide to the Archive is available as a publication and on the Worldwide Web, at [www.rothschildarchive.org](http://www.rothschildarchive.org).

The Rothschilds have been described by Miriam Rothschild as the first European Union. One of the important challenges for economic history in the early 21st century will be to become a global or globalised history. It must be more than a history of national economies and the relationships between nations of trade or migration or investment. It will be a history of individuals and institutions and ideas which themselves actually belonged to several different national cultures. The Archive has an immense potential in relation to these new challenges, and to many others.

Niall Ferguson in his book refers to a document of 1810, in which Mayer Amschel specifically denied all access by his wife and daughter to the 'books and correspondence' of the firm. I am delighted, as his great-great-great-great granddaughter, to have been so closely involved in the extraordinary step which has been taken in opening access to these books and correspondence to the public and to the world. The Rothschild Archive Trust expects that the Archive will in the future be a genuinely and increasingly international resource. We look forward to a great next century.



## Review of the year

### The Rothschild Archive Trust

In August 1999, the Board of Directors of N M Rothschild & Sons Limited formally transferred to the Rothschild Archive Trust the ownership of the archives of the Bank for the whole of the period from its formation in the early 19th century to 1970.

Ever since Nathan Mayer Rothschild arrived in England from his native Frankfurt the written record of the ventures and achievements of Nathan, his descendants and their worldwide network of agents had slowly accrued and had been cared for – with varying degrees of conscientiousness – by generations of clerks.

The recognition by Victor, 3rd Lord Rothschild of the historical significance of what had thus built up, piece by piece, day by day, led to the decision in 1978 to attempt the arranging and preparation of the Archive as a historical resource.

Two decades later, with that preliminary work complete, the creation of the Archive Trust and the gift of the Bank's archives marks the completion of one phase and the start of a new chapter in the life of the Archive. Under the aegis of the Trustees, the long-term future of the Archive will be planned and a programme of initiatives put into place to ensure that its potential as an important resource for the scholarly world is realised. The Trustees will also be seeking to enhance the Archive with the addition both of archive material relating to the family and its many diverse activities and of a range of supporting reference material: publications, images and copies of documents held in other archives and libraries around the world.

In this they will be continuing and building on work already begun. The Archive already boasts series of papers relating to Rothschild houses, art collections, scientific and literary endeavours and, of course, businesses, across a number of countries. The firm intention is to earn and achieve for the Archive recognition as an

international centre for research into the family, its activities and impact.

The Rothschild Archive Trust is a charitable body the objectives of which are “to advance education, for the public benefit, by the preservation and maintenance of the books, manuscripts, letters, accounts, financial records and other papers which together form the historical archive of N M Rothschild & Sons Limited; and to make them available for study by ... scholars and other persons”.

The Trust will continue to enjoy the support of the Board of N M Rothschild & Sons Limited, through the provision of premises, facilities and staff.

### A new home for the Archive

In the autumn of 1999 the Rothschild Archive took up occupation of impressive new premises in New Court, St Swithin's Lane, London, the address of N M Rothschild & Sons, the London merchant bank, since its foundation in the early 19th century.



*A corner of the new environmentally controlled archive store*



The new facilities have been built to the highest technical specifications, environmentally controlled to maintain constant temperature and humidity and thus to minimise the fluctuations which hasten paper decay. Two independent detection systems constantly cross-check the atmosphere in the store for the early warnings of either fire or damp.

The store is fitted with mobile shelving capable of housing the records of the Bank from the earliest times to 1970 and with sufficient room to ensure the expansion of the archive for the foreseeable future.

The Reading Room is also well equipped for modern research methods. Up to nine researchers are able to work simultaneously and each work position can accommodate a lap-top computer or other electric or electronic equipment.

For the first time, researchers have open access to many of the Archive's key research databases and to a body of microfilm copies of Rothschild material from other archives and libraries around

the world, which will be regularly enhanced by new acquisitions.

The new facilities provide a secure base from which the staff of the Archive can work confidently to enlarge the collections and to develop new resources to improve access for researchers in the years to come.

### **The year's work in the archive**

The move of any archive into new premises is a time-consuming operation. It is crucial that each book and box of papers is assigned a new and precise position; once misplaced, recovery can be difficult. In August 1999 a total of 2990 volumes and 5312 boxes were successfully relocated to their new homes in the Archive's new premises in St Swithin's Lane.

At the same time, the creation of the Rothschild Archive Trust, with its objective of exploring more fully the research potential of the Archive, has given a new impetus to the programme of describing the Archive's contents which is at the heart of progress towards accessibility.

#### ***Cataloguing***

The Archive houses almost two million individual pieces of paper, each potentially capable of revealing unique information. To connect the individual researcher with the paper or papers which answer his or her questions requires, ideally, that each item is fully described, its significance revealed. Of course, not every piece of paper is of equal potential interest; many are routine, even humdrum. The first task of the team of archivists is to identify which areas are more likely to be productive in research terms.

In order to do this, a three-stage programme is in place. Starting with the published description of each group or type of records as a first and unavoidable step, decisions can then be made as to which of these groups merit further attention. The description in greater detail of the contents of these groups constitutes the second stage, taken in order of identified priority. Finally, if time permits, each paper in the group can be



*The new Reading Room of the Rothschild Archive*

individually described. As this process unfolds, researchers become less and less dependent upon intuition or exploration to locate the items they need and more able to draw on published description.

The Archive this year moved towards the completion of the first phase. In May 2000, the results of that work were published as the Guide to the Rothschild Archive, available both as a publication and as a searchable resource on the Archive's website, launched simultaneously ([www.rothschildarchive.org](http://www.rothschildarchive.org)).

Work has also begun on the second phase: the more detailed description of groups defined as being potentially "research-rich". First priority is being given to the letters of some of the Rothschilds' more important agents, who constituted the information network on which the Bank's investment and development decisions were made.

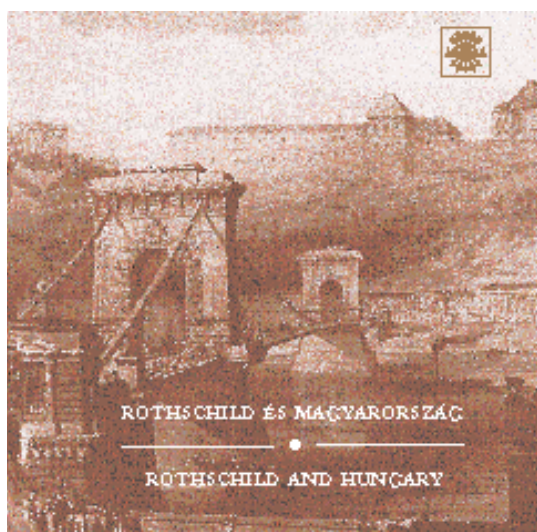
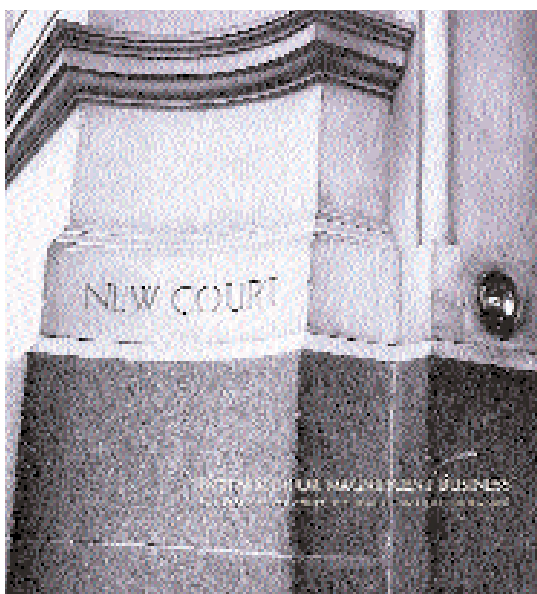
The pilot project in this area focuses on the firm of Weisweiler and Bauer who acted for Rothschilds from their base in Madrid for much of the 19th century. The task of describing their letters to the Rothschilds was begun in earnest in February and a description of the first fruits of the project is given later in this Review (page 15).

Simultaneous with this approach, another key objective has been recognised by the Trustees in the shape of the transcription and translation of the series of Judendeutsch letters of the five Rothschild brothers in the years between 1814 and 1868. Progress on the pilot project for this work is also described later in the Report (page 13).

### **Publication**

At a different and more general level, publication activity led to the appearance during the year of two booklets on aspects of Rothschild history. Designed primarily for use within the N M Rothschild Group, they do nevertheless provide useful introductions to more serious study. The first, *Rothschild and Hungary*, gives a brief account of the Bank's involvement with that country from 1849. The principal focus is on the building of

the Széchenyi Bridge connecting Buda and Pest, for which Salomon von Rothschild was a major financier. The second is an account of the three buildings which have occupied the New Court



site in St Swithin's Lane since Nathan Mayer Rothschild first moved there in 1809. Publication coincided with the completion of work on the new building on the eastern side of St Swithin's Lane which now houses, among other Rothschild functions, The Rothschild Archive.

Work meanwhile has proceeded, in collaboration with Lionel de Rothschild, on the first revision of the Rothschild family tree since 1988, for publication later in the year.

## *Acquisitions*

Among acquisitions received during the year and listed at the end of the Review (page 22), an album of some 350 photographs by Eugène Disdéri, of the Rothschild family and associates in the 1860s, was an unexpected and valuable addition to the collections. This is described in more detail by Melanie Aspey on page 21.

Equally unexpected was the receipt from Moscow of five files relating to the business and political affairs in the 1930s of Maurice de Rothschild. Though their content is not of major significance, their transfer to the Archive marks the completion of the return of French family papers seized by the Nazis in 1940 and taken into custody by Russian forces at the end of the War. The return of some 1,400 files from the Centre for Historico-Documentary Collections in Moscow was achieved through the good offices of the French Ministry of Foreign Affairs.



*Papers of Maurice de Rothschild recently returned from Moscow*

Another reminder of the impact of the 2nd World War on the family is an inventory of the art collections of the Viennese branch compiled by the Nazis at the time of their seizure and, in part, marked to indicate their proposed destinations. The inventory forms one of a group of three, dating from 1906, 1934 and 1939, relating to the Viennese family's art and furniture which have been donated to the Archive this year by Mrs Betty Looram.

## *Research in the Archive*

The preparations for the move of the Archive and the actual move itself left research room facilities unavailable for a large part of 1999. Since the Reading Room was opened at the beginning of 2000, we have, however, seen a return of researchers investigating a very wide range of projects based entirely or in part on the collection.

Professor Herbert Kaplan of Philadelphia continued his research into the foundations of Nathan Rothschild's financial success, focusing on correspondence between the five Rothschild brothers and their European contacts. Stewart Hasted, in preparing a work on the detail of events surrounding the battle of Waterloo, has sought evidence on the celebrated story of the arrival at New Court of the news of Wellington's victory at Waterloo 24 hours in advance of the Government's own courier.

George Ireland began research for a book on the sons of Nathan Mayer Rothschild, focusing initially on the letters of Charlotte, Baroness Lionel de Rothschild written mainly to her son, Leo. Charlotte's correspondence provides a lively narrative of family events, and allows a useful chronological framework to be developed, while her frequent reference to friends and associates helps build up a picture of a social circle whose surviving correspondence might also be traced.

Other research subjects currently being pursued include: Rothschild heraldic symbols; the Japanese Gardens at Gunnersbury; Rothschild connections with and views of governments (see the article by Layna Mosley on page 19); Friend Lamb, a Rothschild employee in the 19th century; Thomas





Jeckyll and his work for Cyril Flower; and the art collections of the Austrian Rothschilds.

### ***Conservation***

Conservation work on the collections has focused on three areas. The bindings of volumes are on the whole in good structural order but have become somewhat dessicated over the century or more for which most of them have survived. A programme of leather-dressing to replace lost lanolin in the leather has continued throughout the year. This will slow down further deterioration and avoid more drastic intervention.

The transfer to the new Archive of records from the years between 1930 and 1970 is being

preceded by a programme of 'preventative medicine', removing rusting paperclips and Treasury tags and introducing acid-neutral storage wrappers.

Work has also started on the cleaning and reboxing of the collection of more than 700 Autochromes (early colour photographs in the form of glass transparencies) which were deposited in the Archive in 1998 and which reflect the photographic interests of Lionel de Rothschild (1882-1942). The plates feature many portraits of members of the family and family houses and gardens. The conservation programme will return them to a condition in which they can be safely copied for future use.



*Evelyn Achille de Rothschild, Lionel's brother, killed in Palestine, 1917*



*A Japanese garden, probably on the Rothschilds' Gunnersbury estate*

# NEW COURSE 877

## Research Is the Art of Encounter: The Sources of Business History

*The Inaugural Rothschild Archive Lecture delivered by David S. Landes, Professor Emeritus of History and Economics, Harvard University, 30 May 2000*



*Emma Rothschild, Chairman of the Archive Trust with Prof. David Landes at the Inaugural Rothschild Archive Lecture*

In 1966 Joseph Wechsberg, descendant of a central European family of Jewish businessmen, wrote a book called *The Merchant Bankers* and devoted the last chapter to the Rothschilds. One passage is relevant to our concerns:

“The Rothschild legend has long ago outrun the facts. This is the Rothschilds’ own fault. They are even more reticent and aloof than other merchant bankers when family matters are concerned. They developed the technique of absolute discretion to perfection. Their family labyrinths are complex, dark and mysterious. Bertrand Gille, the French historian, has been working twelve years on a history of the Rothschilds, and hasn’t finished yet.<sup>1</sup> Significantly, no Rothschild-approved history of the family has yet appeared. A whole library of books exists about the Rothschilds. All were

written without their blessing, often against their wishes, mostly without their co-operation, and sometimes they have protested in court against them.


No one has ever gone through all the family archives. Perhaps once a Rothschild will be permitted but certainly not an outsider. The family has produced many diversified talents in the past two hundred years. Someday there will be a historian named Rothschild and he will write *the book*.<sup>2</sup>

We are gathered here today to fête a great event: the official opening of the Rothschild Archive. Here we have an enterprise that has played a major rôle in the great events of world economic and indeed general history, both on stage and behind the scenes, both public and confidential.

<sup>1</sup> In 1965 and 1967 Gille published two volumes on the history of the Paris Rothschilds: *Histoire de la maison Rothschild* (Geneva: Droz).

<sup>2</sup> Joseph Wechsberg, *The Merchant Bankers* (pb. ed.; New York: Pocket Books, by arrangement with Little, Brown, 1966), pp. 263–64.





And it is not only opening its papers to scholars but inviting them to come and providing facilities that will serve as example and model to other private archives. To get an idea of the riches that await, one has only to read the extraordinary opus of Niall Ferguson, a brilliant but still preliminary inquiry and survey – 1,500 pages but still preliminary – a promise of things to come.<sup>3</sup>

By way of underlining the significance of this inaugural, the difference between today and yesterday, and with an eye to the value of business archives, I would tell of my own cognisance of the records of N M Rothschild & Sons. (In dealing with a subject so various, nothing is so informative as one's own experience.) My story takes me back almost fifty years, to the New Court of the old prints, before the building that currently houses the Bank had been built. I was working at the time on a history of the Bleichröder Bank of Berlin, a fascinating case study of a kind of mini-Rothschild house. The Bleichröders had started out as money changers (important business in much-fragmented central Europe); gone early into personal loans and commercial credit; then, with the railroads, into investment banking; then, thanks to connections to the Rothschild house in Frankfurt, into the role of court banker. In particular, thanks to the Rothschilds' recommendation ("Who do you know in Berlin?"), Bleichröder came to handle the personal banking needs of Otto von Bismarck, Prussia's delegate to the Frankfurt Diet in 1851, later known as Prussia's Iron Chancellor.

How did I come to be doing the history of Bleichröder? Because of business archives. In two respects. First (actually second in point of time), there was the matter of Bleichröder's records. The firm was Jewish by faith and identification. (Not every Jewish firm stays Jewish, *vide* Hambro, or Kuhn, Loeb, or Guggenheim.) So when the Nazis came to power in the 1930s, they Aryanised Bleichröder, that is, they compelled the Jewish house to sell business and assets in Germany to a racially acceptable successor firm, Hardy & Co., which received as part of this forced transfer the

business records of the house. These records were subsequently lost – who knows how?

But, *petit miracle*, some papers did survive. For whatever reason, Gerson Bleichröder (later von Bleichröder), son of founder Samuel, had kept – in his office? in his house? – a disparate and somewhat chance selection of documents: some of his father's papers, partnership agreements, personal records and correspondence, some balance sheets, children's school records, a sample book of account, a sample letter book, some official papers, *et cetera*.

This *Nachlass*, as the bundle was designated, had come into the hands of a partner of the firm (no relation), which after 'selling' its Berlin persona, had re-established in New York under the name Arnhold and S. Bleichröder. Whence this appellation? After the Great War, Bleichröders had merged with (been absorbed by) Gebrüder Arnhold of Dresden, a major provincial bank, also Jewish, which had wanted to move to the capital and saw in the merger an opportunity to marry enterprise (their enterprise) to high prestige. For in matters commercial and financial, Bleichröders was no longer what it had been. In the partners' marital strategy as well. (Which came first?)

This partner was Friedrich Bunner, in New York a German expatriate out of time and place. He conceived it his duty to preserve and disseminate the record of the house, and he went to Columbia University in the hope of finding someone to turn this sacred remnant into a book, a history of the Bleichröder Bank. And that brought him to me, then Assistant Professor of Economics with the special charge of teaching European economic history. And I, foolishly, said yes.

Why 'foolishly'? Because the task was far bigger than I suspected or imagined.

I should have known better, for I had some experience in this line of work. Which brings me to my first major adventure in business records.<sup>4</sup> My doctoral dissertation had been an exercise in

<sup>3</sup> In the latest two-volume paperback edition, we have Niall Ferguson, *The House of Rothschild*, vol I: *Money's Prophets 1798-1948*; vol II: *The World's Banker, 1849-1998* (London: Weidenfeld & Nicolson, 2000).

<sup>4</sup> Not exactly the first. I had also done extensive work in the records of the Wendel iron and steel conglomerate. But the payoff there was postponed (set aside) to a study of banks in Paris and Alexandria (Egypt), details of which below.

business history based on a similar paper trove. It was a study of roughly a decade of banking and commercial operations in Egypt – the Egypt of the late 1850s and 1860s, the Egypt of European imperialism and the building of the Suez Canal.<sup>5</sup>

What was I, a student of European, specifically French, economic history, doing in Egypt? That too was a matter of chance, of archives and accident. I want to emphasise here the role of luck and accident in research; it's like panning for gold. But luck is never entirely accidental. Chance, encounter, are an art. They rest on preparation, on sensitisation. I found these papers because I could not return a fat dossier labelled *Affaires Ottomanes* without peeking inside. I had no interest in Ottoman affairs. But how can a serious historian simply throw back a bundle of documents without looking? So I looked and found the richest, most intimate business correspondence I'd ever seen or would see – the kind that no longer happens now that we have the telephone and airplane. That's luck, but also trained curiosity.

I had come to France as a graduate student in 1948 – a long time ago – to study French entrepreneurship and its consequences for French economic development. My strategy, *grosso modo*, was to find what I could learn in French business records. The primary sources would tell me. So I wrote letters and travelled about, visiting firms and directors and CEOs, asking for permission to see their papers.

Now it should be understood that it took much brass (*chutzpah*), politeness, tact, and impertinence to ask such a favour. French business firms were not accustomed to opening their records to outsiders, the less so as they never knew whether their visitor was not an agent of the '*fisc*' the dreaded tax-collecting treasury, disguised as a scholar (or whatever) to penetrate the *secret de l'affaire*. (So I was actually favoured as an American, not a very French reaction.) A number of firms told me as much. They received me politely, even invited me to lunch or aperitif, but

told me candidly that they would have to be crazy to open their files to a stranger. If they were very polite, they sent me on to some other house, maybe to someone they had it in for, maybe as a smooth way of dismissing me. But it was one of those pass-ons, from an old, strait-laced member of the *Haute Banque Protestante* (even their French was different – tight mouth, scarcely open, distinctive accent) that brought me to the bank de Neuflize, Schlumberger et Cie in Paris's place de la Bourse; and there I hit pay dirt.

By *haute banque* standards, de Neuflize, Schlumberger was something of a newcomer. The leading names – Mallet, Vernes, Hottinguer – went back to the 18th century, were pre-Revolutionary. To be sure, the bank that fathered de Neuflize, Schlumberger was equally old, but not in Paris. The house went back to the 17th century, to the Revocation of the Edict of Toleration of Nantes, when the André family of Nîmes left France and found shelter and religious freedom in Genoa. The André clan were a good example of Huguenot entrepreneurial genius and cosmopolitan dispersion. Politically progressive, they began grain shipments to hungry France in 1792 and were led by growing trade to open an office in Paris. Progressive as they were, however, they were not radical enough. One of them ended his days under the knife of the guillotine.

Others moved via Geneva to England, and it was the English branch that gave us Americans the best known of the clan. This was Major John André of the Royal Army, an adversary of the American War of Independence. John was a British spy (he would have said, a British agent), negotiator with Benedict Arnold for the surrender of West Point – Arnold, whose very name spells traitor to those of us raised on American histories of the conflict. André was caught in civilian dress, tried as a spy, and hanged – to much regret, even on the part of the Americans, who respected his dignity and liked, even admired, his courage and bonhomie.<sup>6</sup> After learning about him as a schoolboy, I was now running into his French cousins. The intellectual world, the world of

<sup>5</sup> Later published as *Bankers and Pashas: International Finance and Economic Imperialism in Egypt* (London: Wm. Heinemann, 1958).

<sup>6</sup> On André and his branch of the family, see Robert McConnell Hatch, *Major John André, a Gallant in Spy's Clothing* (Boston: Houghton Mifflin, 1986).



print and imagination, is small as well as large.

The de Neuflize also went far back, but not in banking. They had been wool manufacturers in the 17th and 18th centuries, putters-out of Sedan (that is, they bought the raw materials and gave them out to spinners and weavers to be worked up into cloth), family name Poupart. They got the surname de Neuflize from an estate they bought and title with it – death to Calvinist simplicity and modesty. (This is always the great threat to business continuity: the temptations of success.) The end of royal connections during the Revolution brought hard times and liquidation. But family is family and connections are connections, and the de Neuflize were able to place one of their sons in the André bank and then marry him to an André daughter. Say no more.

The Schlumberger went back even farther, back to the 16th and 17th centuries, first as putters-out, then as factory manufacturers, then as makers of textile and other machinery, then, in the second quarter of the 19th century as railway entrepreneurs. And smart too. Two others, brothers Conrad, who went to the Ecole Polytechnique, a school of ferociously competitive admission, and Marcel, who went to the Ecole Centrale, also selective, became interested in electricity and began looking into ways of using the new energy to prospect for oil. With a substantial advance from father Paul, they invented a technique that became the standard for an industry that was on the point of take-off. Rich as the Schlumbergers were already, the oil branch made their relatives look poor.

Anyway, the bank I visited went, after several avatars, by the name de Neuflize, Schlumberger et Cie. Yes, they did have records, which they kept in a vault in the Bank of France. And yes, they would be pleased to let me see them. One of the junior partners was delegated to show me the papers. This was Henri Costa de Beauregard, of an old Savoyard family, Catholic in this Protestant stronghold, from Genoa originally. Perhaps they had had connections to the André firm in Genoa. (In those days this difference in religion was still very important. It has much diminished since, as shown by the marriage of the Catholic manager of

the Houston branch (where else for oil prospection?), a Monsieur Deménil, to a Schlumberger heiress. Even so, some cousins absented themselves from the ceremony.)

Well, Costa and I met at the bank and went down into the cellars, passing first through an entry tunnel some ten metres long. That was the thickness of the masonry wall that protected the vaults. At night the tunnel was filled by a huge plug, tons and tons, which rode on rails into the hole and was then lowered off the wheels so that it sat immovable and impenetrable until the next day. In this treasure room, money men and jewellers kept valuables and showed them to potential customers: trays of black velvet speckled with shiny stones.

The de Neuflize, Schlumberger archives were in a large self-standing cage in the cellar, an island of documentary tranquillity. The bank allowed me first to explore, then to take bundles of papers away [*sic!*] to work on at home. *Incroyable!* Back and forth I went, accompanied each time by Monsieur Costa; and then one time I took home, along with other things, a thick bundle of papers marked *Affaires Ottomanes*. So I didn't open it; what interest did I have in Ottoman affairs? Until the day came when I had to return it, and then I felt guilty about not examining the contents. So, *par acquit de conscience*, I opened it and was stunned. There, neatly ordered, was a rich personal correspondence between Alfred André, banker in Paris, and Edouard Dervieu, banker in Alexandria. Rich isn't the word: I had never seen a business exchange of such detail, candour and intimacy. I'd hit the jackpot.

It was this discovery that led me to decide that, instead of doing some kind of general survey of French entrepreneurship, I would do a monograph in business history, a case study. The end result was *Bankers and Pashas*.

But how does one get from a bundle of letters – the originals from Alexandria and ink-blotted copies of those sent from Paris – to a book? The letters do not make a history; they are the nucleus of a story. To give them meaning and sequence, one has to put them in context, build outward, identify, define, explain. So I found myself



reading materials on the history of trade and banking, on the mid-century political and commercial conjuncture, on the activities of European businessmen in Egypt, on the planning, negotiation and construction of the Suez Canal, on the size and uses of the Egyptian debt, on the life histories of the *dramatis personae* – not only printed materials but the consular and diplomatic records of divers French, British and American government agencies. I didn't read everything. I should have gone to Vienna and I looked into the diplomatic records of the Habsburg monarchy, and to Moscow for those of tsarist Russia; and even more to Istanbul for the archives of the Ottoman suzerain.

As for Egyptian materials, I quickly learned that newspapers of the period had not survived, and that such government papers as remained dealt with such relatively trivial matters as the purchase of furnishings for the vice-regal residences. How did I know that? Well, I didn't really know it, but rather inferred as much from the materials used by Egyptian historians of the subject.<sup>7</sup> In regard to archives in both Istanbul and Cairo, matters were complicated by the use of Ottoman Turkish, a very different language from that employed in Turkey today and written in a different script. It may well be that Egyptian scholars simply could not read much of the material; and to this day, no one has explored the Turkish sources.

So far, then, so good. I had learned an important principle: that it is easier to start from the general and focus down to the particular, than to start from the particular and explore an open-ended (read, endless) topic.

But let's get back to our sheep. What to do about Bleichröder? Well, my first thought was to find a collaborator, someone familiar with German history as I was not, and I found him in my Columbia University colleague, Fritz Stern. And

then, how to fill out the gaps and round out the material? This was a much bigger task than for *Bankers and Pashas*. The *Nachlass* was spottier than the André papers and potentially wider-ranging – in effect, they pointed at a century and more of Prussian and German history. The research took us (Stern and me) into Prussian and German archives in Merseburg and Potsdam; into Hungarian archives and library materials in Budapest (railway projects); into the National Library in Bucharest (the Romanians were unwilling to admit me into the archives and found ways to delay until past my departure dates);<sup>8</sup> and into sundry business records in Paris and London.

In regard to these last, our principal source was the correspondence of Bleichröders with the Rothschild banks in these two cities. This more or less daily exchange of letters offered invaluable information on Bleichröders' international activities. We had no copies in the *Nachlass*. But we assumed that the Rothschild archives would have copies of both letters sent and received. And this proved true in Paris. The man we dealt with there was Pierre Dupont-Ferrier, one of the bank's higher officers, whom I knew by his earlier work as a significant historian of French banking and finance in the 19th century.<sup>9</sup> He was sympathetic to scholarship and treated us with a benevolence matched only by my earlier good fortune with de Neuflize, Schlumberger. He let us work up in the attic (this was the old building, long since demolished and replaced), alone and undisturbed with the bank's archives, room after room of letter books and bundles, and allowed us to make use of a camera we brought in for this purpose. (This was before the days of xerox copiers, but we did almost as well with a cheque-copying machine normally used only by banks. We rented it from a bank supply house.) These records, be it noted, have since been transferred to the care of the French National Archives and moved to a repository in Roubaix, in the far north

<sup>7</sup> See especially M. Sabry, *Episode de la question d'Afrique: l'empire égyptien sous Ismail et l'ingérence anglo-française* (Paris, 1933); and Abdel-Maksud Hamza, *The Public Debt of Egypt, 1854-1867* (Cairo, 1944).

<sup>8</sup> This was pre-Ceausescu, but everyone I met was terrified at the prospect of helping a foreigner, or perhaps an American. No one, for example, would see me alone. And when it was time to make microfilms for me, they deliberately (I say that advisedly) put the fixed-focus camera out of focus so that the film was virtually illegible.

<sup>9</sup> Pierre Dupont-Ferrier, *Le marché financier de Paris sous le Second Empire* (Paris, 1925).



– a mournful, single-purpose factory town. This exile no doubt made it possible to avoid allocating costly space in the bank in Paris to old papers; but it certainly made it less fun to do research on the history of the bank.

London was another matter. First I got Arnhold and S. Bleichröder to write to N M Rothschild & Sons and ask for their kindly co-operation. Then I wrote to London to ask to see the appropriate powers about access to the Rothschild-Bleichröder papers. In reply, I was granted a meeting with the new senior partner Edmund de Rothschild. In anticipation, Edmund had given instructions to the archivist to find whatever she could in the way of correspondence between the two houses. Her search had not yielded much – some 24 letters and notes containing trivia and politenesses.

And then I learned more about the archive: how it was dispersed during the war and it took years afterward to reunite and arrange it. Apparently those few letters and notes were all one could find at the time. All of which shows how important and promising the work that the newly organised Rothschild Archive has done, in assembling these dispersed materials and classifying them for future users. And past.

I wish I were younger, because now I know where these Bleichröder letters to NMR are to be found, and others too, thanks to the good work of Victor Gray, Melanie Aspey, Mordechai Zucker, Elaine Penn, Richard Schofield and the rest of that gifted and devoted team; and to the generous financial support of the Rothschild Bank today and its open-minded policy of encouraging research by any and all legitimate students and scholars.

In all this, I would stress the value of a broad purview. The staff of the Rothschild Archive have made it a point to collect and order not only the records of the Rothschild Banks, but also the relevant personal papers of officials and friends

and the journals, letters, and mementoes of members of the family. They also understand that written records can be enriched and informed by iconographic material. This is something I myself am especially sensitive to because of my interest in and work on the history of time measurement. This is a field where, for obvious reasons, things (objects) matter. If you can't open and "read" a clock or watch, you can't write about the industry and its uses.<sup>10</sup>

The other aspect of breadth is the versatility of the Rothschild material, which relates not only to the history of the firm and family, but to a host of other subjects and issues. Consider, for example, the evidence on patterns of expenditure in good times and bad, the sort of thing relevant to Professor Maxine Berg's programme of study of the luxury trades and manufactures. She'll be sending colleagues and students here. In that regard, just a word about a personal experience here in London. Monday was Bank Holiday, and the windows of the luxury shops on Bond Street were bare or, in the case of the jewellers Collingwood, decorated with old account books: one from 1825, with His Majesty's account and mention of what was presumably a Christmas present (dated 21 December), a £200 gold serpent bracelet; and another book from 1902, with accounts of the Russian emperor and empress. Business records, especially when reinforced as here with family materials, are the still unexplored treasure of future generations. Working in them is like the explosions of firework rockets, one bright flame after another. Once again: that's what makes knowledge and research the art of encounter.

I could write a book or even books now. I just don't have time. But others do, more than we know, and that is why we fête this occasion. It marks the triumph of a new, enlightened policy important for substance and as example to other families and business houses. This is a great day for knowledge and scholarship. Bravo, Rothschild!

<sup>10</sup> On the debate over priority in the design of the marine chronometer, no small matter, see Landes, *Revolution in Time* (rev. ed; London: Viking, 2000), ch.11 "Fame is the Spur", especially pp.196-199

## Breaking the seal

*Vic Gray, Director of the Rothschild Archive, outlines a project to unlock the significance of the most tantalising of all Rothschild archives*

The publication of editions of letters to and from important historical figures is a well established way of providing historians, in an accessible form, with the essential raw materials with which to write and rewrite history. Ready access to the words of individuals themselves achieves a closeness to the key events and changes of history often unparalleled by other approaches. The publication of such series ensures once and for all that the individuals focused upon find their acknowledged place in the history of their period.

The letters between the five sons of Mayer Amschel Rothschild, cover (with some gaps) a huge historical timespan from 1811 to 1868 and touch upon many major events in European history. The final phases of the Napoleonic Wars, the arrangement and financing of post-War Europe, the Revolutionary years of 1830 and 1848 and the American Civil War are among the many significant moments in which the Rothschilds were closely involved and to which their letters bring new and important disclosures.

The series of letters addressed to Nathan Mayer Rothschild and his sons by his four brothers in Paris, Frankfurt, Vienna and Naples, has been seen by those few historians who have had access to them as central to an understanding of Rothschilds' business in the 19th century and to the relationship of the brothers to the leading European financial and political figures of the period. Among regular information on the European markets and family matters, new revelations, from highly informed and interested parties, are given on many of the major events of the period, the emergence of new national identities and the personalities of crowned heads and statesmen, aristocrats and bankers from virtually the whole of the European stage.

Letters were exchanged among the brothers on an almost daily basis to ensure that the precise arrangements for mutual co-operation laid down in the partnership agreements between them were

sustained and that the advantages of up-to-date market information were exploited to the full. The network of couriers maintained by the Rothschilds ensured swifter delivery of information than was available to almost anyone else in Europe. The use of Judendeutsch (essentially, German words written in Hebrew script though with many idiosyncrasies) and the additional security of private code names, ensured that the letters could be forthright and unrestrained. For this reason, they are often far more revealing, both of the character of the writers and of those about whom they are writing, than comparable series of correspondence of the time.

The earliest letters between the brothers date from 1811 and the letters in Judendeutsch continue to 1853. When the series recommences in 1861, James is the only surviving brother, but he continues to write in Judendeutsch to his nephews in London until his death in 1868.

The Judendeutsch letters are scattered among some 142 boxes of correspondence in the Rothschild Archive in London, amounting to some 20,000 letters in all.

In 1989 work began on the transcription of the letters, the burden of work to date having for the most part been undertaken by Mordechai Zucker, who, across a decade, has developed an unrivalled mastery of the script, language and idiosyncrasies of the writers. So far, some 2,500 letters have been fully translated, transcribed and typeset.

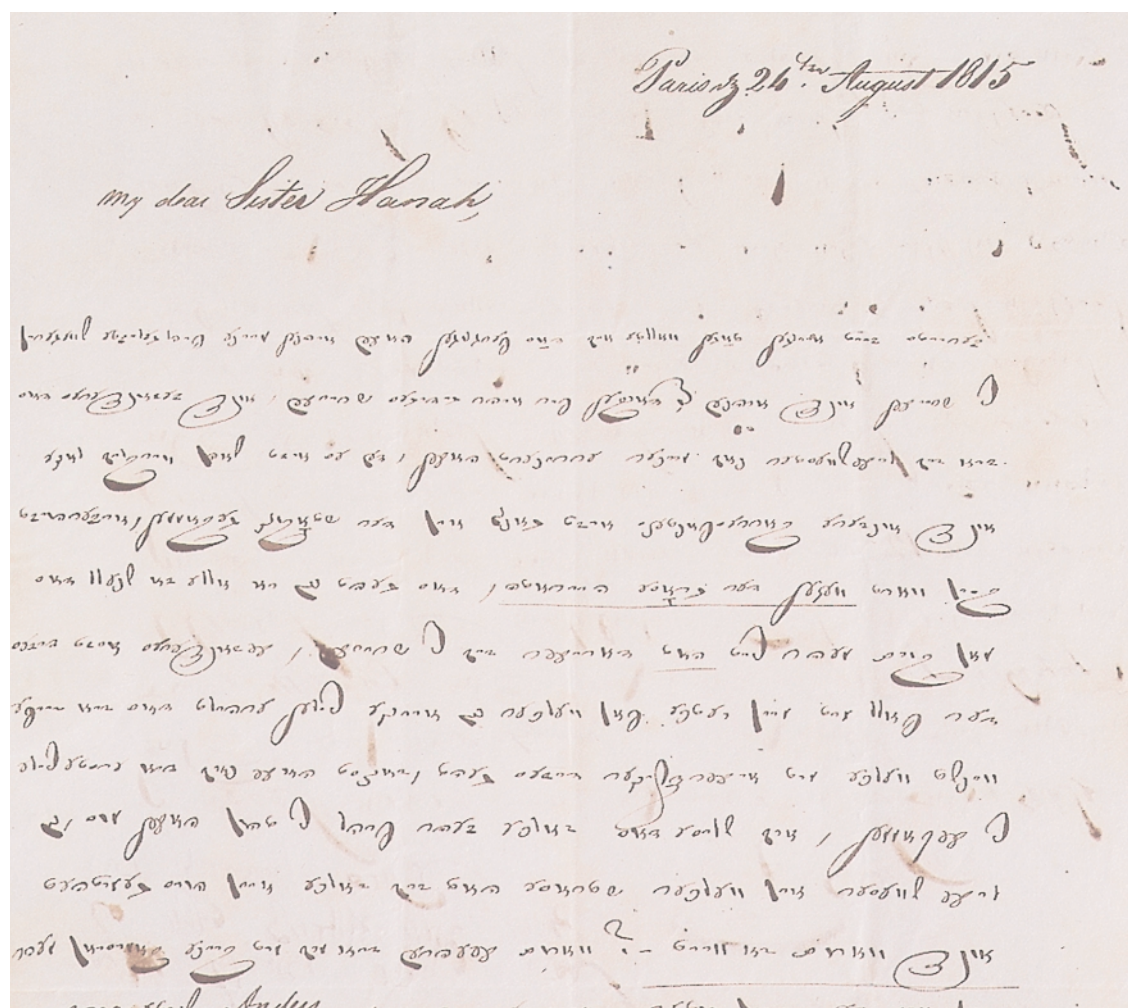
One of the earliest decisions of the new Rothschild Archive Trustees was that work on this project should be accelerated with a view to possible eventual publication of what is clearly recognised – especially in the light of Niall Ferguson's markedly successful use of a selection of the translated letters in *The World's Banker* – as a source of major economic and political significance.



The few early letters between the brothers increase enormously in volume with the commission of Nathan Mayer Rothschild to assemble the funding for Wellington's army early in 1814. They continue through the campaigns of 1814 to Napoleon's exile to Elba, his escape and defeat at Waterloo and the post-War arrangements reached at the congresses of Aix-la-Chapelle and Vienna. There is a break in the letters from 1818 to 1825 for reasons which are not clear. Accidental destruction seems the most probable explanation at the moment.

The letters from 1814 and 1818, of which there are some 2,000, therefore provide a natural block for an initial phase of the project and attention has switched exclusively to this period.

Already a quarter of the letters have been transcribed. These provide a solid base from which to move forward. Work on the completion of the letters for the period will take approximately two years, and a decision on publication will be made by the Trustees in the light of the material revealed during this pilot phase.



One of 20,000 Judendeutsch letters, this one sent by James Rothschild in Paris to his sister-in-law, Hannah, the wife of Nathan, in London, August 1815. The letter expresses astonishment at Nathan's



## The Spanish Agents

*Elaine Penn of the Rothschild Archive describes the first steps in a major programme to examine the work and papers of the Rothschilds' international network of agents.*

As the first stage of a programme to catalogue the correspondence of N M Rothschild & Sons' major agents around the world – a priority in the process of opening up the collection to researchers – a pilot cataloguing project, concentrating on the papers of Daniel Weisweiler and Ignacio Bauer, agents for the Rothschilds in Spain in the 19th century, was begun in May 1999.

The pilot project concentrates on 20 boxes of private correspondence from Weisweiler and Bauer during the period 1881-1892 (Ref. XI/92/0-5). The work involves summarising each year of correspondence, noting any events or facts which may be of special interest to a researcher. The choice of the Weisweiler and Bauer series as a pilot is because the series is one of the finest and most complete examples of agents' correspondence in the collection, giving an insight into Rothschild interests in Spain over the course of a century.

By 1821, the Rothschilds had established a global network of Banking Houses. It was crucial to their expansion plans for the family to have a representative in each of the places where they were doing business, reporting on markets and prospects and acting on their behalf. However, family commitments often meant that their preferred choice of sons and nephews to head branches in other countries was not always possible. The alternative, of which the Rothschilds made great use, was to send or appoint agents, carefully chosen from among their friends and intimates. Many of the agents were known to the Rothschilds through trusted connections with other banking families. Ignacio


Bauer was nephew of Salomon's chief clerk in Vienna, Moritz Goldschmidt, and married to Ida de Morpurgo of the Trieste banking dynasty.<sup>1</sup> Daniel Weisweiler, originally from Frankfurt,<sup>2</sup> moved up quickly through the ranks of clerks in the Rothschild company.

The Rothschilds became interested in Spain during the first half of the 19th century, when many others were wary of involving themselves in a volatile country prone to political instability and national insolvency. In 1835, two years after the accession of Queen Isabella II, Nathan Mayer Rothschild in London agreed to make a loan of 15,000,000 francs to the Spanish Government. The other Rothschild Houses felt obliged by the wishes of their respective governments not to support this new liberal government. Nathan, however, saw the potential in quicksilver, a natural resource in Spain, on the international market. His son, Lionel, travelled to Madrid to negotiate the contract for the control of the Almadén quicksilver mines with the Spanish Government. Quicksilver, or mercury, was vital to the refining process of gold and silver and as such was a valuable asset to the Rothschilds. The Almadén contract was renewed continually up until 1912 as the Rothschilds saw the value of using a commodity as security for the various loans made to the Spanish Government.

Daniel Weisweiler joined Lionel in January 1835 and, upon Lionel's departure later that year, he established himself as the Spanish agent for all the Rothschild Houses. The Rothschilds' agency in Spain remained in the hands of this one firm for almost a century. Daniel Weisweiler engaged Ignacio Bauer as a partner in 1864, and the firm

<sup>1</sup> Niall Ferguson, *The World's Banker*, (Weidenfeld & Nicolson, 1998), p.300; Inés Roldán de Montaud, "Nathan Mayer Rothschild & Sons de Londres y su archivo en la city de Londres" (Hispania, 1999, p.1002)

<sup>2</sup> Alfonso de Otazu, *Los Rothschild y sus socios en España*, (Madrid: O. Hs. Ediciones, 1987) p.40



traded as Weisweiller & Bauer before being taken over by Ignacio's son, Gustavo in 1894, becoming Bauer & Co. in 1914. This latter company was finally liquidated in 1935.

Among the holdings of the Rothschild Archive are several correspondence series from the Spanish agents in Madrid. Private business and general correspondence exist as separate series for the period 1833-1929, from Daniel Weisweiller, Ignacio Bauer and Gustavo Bauer respectively. Although some researchers have been able to penetrate the correspondence,<sup>3</sup> on the whole it has not been easily accessible due to palaeographic and linguistic problems (the letters are written in several languages including German, French and Judendeutsch). Yet the importance of Weisweiller, and later Bauer, to an understanding of the Rothschild empire is immense. Both are excellent correspondents, relaying daily economic and financial news vital to the Rothschilds' decision-making process. The Spanish agents also inform their employers of any events of interest happening in, or in relation to, Spain and its colonies.

The letters in the pilot project, covering the years 1881 to 1892, are written in several different hands, with two dominating the correspondence. The language used is mainly French, with occasional letters written in German. From 1888, letters from Gustavo Bauer appear, usually during periods of his father's absence from Madrid. The series of private letters is full of political and social comment, as well as business information, and provides a vivid description of Spanish society at the time. All the Rothschilds' business interests in Spain and the Spanish colonies – government bonds, quicksilver, railways and tobacco – are discussed and analysed, and prospects for new business ventures are suggested and described. For example, the formation of a

British naval construction company, with yards in Bilbao, is discussed in 1888<sup>4</sup>, and virtually every letter details the daily trading on the Stock Exchange. Regular updates of the monthly Bank capital figures are also given, along with any details regarding shipments of bullion, silver or mercury.

Weisweiller and Bauer keenly observe events in the capital and the provinces. The behaviour of the population of Málaga following an earthquake in Granada in 1885 provokes withering comment when it is revealed that false claims are being made on emergency funds set up in aid of the earthquake victims.<sup>5</sup> Health is a particular concern, both generally, as Spain suffers several cholera epidemics, and personally, as Bauer especially complains regularly of rheumatic aches and pains. Any events which affect the stability of the country, and thus the Rothschilds' financial interests, are noted. In particular, matters concerning the Royal family are discussed in some detail in the correspondence. For example, the death of King Alfonso XII and the subsequent Regency of Queen Maria Christina.

Weisweiller and Bauer are extremely knowledgeable about Madrid society and their positions, as agents to the Rothschilds, give them access to the centres of political and social power. Politics is discussed constantly, with much personal comment on the fluctuating nature of the Spanish political scene.<sup>6</sup>

The letters also provide an insight into the functioning of the Rothschild organisation and the relationship between the agents and the House they represented. The private business correspondence of Weisweiller & Bauer is addressed to 'Messieurs, Paris, London'. Each letter was probably sent from Madrid to Paris in

<sup>3</sup> For example, Inés Roldán de Montaud's excellent article on the Rothschilds, "Nathan Mayer Rothschild & Sons de Londres y su archivo en la city de Londres" which was published in *Hispania* in 1999.

<sup>4</sup> N M Rothschild & Sons made a loan to The Naval Construction & Armaments Co. Ltd. on 20th February 1888 to the value of £300,000 (Rothschild Archive: XIII/230/91).

<sup>5</sup> Rothschild Archive: XI/92/2A.

<sup>6</sup> For example, XI/92/1B/9-20 and XI/92/2A/80-100. Later in the series, Weisweiller and Bauer express both humour and concern that debates surrounding the health of the child-king, Alfonso XIII, carry great political weight (XI/92/4B/10).



*Ignacio Bauer, 1859*



*Daniel Weisweiler, c1860*

the first instance. It is possible that the French House took a copy of the original letter before forwarding it on to England.<sup>7</sup> It is clear that, although the series now in the Archive is virtually complete, additional letters referred to in the correspondence and originally sent with this correspondence have been removed, possibly at the time of receipt, while others survive intact. Usually they are addressed solely to the London House, N M Rothschild & Sons, and are often in English, detailing a business transaction or financial information of particular interest to that House.<sup>8</sup> It is interesting that even though the agents feel it necessary to address this information in a separate letter to the English House, it is sent to the French House along with the usual correspondence and no secret is made of its contents within the Rothschild partnership.

Occasionally the forwarding system fails, as in June 1887, when handwritten notes at the top of some of the letters suggest that they have been retrieved from the Paris House at a later date: 'lettre rapportée par erreur à Paris par le B[aro]n Alphonse qui devait la remettre à la Maison de Londres'.<sup>9</sup>

The letters also indicate the reliance both the agents and the Rothschilds placed on the postal network of the time. Many letters complain of delays in receiving mail from either the English or French banking houses. Reasons for the delay include the closure of services for religious festivals, heavy snow and rainfall preventing the mail trains reaching Madrid, and the fumigation of letters and parcels following a cholera outbreak in 1884.<sup>10</sup>

<sup>7</sup> It is hoped that a study of the Rothschild papers held at Roubaix, France, will shed more light on this matter.

<sup>8</sup> For example, XI/92/4A/274-6 which discuss the Almadén quicksilver mines.

<sup>9</sup> XI/92/3A/157.

<sup>10</sup> Examples include XI/92/4A/52, XI/92/1B/265, XI/92/1B/342 and XI/92/1B/306.

Compiling summaries for each year of correspondence within the series XI/92/0-5 has proved to be a time-consuming process. The volume of the letters, averaging between 350 and 400 per year, and the poor legibility of much of the handwriting have slowed progress. Although this project has involved a tiny fraction of the correspondence held in the Rothschild Archive, London, it has been useful in demonstrating the time-scale necessary for such cataloguing. The eventual visual layout of the summaries has not yet been finalised, but it has been decided to create subdivisions within each year according to a set of six fixed subject groups: cultural, finance, international affairs, mining, politics and railways. These groups were chosen following initial analysis of the correspondence and identification of the main topic areas covered within it.

Separating the summary notes into these subdivisions will permit quick and easy information retrieval.

Once the XI/92 series has been completed, hopefully in Summer 2000, the extension of the work to the other Weisweiller and Bauer series will be considered. This will allow greater access to the whole collection, not simply to a small section of correspondence from the Spanish agents. It is hoped that this cataloguing project will be supplemented by work to be undertaken in the archives of the Paris House, held in Roubaix, France. There is also scope for exploration into archive sources that may exist in Spain. The project will ultimately lead to a greater understanding of the functioning of the Rothschild business as a whole.

## Archival Sources

### *Rothschild Archive, London*

Weisweiller, W.D., Madrid	1822-1863	RAL XI/91/0-4
Weisweiller, W.D., Madrid	1837-1879	RAL XI/110/0-10
		RAL XI/109
Weisweiller, D.B. (Baron)	1893	RAL XI/28/33
(Deceased account)		
Weisweiller & Bauer, Madrid	1863-1893	RAL XI/91/4-16
	1881-1892	RAL XI/92/0-5
Bauer, G., Madrid	1893-1917	RAL XI/58/0-5
		RAL XI/59
		RAL XI/111/75
		RAL XI/58/6
Bauer & Company, Madrid	1914-1929	
(liquidated 1935)		
Quicksilver	1869-1911	RAL 000/374/1-2
	1912-1921	RAL 000/474

### *Rothschild Papers, Centre des Archives du Monde du Travail, Roubaix*

Lettres reçues: Madrid: Weisweiller	1838-1931	132AQ 6136-6272
Copies de lettres: Madrid	1851-1860	132AQ 722-753
Agence de Madrid	1888-1931	132AQ 24/1
(Liquidation Bauer)	1928-1947	132AQ 25-27)
Chemins de fers espagnols	1860-1936	132AQ 80
Métaux précieux – monnaies d'or – affaires avec Madrid	n.d.	132AQ 86/3

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## Governments and the Markets – Then and Now

*Layna Mosley, the Robert T. and Thomas J. Rolfs Assistant Professor of Government and International Studies at the University of Notre Dame, explains how close examination of Rothschild business letters from a century ago illuminated her research into present-day relationships between international capital markets and government policy.*

My current research project investigates the influence of international capital markets on government policy choices. This project is part of a large stream of contemporary social science research that attempts to delineate the impact of economic globalisation on national government policies. In my book manuscript, I focus on the extent to which international capital mobility limits the policy choices of national governments. I examine, for instance, the degree to which capital market openness renders impossible the public provision of education and health care, income redistribution and active labour market policies – all hallmarks of the modern welfare state.

The bulk of this project focuses on financial market-government relations in the contemporary era. In considering financial market-government interactions in the advanced industrial democracies in the 1980s and 1990s, I rely on interviews with financial market participants, surveys of investment fund managers, and cross-national quantitative analyses. On the basis of this evidence, I contend that the influence of international financial markets on the governments of advanced industrial democracies is “strong but narrow.” Capital market openness allows financial market participants to react dramatically to changes in government policy outcomes. Market participants, however, consider only a small set of government policies when making asset allocation decisions. Therefore, governments face pressures to adopt market-pleasing policies in macro-policy areas, but retain room for manoeuvre in many other policy areas. Despite financial internationalisation, we observe a significant amount of cross-national policy divergence among advanced industrial democracies.

At the same time, governments of developing



nations are constrained more broadly by financial market pressures. Because financial market participants worry about default by developing country governments, they will consider a wide range of policy areas, including macro-economic outcomes, the partisan nature of governments, the ways in which governments allocate national spending, and the character of supply-side policies. I evaluate this argument in a variety of ways, including simple statistical analysis, an evaluation of sovereign credit ratings, and evidence from a follow-up round of interviews with financial market participants. I conclude that, while there is variance in the extent to which emerging market nations are constrained by financial market pressures, emerging market nations generally face a broader financial market constraint.

Although financial globalisation has reached high levels in the current period, international financial openness is not unprecedented historically. In fact, many contemporary discussions of economic globalisation go to great lengths to point out the



parallels between the early 21st century and the pre-World War One era. These discussions suggest that we can learn something about contemporary financial market-government relations by looking at the past; scholars, however, have yet to make careful comparisons of the characteristics and implications for government policy of different periods of financial globalisation. Although economic historians have employed archival material from the pre-World War I period to examine issues such as the pricing of sovereign debt and the effects of sovereign default, they have not examined systematically the types of government policies that merchant bankers considered when issuing sovereign debt.

As an initial step toward filling this lacuna, and as a way of enriching my research project, I decided to undertake research that compares the constraints on governments generated by the current phase of financial globalisation to the constraints created by financial globalisation in earlier periods. By assessing financial market-government relations in the late 19th and early 20th centuries, I consider the extent to which the influence in the 1990s of financial markets on government policy choices is historically unique.

The historical section of my book manuscript draws on both primary and secondary sources. For background regarding the operation of pre-World War I investment banking, I explore relations among merchant banks, between merchant banks and home governments, and between merchant banks and the investing public. In order to assess the specific issue of financial market-generated constraints on governments, I explore market participants' assessments of sovereign debt issues, in terms of the factors that drive issuance and pricing decisions. Archival sources allow me to assess firsthand the types of considerations made by investment bankers; this provides the equivalent to conducting interviews or surveys of contemporary financial market participants. In some ways, archival materials may be more accurate than contemporary sources, as they are internal documents rather than information provided specifically to researchers.

### *What brought me to Rothschild?*

My archival research focuses on issues made in the London financial market, and I rely on

archival materials from N M Rothschild, Baring Brothers (now ING Barings), and Morgan Grenfell (now Deutsche Morgan Grenfell). Each of these banks was a major actor in merchant banking and government finance prior to the first World War. N M Rothschild was responsible for over one-fourth of public issues of foreign securities in London between 1865 and 1914 and their business was weighted heavily toward government issues.

At the Rothschild Archive, I consulted a richly detailed set of correspondence, between the London Rothschilds (primarily Nathaniel, 1st Lord Rothschild) and their Paris cousins. The Archive contains copies of almost daily letters from London to Paris. These letters – many of which have been summarised by previous researchers – contain discussions of potential and actual sovereign issues to a wide range of countries, as well as commentary on economic policy in Britain and France. This information allows the researcher to assess the views of merchant bankers regarding government policy – for instance, the degree of credit risk associated with lending to Russia in 1906, or the economic viability of a plan for price supports for coffee in Brazil in 1906 and 1907, or the fiscal position of Japan in the early 1900s. The Archive also provides many examples of direct contact between merchant bankers and borrowing governments; for instance, Nathaniel's letters provide a detailed account of the visits of and conversations with emissaries from the Russian and Japanese governments.

From the systematic examination of these materials and those in other investment bank archives, I conclude that financial market actors influenced government policy decisions in early periods, much as they influenced those decisions in the 1990s. Where default risk was high, for instance, investors went to great lengths to insure repayment. The impact of financial market influences, however, was mediated by political and security considerations, by competition within the investment banking industry, and by governments' relatively modest policy ambitions. The archival research I conducted at the Rothschild Archive has enhanced greatly the quality of my historical chapters and has improved the overall quality and scope of my book manuscript.

## Find of the Year

*Melanie Aspey, Archivist at the Rothschild Archive, describes a newly acquired photographic key which has unlocked many Rothschild identities.*

An album of photographs largely attributed to one of France's most prominent commercial photographers of the 1860s, Eugène Disdéri (1819-1889) attracted a good deal of attention among collectors of photographs when it came up for sale in a specialist auction at Christie's of London in May 1999. The three hundred or so photographs, primarily in the form of *cartes de visite*, had been carefully and accurately identified. Its successful acquisition on behalf of the Archive has therefore provided a key to the secrets of the identities of many portraits in numerous albums of photographs already held in the collection.

The unknown compiler of the album – possibly the 'HD' whose initials form the metallic decoration on the front of the binding – had a thorough knowledge of the Rothschilds' family and social circle. Besides the family members themselves, the album features agents, like the Davidsons, Weisweiler, Bauer; clients, such as

the French royal family; and more distant relatives, Schnappers, Worms, Helberts for example.

Of particular interest is the only known photographic image of Charlotte, Baroness Lionel de Rothschild ever to have come to light. An image of 'Mrs Helbert', an elderly lady, is almost certainly that of Adelaide, née Cohen, Hannah Rothschild's sister; she bears a striking similarity to the portrait of the younger Hannah by Sir William Beechey. Benjamin Davidson, a cousin of the Rothschilds who established the San Francisco agency, is also seen for the first time

The inevitable fading of the images themselves can be overcome to a certain degree by re-photographing each item through a blue filter. This and other options for the care of the album are being discussed with the Archive's consultant photographic conservator.



*Miss Evelina de Rothschild*



*Portrait by Disdéri of Mrs Helbert, sister of Hannah Rothschild (née Cohen)*

*The department of prints of the Bibliothèque Nationale in Paris recently acquired the studio collection of Eugène Disdéri by public auction. Professor Elizabeth Anne McCauley, currently working on a biography of Disdéri, discusses the period in Industrial Madness: commercial photography in Paris 1848-1871 (Yale University Press, 1994).*



## New Acquisitions 1 April 1999 – 31 March 2000

Album of c.350 photographs of the Rothschild family, their relatives and associates taken around 1860, by Eugène Disdéri	(by purchase)
Mezzuzah from New Court, in place from 1965 to 1999	(by presentation)
Five arrows emblem on red shield with chaplet and motto, painted wood, c.30cms x 20cms	(by presentation)
Signed <i>carte de visite</i> of Rossini, with inscription on verso to Alfred de Rothschild	(by purchase)
<i>Stock Jobbing Extraordinary!!!: Brookman v. Rothschild</i> , (London, H. Stokes, n.d.), printed pamphlet relating to a civil lawsuit and including a previously unrecorded caricature of Nathan Rothschild	(by purchase)
Photographic prints made from autochromes in the Musée Albert Kahn of members of the Rothschild family and some of their properties	(by presentation)
35mm slides of illustrations in the Bibliothèque Nationale, Paris, of Rothschilds and houses in Paris	(by purchase)
Five 35mm slides of items from Henri de Rothschild's autograph collection now in the British Library (Charles V to François I, Catherine de Medici to Mary Stuart, Macchiavelli, Henri IV to Marie de Medici, Mary Stuart to Antoinette de Bourbon)	(by purchase)
Two 35mm slides of photographs in the British Library of Henri de Rothschild's Ferme du Coteau in Deauville	(by purchase)
Five 35mm slides of plans and drawings in the RIBA Library, London of Ashton Wold, Ascott and Königstein	(by purchase)
Monograph "The Rothschilds in Naples" by Francesco Barbagallo, delivered at an event at Villa Pignatelli, Naples (the former residence of Carl de Rothschild)	(by presentation)
Five colour prints of modern interior and exterior views of 5 Hamilton Place, London, (formerly the London house of Leopold de Rothschild)	(by presentation)
Three black and white prints of items in the Historisches Museum, Frankfurt	(by purchase)



“The Rothschilds: A musical”: compact disc	(by purchase)
Colour prints of members of the Rothschild family taken during celebrations for the 250th anniversary of the birth of Mayer Amschel Rothschild, Frankfurt 1994	(by presentation)
21 black and white prints of Halton House staff, cars, views and Alfred de Rothschild	(by loan deposit)
Photographic print of Makulu, a baby Rothschild giraffe	(by presentation)
Photographic print of lithograph of the Witkowitz iron works, by E.W. Knippel, 1850, from the collections of the Deutsches Museum, München	(by purchase)
Microfilm edition of the papers of August Belmont jr., 1827-1965 in the Massachusetts Historical Society (5 reels)	(by purchase)
Photocopies of the working notes of Moritz Oppenheim, artist, with notes by Dr Annette Weber of the Jüdisches Museum, Frankfurt	(by presentation)
Nine items relating to the business of M.A. von Rothschild, Frankfurt, c. 1813 including receipts	(by purchase)
Notes by Dr Gyorgy Tallos on the building of the Széchenyi Chain Bridge, Budapest, with Rothschild finance, 1840s	(by presentation)
<i>Novitates Zoologicae</i> : vol. 1 no. 1 1894, vol. 1 no. 2 1894, vol. 5 no. 4 1898 : edited by Walter Rothschild	(by purchase)
Documents relating to the sale of the Halton Estate, 1917-18	(by loan deposit)
Video-tape of The Jewish Brigade featuring Edmund de Rothschild: from Discovery Channel’s “War Stories” documentary series	(by presentation)
New Year greeting card, 1850, for the Kaiser Ferdinands Nordbahn, Austria, built by Salomon von Rothschild	(by purchase)
Four CDs featuring music composed by friends of the Rothschild family (compiled for the opening of the 1998 Museum of London exhibition)	(by presentation)
Copies of letters etc. relating to Japanese visits and contacts, brought together by Edmund de Rothschild, October 1999	(by presentation)
Two photographic copies of excerpts from William Tierney Clark’s <i>An account of the suspension bridge across the river Danube</i> , 1852 (funded by Salomon von Rothschild)	(by purchase)
Selection of Christmas cards issued by N M Rothschild & Sons Limited, collected by Lilian Goldsmith	(by presentation)



Silver medal commemorating the opening of the Knesset building, Jerusalem and showing on the obverse, cameo portraits of Edmond and James de Rothschild and, on the reverse, views of the Knesset, 1966	(by purchase)
Proof of Israeli 10 shequalim coin, 1982, bearing the head of Edmond de Rothschild	(by purchase)
Research materials for <i>The Rothschild Gardens</i> (pub. 1998), compiled by Lionel de Rothschild	(by presentation)
Copy of lithograph of St Swithin's Lane, showing New Court on the left, c.1910	(by presentation)
Papers relating to Oskar von Rothschild, 1908-1909	(by purchase and presentation)
Pamphlet: <i>Rushbrooke 1938-1998</i> by W C Bellinger (privately printed, 1999)	(by presentation)
<i>Tadeus Reichstein</i> , offprint of memoir by Miriam Rothschild, published by the Royal Society, 1999	(by presentation)
<i>Miriam Rothschild</i> , pamphlet in series "Women in Science", Shell Educational Supplement (1990)	(by presentation)
St Swithin's Lane Musical Society Programme, 1897	(by presentation)
"The genus <i>Dendrolagus</i> ", by Lord Rothschild and Guy Dollman, extracted from the <i>Transactions of the Zoological Society of London</i> , Vol XXI, 1935	(by purchase)
Two video-tapes from the documentary series "The Story of Money": "All About Money" and "The Secret Life of Money", including interviews with Lionel de Rothschild	(by presentation)
Inventories of the art and furniture collections of members of the Austrian Rothschild family, 1906, 1934, 1939; photographic and other materials relating to their sale by Christie's in London, June 1999	(by presentation)
Audio-cassettes of interviews with Edmund de Rothschild made during the preparation of <i>A Gilt Edged Life</i>	(by presentation)
Five files relating to the business and political affairs of Maurice de Rothschild, 1932-1940, formerly in the Centre for Historico-Documentary Collections, Moscow	(by presentation)
Report submitted to the Brazilian Government by Sir Otto E. Niemeyer, 1931	(by presentation)



