



THE ROTHSCHILD ARCHIVE
Review of the year April 2000 – March 2001





The Rothschild Archive Trust

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INTRODUCTION

Emma Rothschild, Chairman of the Rothschild Archive Trust

The Review of the Year for 1999/2000 recorded the establishment of the Rothschild Archive Trust, the generous donation to the Trust of the archives of N M Rothschild & Sons Limited and the opening of the Rothschild Archive in its new premises in St. Swithin's Lane. To coincide with the opening, a Guide to the collection was published and the Archive launched its own website. These steps represented a remarkable stride forward in bringing the Archive to the attention of a wider audience and helping it fulfil its potential as a major resource for historians.

In 2000/2001, as this second edition of the Review demonstrates, the Director and staff of the Archive have maintained the momentum, with the active help and support of many who have recognised the significance of what the Trustees are attempting to achieve: the gathering together in a safe haven of the records of a family which has had the opportunity to play a part in many aspects of the history of the last two hundred years, and the creation of a centre for research to explore them to the full.

This year, with the publication of the Guide behind them, the staff of the Archive have been investigating various routes by which the content of the Archive could be more fully explored. One approach is reflected in Richard Schofield's article in this Review and other pilot projects are recorded in Vic Gray's account of recent work in the Archive.

The Trustees have also continued with the work of building the collections - adding new papers both from within the Rothschild family and its businesses and from other sources. As the record of acquisitions shows, members of the family have responded well to this objective and during the year the collections have been considerably enriched by new deposits of papers. We hope this will be the beginning of a collective effort to make the Archive as comprehensive and useful a research centre as possible.

The pursuit of other related material has taken the Archive into new and unexpected fields. Collaboration with the Stadt- und Universitätsbibliothek in Frankfurt has yielded microfilm of a remarkable international collection of press cuttings recording the activities of the family over a period of many decades. Collaborations of this sort will be a keynote of the Archive's programmes in future years.

None of this would have been possible without the continuing generosity of N M Rothschild & Sons Limited in funding the administration of the Archive, for which the Trustees once again record their deep gratitude. This year has also seen the early stages of development of a capital fund which, one day, may allow the Trust to move towards a greater measure of self-sufficiency.

The reintegration of political history and financial history is one of the genuinely exciting new opportunities for historians of the modern period, as Professor Niall Ferguson demonstrated this year in his lecture at The Rothschild Archive on Bankers and Politics. So is the reintegration of national and international or global history. The Rothschild Archive can in both respects, we believe, become a very substantial resource for historical scholarship and public understanding.



Review of the year's work

Victor Gray, Director of the Rothschild Archive

This has been the first full year of operation of The Rothschild Archive in its new premises in St. Swithin's Lane and under the aegis of the Rothschild Archive Trust. Both have contributed to a sense of renewed confidence and direction among the small team whose task it is to explore the content of the archive and to develop and exploit its potential as a source for researchers.

Cataloguing

Following the publication last year of a Guide to the Archive, efforts this year have been focused on a number of pilot projects which will help define priorities and methodologies for 'drilling down' into the detailed content of the collection so as to strike the richest seams for future research use.

Work on the series of letters from the Rothschilds' Madrid correspondents, Weisweiller and Bauer, during the years between 1881 and 1892 was reported in last year's Annual Review and was completed during this year.

The firm, in its various manifestations, was in regular and heavy correspondence with both the London and Paris Houses of Rothschild from 1833 to 1929 and the quantity of surviving letters, some in French, others in German, is vast. The pilot project, which also dipped into the series received by and sent from de Rothschild Frères in Paris, gave some considerable insight into the information-gathering methods and the executive functions of the two banks and pointed the way to further work which might be done.

The immediate fruits of the project were a substantial indication for researchers of the complexity of the reports to be found in this series. For the year 1884, for example, matters discussed or reported included an outbreak of phylloxera in Málaga and of cholera in Alicante, with stringent quarantine restrictions; an earthquake with 900 victims; the sickness of the

King and the Infanta; a growing economic crisis in Cuba and the damaging effect on the Spanish economy of flour and sugar production in Cuba; competition between the mines of Almadén and those in California; the working of Spanish railways (in which the Rothschilds had significant interests) including news of rail accidents and disasters; and military conspiracies, student disturbances and teachers' walk-outs in Madrid.

A second pilot, concerned with Rothschild involvement in the world of commodities, looked at what records among the archive would provide evidence on the bank's engagement in the 19th century tobacco trade. The results of that pilot are described in an article by Richard Schofield on page 16 of this Review. This approach has proved a valuable way of identifying for researchers the sources in the Archive on which they might concentrate and will undoubtedly be repeated with other commodities.

A third route explored has been biographical in approach, taking individual members of the family, in this case Lionel Nathan (1808-1879) and his son Alfred Charles (1842-1918) and providing, alongside brief summary biographies, details of the archive sources which can be explored to pursue further research into their lives and activities. The results will be made available in leaflet form and via the website.

Yet a further approach being tested is that of attempting a detailed listing of correspondence relating to a particular year or event. Given the degree to which historians and myth-makers alike have seen links between the family's banking activities and the 'Year of Revolutions', 1848, this was an obvious subject for a pilot project. Work is, at the year end, well under way and will be reported on next year.

The results of these pilot projects will now inform decisions for work in the Archive in coming years.

The Judendeutsch Letters Project

The central project to which the Archive has been committed for some time remains the work of transcribing and translating the letters between the five Rothschild brothers, written to each other on an almost daily basis during their rise to banking pre-eminence and in the years up to the death of the last of them, James, in 1868.

Work has most recently concentrated on the early years, between 1814 and 1818, the target being the completion, by the end of 2001, of a complete set of German transcriptions and English translations of the 2,000 or more letters from that period, linked electronically to scanned images of the originals so as to allow further editorial and research work to be carried out. The longer-term goal will be publication, probably in electronic form, of a series which will throw substantial new light on the funding of European governments in the final years and during the aftermath of the Napoleonic War.

Acquisitions

The Rothschild Archive is very much a living archive committed to the goal of bringing together as comprehensive as possible an account of the activities of the Rothschild family and their interests, whether in business, in collecting, or in the field of social welfare. As such, the seeking out and receipt of new archive material is a key objective, pursued with considerable success this year.

Two important collections of family documents, generously placed in the Archive, the first by Anita Rothschild and the second by Sir Evelyn de Rothschild, have made substantial new contributions to our knowledge of the family's history.

The first group have their origins in the lives of Nathaniel Mayer, 1st Lord Rothschild (1840-1915), his wife Emma Louisa (1844-1935) and their descendants. A fuller listing of the contents of these collections will be found on page 30 but some items among the papers merit highlighting. A magnificent and unusual survival is a collection of ten highly illuminated testimonials executed in varying but consistently beautiful styles and

presented to Lord Rothschild on the occasion of his 70th birthday in 1910. Together they form a remarkable collection of examples of this Arts and Crafts calligraphic fashion.

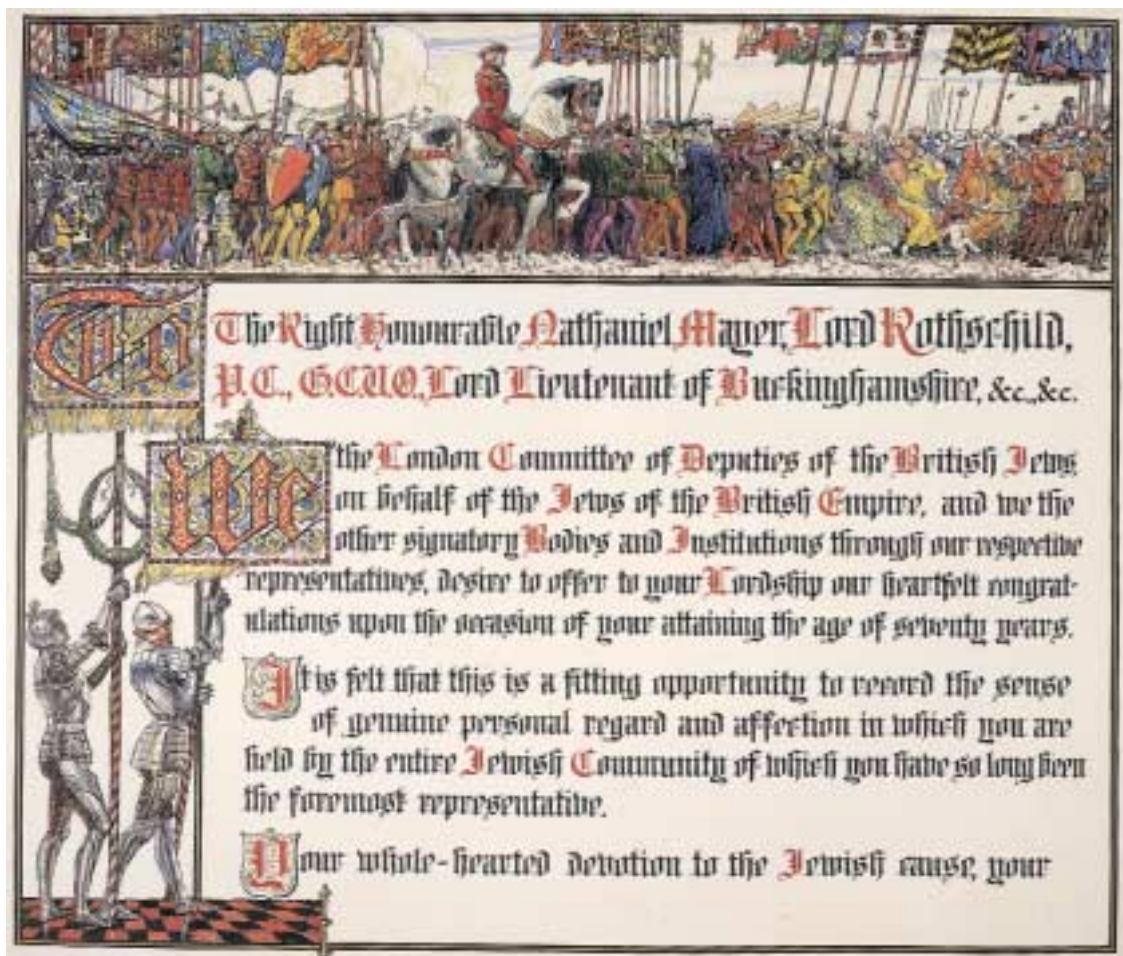


A watercolour cartouche of Tring Park, the residence of Nathaniel Mayer, 1st Lord Rothschild, from a testimonial presented to him on his 70th birthday by the tenants of his Buckinghamshire Estate

Of the two sons of the marriage, Walter's activities are reflected briefly in a volume of press cuttings recording his General Election campaign for the Aylesbury seat in 1906, and Charles' in the typescript of an unsigned book on the Bill of Exchange with manuscript annotations in his hand, as well as in an album of photographs taken on an expedition in 1903 to Egypt and the Sudan in search of entomological specimens.

The collection of papers extends, however, well beyond this immediate family group. Through Emma's branch of the family (she had been born in Frankfurt, the daughter of Mayer Carl, one of the partners in the Frankfurt bank of M. A. Rothschild und Söhne), comes an important series of portfolios describing and illustrating the collections of gold and silver *Schatzkammer* objects built up by her father. A bound volume of *Lieder* composed by Emma's aunt, Hannah Mathilde, the wife of Wilhelm Carl von Rothschild of Frankfurt and a pupil of Chopin is a valuable find, containing some hitherto unknown pieces.

Perhaps of most significance are the contents of several small boxes which housed correspondence and papers from the earlier generations of the English Rothschilds, collected together seemingly because they were recognised as being of potential importance in the history of the family. They include letters on political and financial subjects,



Title page from an illuminated testimonial presented to the 1st Lord Rothschild by the London Committee of Deputies of the British Jews on the occasion of his 70th birthday, 1910

from a range of correspondents, to Lionel de Rothschild and to his son, Natty. Family affairs are reflected, in particular, in two collections of letters written by women: the first a small group of letters from Charlotte (1819-1884), around the time of her marriage to Lionel in 1836, in which the seventeen-year-old bride-to-be reveals her hopes and anxieties about her new life; the second a short series of letters to Nathan from Hannah Rothschild and some of her children during their visits abroad to attend the marriage of James and Betty in Frankfurt in 1824 and to Paris just prior to the birth of Betty's first child in 1825. These two collections, along with collections relating to the purchase of Gunnersbury in 1835, letters from Evelyn and Anthony and from other serving officers in the First World War and notes about

aspects of Rothschild collections, had been organised by Emma, Lady Rothschild. It is not clear whether she also organised the political and financial correspondence, which was the subject of a good deal of study and arrangement by various hands.

The collection has been well tended and augmented by Charles' son, Victor, 3rd Lord Rothschild, and by his son, Amschel.

The second major accession, from Ascott, adds a great deal to our knowledge of the lives of Lionel de Rothschild (1808-1879), the son of Nathan Mayer, and, even more so, his wife Charlotte, with letters from many of her friends and family across the last forty years of her life.

It is felt that this is a fitting opportunity to record the work of genuine personal regard and affection in which you are held by the entire Jewish Community of which you have so long



Title page of sheet music of *Mélodies* composed by Hannah Mathilde von Rothschild and sung by Adelina Patti

The death of their daughter, Evelina, who died in childbirth just a year after her marriage to her cousin Ferdinand, is reflected in a small collection of mourning items and in letters by Ferdinand expressing his grief. But the life of that next generation is far more fully recounted in the personal letters of Marie de Rothschild, wife of Leopold, who was in constant correspondence with her many cousins and relatives from among the leading banking families of Europe – the Perugias (her own maiden name), the Landauers, Scheys and Weisweillers.

Of particular value from this collection is a series of volumes of systematically collected cuttings on the Rothschilds, dating from as early as the 18th century and continuing well into the 20th. When matched with those recently acquired from Frankfurt this provides a remarkably broad account of the development of the family seen through the eyes of the press.

To these major deposits must be added two smaller but equally interesting groups of papers. The first, presented to the Archive by Mrs Rosemary Seys, daughter of Lionel de Rothschild

(1882-1942), comprises mainly papers and letters relating to the lives of her parents, while a further deposit of papers by Dame Miriam Rothschild includes material on her father Charles' entomological interests.


Among other papers received during the year, mention might be made of the contract for alterations and additions to Sir Anthony de Rothschild's Buckinghamshire house at Aston Clinton, bought in 1851. The contract was rediscovered within months of the arrival in the Archive of a similar contract for Mentmore, the house built by Anthony's brother Mayer Amschel. Both contracts were with the Lambeth contractor, George Myers. Anthony's work was on a considerably smaller scale, with a total contract price of £5,179, almost exactly a third of what Myers had bid for the work on Mentmore (though Myers' final bill was almost 400% above estimate at £19,905!). The arrival of the Aston Clinton contract from 1851 gives a context to the many receipts and accounts for work already in the Archive (ref. XII/41/1 and XII/2/0) and helps fill in the hitherto rather shadowy history of the house, which was demolished in the 1960s.

Continental Europe

While the bulk of the papers received this year have related to the English family, the activities of the French and German branches have also been well reflected (see the List of Acquisitions, p. 30).

Mayer Carl von Rothschild (1820-1886) proves to be a central figure among papers received which relate to the Frankfurt branch. His unparalleled collections of *Schatzkammer* objects are recorded in several catalogues, while the early years of the library, opened in 1887 in his memory by his daughter Hannah Louise, are reflected in an early catalogue of acquisitions. It was in this library, now housed in the Stadt- und Universitätsbibliothek, that the remarkable collection of European news cuttings on the activities of the Rothschild family originated. Microfilm of this collection, acquired this year, is described by Melanie Aspey on page 22 of this Review.

From France have come two printed works on infant nutrition by Henri de Rothschild (1872-



1947) written in his late twenties. He was, eventually, to write well over a hundred papers on the subject. Henri also figures as one of eight members of the family pilloried in the series of anti-Semitic caricatures published by Lenepveu in Paris around the turn of the century and also acquired during the year.

Developing our knowledge of archives in France has been a stated objective for the year and, to that end, Elaine Penn has spent some time at the Centre des Archives du Monde du Travail (CAMT) in Roubaix, where the records of de Rothschild Frères have been placed. The visit served to build relationships for the future and a number of joint projects between the two Archives have been proposed.

A visit has also been made to Château Lafite to examine and undertake some preliminary listing of the archives of the Estate, which include many interesting documents both from the years since the family acquired the Estate in 1868 and from earlier owners back to the 18th century. Further work is planned for the coming year.

Research in the Archives

The Rothschild Archive Trust was established with the explicit goal of extending access to the collections to the widest possible range of researchers and thereby encouraging high-quality research.

The publication of the Guide and the construction of the Archive's website, have been but two means used to develop a widening circle of research contacts. These efforts will remain at the heart of the Archive's programme in years to come.

Already these efforts are bearing fruit. The number of researchers finding their way to the Archive has increased by exactly 50% over the last full year of operation before the move of the Office to its current premises. Moreover, to the range of enquiries by letter has now been added a new volume of e-mail contacts. Overall therefore, the desire of the Trustees to increase use is finding a ready response.

There is still much scope for greater use, however. During the year, the Trustees have considered options for developing a research network which will, over the years, attract more significant research in the Archive. These options include partnerships with one or more academic institutions. During the coming year, this thinking will be developed and taken forward.

In the meantime, the year has seen research visitors from the U.K., U.S.A., Spain, Italy, Germany, Israel and Canada and a range of approaches, from those pursuing individual private research to postgraduate work and research for publication. Subjects have been as diverse as ever: from Brazilian finance to Japanese gardens; from the funding of the Battle of Waterloo to British responses to the American Civil War; from the building of art collections to the architecture of Victorian offices; yacht building to Spanish railways; Jewish history to Latin American commission houses; espionage to mediaeval wood carvings.

Two particular emphases are apparent this year. The creation, economics and dispersal of art collections continues to develop as a new and keenly pursued aspect of art history, while there seems also to be a return to biography, with at least four writers planning and preparing biographical works on members of the Rothschild family and using the Archive as an element – in some cases the key element – in their research.

Among research contacts have been a number associated with forthcoming publicly focused initiatives based upon or featuring aspects of Rothschild history. These include the planned exhibition on the Rothschilds as art collectors, scheduled to open in Philadelphia in 2005, a permanent exhibition on the life of Edmond de Rothschild for display at Ramat Hanadiv in Israel and an exhibition, 'The gift of the gods: the art of wine and revelry', to open in the Royal Ontario Museum, Toronto in the Summer of 2001. Contributions were made to two historical projects based in hospitals, The Clementine Kinderhospital in Frankfurt, founded by Louise von Rothschild in 1875 in memory of her daughter, Clementine, and The Evelina Hospital for Sick Children, founded by Ferdinand de Rothschild in 1869.

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The cover of 'Rothschild - A Place in Czech History' showing the opening of the Kaiser Ferdinands Nordbahn, a contemporary illustration

The Archive featured in television programmes on the life of Edward VII and the Rothschild collections, the latter for Japanese TV.

Publications

The year began with the publication of *The Rothschild Archive: a Guide to the Collections*, a major stepping-stone in the history of the Archive, providing for the first time, a view into all parts of the collection so that researchers can navigate their way around them and locate likely sources of material for investigation. The Guide's attractive presentation and innovative loose-leaf format, which allows for future amendment and expansion, have been widely welcomed.



A page from the Guide to the Rothschild Archive Collection, published in 2000

Simultaneously, the Archive launched its own dedicated website www.rothschildarchive.org which

incorporates a searchable text of the Guide, together with practical information on the Archive and how to use it and a range of galleries of images and information on Rothschild subjects, with links to other sites. An on-line form for the submission of e-mail enquiries is already bringing almost daily contacts to the Archive.

The site will gradually evolve as we develop a sense of what will be of most use and interest to site-visitors.

Two further publications have been completed this year. Following the appearance of *Rothschild and Hungary* last year, we went on this year to produce a second booklet, *Rothschild: A Place in Czech History*, once again intended primarily for use within the N M Rothschild Group but nevertheless providing a useful introduction to scholarly study. The booklet touches upon a number of themes, including the building of the first railway in the Austrian Empire, the Kaiser Ferdinands Nordbahn, financed and promoted by Salomon von Rothschild, the Rothschild acquisition, in 1843, of Witkowitz, the largest ironworks in the Empire and the magnificence of the nearby estate of Schillersdorf.

The Rothschild Archive Review of the Year April 1999-March 2000, an innovation proposed by the Trustees as a means of publicising the work of the Archive and of building up a circle of interest among researchers and potential contributors to the Archive, has proved widely popular and has elicited a number of very positive and helpful contacts.

Rothschild Bibliography

At the suggestion of the Trustees, early groundwork has been laid for the compiling of a bibliography of published works by members of the Rothschild family. With such a diverse range of interests, particularly in the field of science, it is recognised that this will be a long project, but methodologies are now being worked out and a database set up.

The Rothschild Family Tree

One small but significant part of the life of the Archive is the logging of births, deaths and marriages in the family in order to update from time to time the Rothschild family tree. The first fully researched tree was published by the late Victor, 3rd Lord Rothschild, in 1973 in a private edition with fine typography and a carefully structured system of identification for every individual. This was revised in 1988.

To mark the millennium, the Archive has now produced a second privately printed revision, incorporating changes in the intervening years. Research for the updating of the tree was led and, in large part, carried out by Lionel de Rothschild.

Wishing to maintain the tradition of fine design, the Archive commissioned designer Sally McIntosh to produce a more compact family tree with companion index, the two pieces housed in an elegant blue and gold case.



The Rothschild Family Tree, 2000 edition

The Cash Nexus: Banking and Politics in History

A lecture delivered by Professor Niall Ferguson of Oxford University, 30 April 2001



Although this lecture is linked by both its title and timing to the publication of my new book, *The Cash Nexus* – which purports to be a general history of ‘money and power in the modern world’ – I would like to begin by saying a few words


about the more circumscribed work from which it grew, namely *The World’s Banker: The History of the House of Rothschild*.¹ That book would have been impossible to write without the cooperation, the help and – perhaps crucially – the trust of the Rothschild family, in particular Sir Evelyn de Rothschild, the late Amschel Rothschild, Lionel de Rothschild and Emma Rothschild, as well as others too numerous to mention who patiently endured my questions. It would have been impossible to research without the exemplary help of Victor Gray, Melanie Aspey and their staff at the now gloriously re-housed Rothschild Archive. And it would have been a far worse book without the wise counsel of David Landes, who became a kind of Doktorvater- cum-editor to the project; to say nothing of the more practical done by Tony Chapman, now a Director at N M Rothschild, and Ion Trewin at Weidenfeld & Nicolson. It was Lord Weidenfeld himself who phoned me up nearly ten years ago to try to persuade me to take the project on, and to him I owe an especially large debt. As a keen student of ‘virtual’ or ‘counterfactual’ history, I am notoriously fond of ‘what if?’ questions. But the one I really cannot answer is what would have happened if he had not phoned me up one rainy afternoon all those years ago to suggest that I might write a history of the Rothschilds.

Yet my interest in the history of banking and politics predated that phone call by some years. It can probably be dated back to Eric Warburg’s

invitation – to a rather gauche postgraduate over tea at the British consulate in 1986 – to come and look at his father’s papers in the M. M. Warburg offices in the Ferdinandstrasse. That was the moment my interest in the history of the German inflation caught fire, because Max Warburg’s papers revealed to me a world I had hitherto scarcely glimpsed: the world of the *haute banque*, in which merchant bankers played a crucial yet discreet role in the interconnected worlds of finance and politics. I had, of course, already learned much about this world from the classic works of David Landes and Fritz Stern². But the part played by Max Warburg and other bankers in the history of the Weimar Republic remained relatively obscure. Apart from the work of Harold James, my predecessor at Peterhouse, and a few allusions in Charles Maier’s book on the post-war period, there was nothing³. I had found my D. Phil. subject.

The decision to take on the Rothschild history led me to other shelves in the library, where I found an alarmingly large number of excellent books about bankers and politics in the 19th century by – to name but a few – Youssef Cassis, Stanley Chapman, Phil Cottrell, Martin Daunton, David Kynaston and Dick Sylla. There was enough in their work to make me realise that in taking on the history of Rothschilds I was taking on a huge task. Reading other bank histories – Richard Roberts’s book on Schroders, Edwin Green’s on the Midland and Philip Ziegler’s on Barings – helped me work out how to go about doing it. Reading the older books on the Rothschilds – with the honourable exceptions of Egon Corti’s and Bertrand Gille’s⁴ – showed me how not to go about doing it.

Yet after five years half living in the old Rothschild Archive in Hatton Garden and writing what became, in effect, two books if not three, my thirst for financial history had not been wholly slaked. In particular, I wanted to see if the specific relationships between finance and politics, which I



had discovered in the Rothschild correspondence, held good at the general level. Thanks to the generosity of the Houlton-Norman Trustees and particularly the Deputy Governor of the Bank of England, Mervyn King, I was able to go, as Ranke always said historians should, from the specific to the general. For better or for worse, what began as a history of the bond market rapidly grew into something more ambitious – perhaps excessively so.

For all its faults, however, I think *The Cash Nexus* has done at least one of the things I set out to do. It has, I think, demonstrated exactly why financial history is relevant to political historians, while at the same time showing the importance, and often the primacy, of political events like wars and revolutions in economic history. To those who say they knew this already, I can only offer my congratulations, and my apologies for boring them. But they are, I think, in a minority. I have spent more than a decade teaching history undergraduates in Cambridge and Oxford, and I have yet to meet one who did not need to have the links between finance and politics explained. Sometimes they simply knew nothing. More often it was worse: they knew something quite wrong.

II

It is not entirely accidental that this lecture is taking place today rather than tomorrow. For tomorrow is 1 May – May Day – and we are told to expect yet more ‘anti-capitalist’ demonstrations in London. It will be, I read on the Internet, ‘a day of celebration for all those struggling against capitalism and globalisation’. We are promised ‘lots of autonomous actions, separate yet interconnected, which express our opposition to the monopoly that capitalism has over our lives’. As I prepared myself for the impending world revolution which this doubtless heralds, I could not help being struck by the fact that six out of the thirteen firms singled out on the website of the demonstration’s organisers – www.maydaymonopoly.net – are banks. One bank in particular is singled out for the damning comment: ‘loan sharks with unethical investments – all banks steal’.

The Internet offers a good deal of this sort of thing. Go to www.destroyimf.org for example and you will encounter the rousing slogan: ‘Defund the Fund!

Break the Bank! Dump the Debt!’ Nor are such sentiments confined to anarchist and communist sects. Some Christian fundamentalist sites offer a surprisingly similar critique of the financial sector. At www.biblebelievers.org.au/slavery.htm, for example, you can read that ‘the Rothschilds and their friends sent in their financial termites to destroy America because it was becoming “prosperous beyond precedent”’.

There is something strangely familiar about the tone of all this, though it took me a little while to recognise the authentic antecedent of that last expostulation. There are in fact at least six references to the Rothschilds in the complete works of Karl Marx. Here he is on their role in the aftermath of the 1848 revolutions:

The smallest financial reform was wrecked through the influence of the bankers. For example, the postal reform. Rothschild protested. Was it permissible for the state to curtail sources of revenue out of which interest was to be paid on its ever increasing debt? The July Monarchy was nothing other than a joint stock company for the exploitation of France’s national wealth⁵.

The curious thing about Marx was that in many ways he was as much a product of the emancipation of the Jews of south-western Germany as the Rothschilds themselves. He admits as much, indeed, in a little-read footnote to volume III of *Capital*, appended to a rather good section on the nature of financial panics:

Immediately after the February Revolution, when commodities and securities were extremely depreciated and utterly unsaleable, a Swiss merchant in Liverpool, Mr B. Zwillchenbart – who told this to my father – cashed all his belongings, travelled with cash in hand to Paris and sought out Rothschild, offering to participate in a joint enterprise with him. Rothschild looked at him fixedly, rushed towards him, grabbed him by his shoulders and asked: “Avez-vous de l’argent sur vous?” – “Oui, M. Le baron.” – “Alors vous êtes mon homme!”⁶

Much as he wanted to hate capitalism, Marx could never quite conceal his enthusiasm for the bourse – to the extent that he himself briefly became a ‘day-trader’ in 1864. Unfortunately, this side of his

thought has seldom attracted the attention of those who call themselves Marxists. They have always preferred the ranting Marx, with his ferocious denunciations of the 'brood of bankocrats, financiers, *rentiers*, brokers, stock-jobbers, etc.'⁷ And few beliefs have proved more enduring – on both the left and the right of the political spectrum – than the belief in the sinister power of financiers: from the golden international that haunted the American Populists a century ago to the gnomes of Zürich Harold Wilson blamed for the 1967 devaluation.

III

But how much power do bankers really have? Before attempting to answer this question, it is helpful to begin by constructing a typology.

The majority of bankers have of course nothing whatever to do with politics. At the other extreme are bankers who are political figures *ex officio* because they are central bankers with statutory responsibilities. It is the categories in between those two poles that are of most interest here.

We need to distinguish as far as possible between:

1. Bankers who become politicians
2. Bankers who have politicians as clients
3. Bankers who merely socialise with politicians
4. Bankers who advise politicians
5. Bankers who oppose politicians

In the first category clearly belongs someone like Jon Corzine, the former co-Chairman and Chief Executive of Goldman Sachs Inc., who last year spent some £36.5 million in pursuit of a seat in the US Senate. There is a rough analogy which could be drawn between Mr Corzine and Nathan Rothschild's son Lionel, who undoubtedly made use of his huge personal wealth when campaigning for election to the House of Commons in 1847. The difference is that Lionel de Rothschild's object in seeking election was a great deal more precise than Mr Corzine's. In many ways, the election of the former was a gambit in the protracted campaign to secure full political rights for Jews in Britain. His brother called it 'one of the greatest triumphs for the Family as well as of the greatest advantage to the poor Jews in Germany and all over the world'.⁸ For his wife it was 'the

beginning of a new era for the Jewish nation'.⁹ Mr Corzine, by contrast, was reported last year as saying: 'I have been able to access things that most people wouldn't think possible for a small kid from out in the middle of nowhere. It worked out really well for me. Why shouldn't I want to help others?'¹⁰ It may be that Mr Corzine sincerely sees himself as acting to further the interests of all 'small kids from out in the middle of nowhere'. But it is hard not to suspect that this was not his prime motivation in seeking election.

All politicians need bank accounts, so there are naturally a great many bankers who have politicians as their clients. Bleichröder's now famous relationship with Bismarck was initially of this nature. The same was true of Salomon Rothschild's earlier relationship with Prince Metternich.¹¹ In the 19th century the correspondence between bankers and their politician clients could easily extend from the discussion of cash flow problems or investment advice to exchanges of political news and even advice. Today, however, the far more impersonal nature of financial relationships makes it hard to imagine comparable relationships. Who looks after Tony Blair's current account? I have no idea. I doubt very much that it matters.

In the nineteenth century too social links between politicians and bankers were of more importance than they are in our own day. One prime minister, the Earl of Rosebery, married a Rothschild. Those two great rivals, Benjamin Disraeli and William Ewart Gladstone, were both regular visitors and correspondents of the family. Indeed, there is a delightful letter from Lionel from March 1876 which describes how the two men almost bumped into one another at his house: 'Dizzy was here ... [O]ur friend [is] in very good spirits ... What do you say to the visitor who is now with dear Ma whilst I am writing – this I have just heard, that the famous Mr Gladstone is with her drinking tea and eating bread and butter, I doubt whether he will come to see me'.¹² No doubt Gordon Brown has had occasion to drink tea with Gavyn Davies of Goldman Sachs in much the same way. Yet no amount of socialising can be regarded as politically significant unless there is evidence that, over tea, the banker (or his wife) actually influenced the politician. Certainly, it is unlikely that Charlotte de Rothschild exercised any significant influence over Gladstone, who was far



more interested to discuss comparative religion with her.

The point at which socialising becomes advising is not always easy to document. I have recently had occasion to consider the extent to which Siegmund Warburg was able to influence Harold Wilson at the time of the sterling crisis of 1967. Warburg had known Wilson since the late 1940s and had impressed him with his usual combination of flattery, international expertise and social networking. As early as December 1963, Warburg offered specific advice to Wilson as to how to avert a run on the pound in the event of a Labour election victory, recommending a balanced budget, export incentives, some kind of wage restraint and 'a severe profits distribution tax and possibly also ... a capital levy' on business.¹³ Once in power, Wilson saw Warburg on a number of occasions to talk policy: for example, on 30 November 1964, 7 January 1966, 5 September 1966. He also sent Wilson memoranda on economic subjects, like the one 'about the establishment of a closer link between British and foreign industrial companies' in March 1967,¹⁴ and a draft speech a year later.¹⁵ The difficulty is to be sure whether Wilson heeded the advice he was being offered. Even when there is evidence that the government acted in approximately the way Warburg suggested (for example, introducing corporation tax in 1965), it is by no means clear that it was *post hoc, ergo propter hoc*. In recommending higher taxation of business, was Warburg simply telling them to do what they were going to anyway?

Very similar problems arise when one tries to assess the influence James de Rothschild was able to exercise over the French king Louis Philippe. Many contemporaries – like Ludwig Börne and Heinrich Heine – thought this was enormous. Certainly, James saw a great deal of the King throughout his reign – much more than Siegmund Warburg saw of Harold Wilson. And he never tired of proffering advice to him – to discard this minister, to appoint that minister and, above all, not to risk a war in Europe. In February 1831, for example, James became convinced that the French prime minister Laffitte was bent on war over the future of the newly independent Belgium, then threatened by military invasion from Holland with

possible Austrian and Russian support. According to James's own account, he told Louis-Philippe:

You are being pushed into a state of war, even though you have no interest in any Belgian [territory] and is it wise for the French to take on such a proud stance? And now do you want us to go ahead and declare war on the foreigners? Your Majesty, you are being deceived. Your ministers have lost the confidence of the public. You should appoint Périer and then these people, all the rich people, will support him, and [that will] show your strength.¹⁶

Laffitte, he told his brother, was bent on a course of 'complete anarchy':

This morning I was at Laffitte's and berated him, and he said to me in a friendly way, 'Rothschild, if France does not declare war on Austria, then, in a matter of three weeks, the king will no longer be king and will lose his head.' I told him, how could he possibly give such bad advice to the king. He replied to me, 'The king no longer asks my opinion'. In short, Laffitte thinks all is lost already. Tomorrow, I will ask the king and perhaps I might even go to see him today.¹⁷

It is tempting to conclude from the fact that Laffitte resigned just over a week later that James's 'talking to the king had the desired effect'.¹⁸ Yet on re-reading his letter of 27 February I am struck by Laffitte's admission: '*Der König fragt mich nicht mehr*'. In asking for Laffitte to be replaced, James was pushing at the proverbial half-open door.

In fact, the only way to demonstrate for certain that a banker has political power is to look at instances of clear *disagreement* with a monarch or prime minister. Only if the banker can be shown to have overruled the politician – and particularly if it can be shown that he used financial leverage to do so – can it really be claimed that the former wields meaningful power. I can think at once of three examples from my own research of such clear confrontations between a banker and a political figure. In 1832 Salomon von Rothschild overtly threatened not to support a new bond issue by the Austrian government if the proceeds were to be used for military purposes.¹⁹ In 1866 his brother James sought to use his power in the

European bond markets to deter Bismarck from going to war with Austria over the future of the duchies of Schleswig and Holstein.²⁰ And in 1909 the first Lord Rothschild launched an all-out campaign against David Lloyd George's so-called People's Budget.²¹ In all three cases, the bankers lost the argument. This was because not even the Rothschilds at the very height of their power could turn off the tap of the bond market to a government that was fundamentally creditworthy. In the last case, Natty Rothschild repeatedly warned that Lloyd George's increase in progressive taxation would be financially ruinous; but the verdict of the markets, when one actually looks at the effect of the People's Budget on the price of consols, was quite clearly the opposite.²²

Higher taxes would eliminate the government's deficit, whether they fell on the rich or the poor; so it made sense to buy consols, not (as Rothschild predicted) to sell. Here, as so often, individual bankers might think and say one thing; but the collective voice of the market – the sum of the decisions of all the investors and their agents – said another. The Marxists and their progeny tend to blur this crucial distinction between the individual banker as the supposed 'man of influence' and the market as the institution in which the less obviously 'influential' investors have a say in proportion to the size of their portfolios, credit-rating and trades. At the height of the conflict over the People's Budget, Lloyd George famously exclaimed: 'Really, in all of these things we are having too much Lord Rothschild.' But in reality there was not enough Lord Rothschild seriously to threaten the Chancellor's position.

Yet even the markets have limits on their political leverage. In 1898 the Polish financier Ivan Stanislavovich Bloch had published a six-volume *magnum opus* which appeared in English with the snappier title *Is War Now Impossible?* Bloch argued that, in any major continental war, finance would be 'the dominant and decisive element in the matter', bringing the hostilities to a swift conclusion. 'The future of war', Bloch argued, was 'not the slaying of men, but the bankruptcy of nations'.²³ He was not alone in thinking this. In *The Great Illusion*, published in 1910, Norman Angell claimed that 'the profound change effected by

credit and 'the delicate interdependence of international finance' had made war irrational and perhaps even impossible, since 'no physical force can set at nought the force of credit'.²⁴ Within less than five years, the European powers would demonstrate how wrong such cheerful notions were. In July 1914 the desperate pleas of the Rothschilds and the Warburgs that a European war would destroy 'the delicate interdependence of international finance' were simply ignored. Far from preventing war, the 'force of credit' made it possible to fight war on a far larger scale than ever before and for far longer than most pre-war financial experts – including John Maynard Keynes – thought possible.

IV


On 21 June 1914, following a banquet in Hamburg, the German Emperor Wilhelm II had outlined what he saw as Germany's 'general situation' to his neighbour at dinner, Max Warburg:

He was worried about the Russian armaments [programme and] about the planned railway construction; and detected [in these] the preparations for a war against us in 1916. He complained about the inadequacy of the railway-links that we had at the Western Front against France; and hinted ... [at] whether it would not be better to strike now, rather than wait.

Warburg had 'advised decidedly against' this:

[I] sketched the domestic political situation in England for him (Home Rule), the difficulties for France of maintaining the three year service period, the financial crisis in which France already found itself, and the probable unreliability of the Russian army. I strongly advised [him] to wait patiently, keeping our heads down for a few more years. 'We are growing stronger every year; our enemies are getting weaker internally'.²⁵

Why did the Kaiser ignore Warburg's advice, which to us seems eminently sensible? The answer is that his military experts – from the Chief of the General Staff downwards – were telling him just the opposite. In a few more years, the Younger Moltke insisted, Russia would have completed her



armaments programme and Germany's chances of winning a two-front war would have dwindled to zero. It was the enemy that was growing stronger, Germany that was getting weaker. From the Kaiser's point of view, Warburg did not know what he was talking about. A hundred years ago, there was a fairly clear distinction between what a banker could be expected to have expertise about and what were only matters of general knowledge. A banker knew about budgets and bonds. His views on the reliability of the Russian army – no matter how well informed – were about as valuable as Moltke's views on bimetallism. That distinction still exists today, of course. Still, the extent to which economics has extended its domain in the course of the century makes the gulf between financial and political expertise a good deal smaller than it was then. When Lionel de Rothschild first stood for parliament, his brother urged him to take a radical position on free trade. The implication was that up until that point Lionel had not given free trade a great deal of thought. Nowadays, by contrast, it would be surprising to find a senior director in a major City firm who did not already have a view on whether Britain should join the single European currency – the issue which most resembles (not least in its political divisiveness) that of free trade in the 1840s.

There is another way of considering the difference between the past and the present. In 1901 banking and politics were two essentially separate activities, though they were socially linked.²⁶ Today the two professions seem to me to be rather socially distinct. The extent of traffic to and fro between the Commons and the City boardrooms has declined markedly in the past decade. Yet their functions have converged in ways that the Edwardians would have found extraordinary. Most modern bankers are accountable to a far wider range of shareholder interests than was the case a hundred years ago; while at the same time they are providing an ever wider range of financial services. Politicians too are more widely accountable than they were in 1901; but what is perhaps more surprising is that they are also engaged in providing a range of financial services. To be sure, the Chancellor of the Exchequer did a very wise thing when he restored partial ('operational')

independence to the Bank of England in 1997. But he remains firmly convinced that the state has a role to play in the financial sector. For example, he shows no sign of ending the fiction that our National Insurance payments are contributions to a fund from which we will therefore be entitled, if need be, to draw future benefits. Indeed, when he announced plans earlier this year for a new 'baby bond' he sounded remarkably like the Chief Executive of a High Street bank trying to drum up business with a new product.

V

A key question addressed in *The Cash Nexus* relates directly to this convergence of finance and politics: 'Is politics becoming just a special kind of business?' That implies a further question, with which I would like to conclude this lecture. Can political history be studied separately from financial history? The answer should, I feel sure, be no. Yet even as politics and economics have converged in the past century, so the disciplines of political and financial history have diverged. This is, no doubt, an inevitable consequence of the academic penchant for specialisation. But specialisation can be a vice as well as a virtue if it excessively narrows the scope of scholarly inquiry. I am firmly convinced that, like Humpty Dumpty, modern history needs to be put back together again. Those who study elections must think also about bond markets; those who specialise in warfare need also to understand exchange rates. The battle of Stalingrad is a thrilling subject, no doubt; but in order fully to appreciate its significance for the outcome of the Second World War, it may be necessary to look at the quotations of German bonds in Switzerland before and after it.²⁷ Certainly, it can only be by studying such connections between the financial and the political that we will be able to arrive at a true understanding of the power – so often exaggerated – of bankers. There is indeed a 'cash nexus' linking the realms of money and power but it is a much more tangled knot than Marx and his followers liked to think. If my work can do anything to convince people of that, and thereby to promote the reintegration of history as a discipline, then it will have achieved its chief goal.

Notes

- 1 *The World's Banker: A History of the House of Rothschild* (London, 1998) establishment of a closer link between British and foreign industrial companies', 14 March 1967
- 2 David S. Landes, *Bankers and pashas: International finance and economic imperialism in Egypt* (London, 1958); Fritz Stern, *Gold and iron: Bismarck, Bleichröder and the building of the German Empire* (Harmondsworth, 1987) 15 Siegmund Warburg papers, box 21, draft speech for Harold Wilson, 5 March 1968
- 3 Harold James, *The Reichsbank and Public Finance in Germany 1924-1933: A Study of the Politics of Economics during the Great Depression* (Frankfurt, 1985); Charles S. Maier, *Recasting Bourgeois Europe: Stabilisation in France, Germany and Italy in the Decade after World War I* (Princeton, 1975) 16 RAL, XI/109J/J/31, James, Paris, to Nathan, London, Feb. 21, 1831. Cf. Feb. 22; Feb. 24; Feb. 25
- 4 Count Corti, *The Rise of the House of Rothschild* (London, 1928); *The Reign of the House of Rothschild* (London, 1928); Bertrand Gille, *Histoire de la Maison Rothschild*, vol. I: Des origines à 1848 (Geneva, 1965); vol. II: 1848-70 (Geneva, 1967) 17 RAL, XI/109J/J/31, James, Paris, to Nathan, London, Feb. 27, 1831. Cf. RAL, XI/10919/1/40, Lionel to his parents, Feb. 25; RAL, XI/109/20/1/3, same to same, March 1
- 5 Karl Marx, *The Class Struggles in France, 1848-1850* 18 RAL, XI/109J/J/31, James, Paris, to Nathan, London, March 9, 1831
- 6 Karl Marx, *Capital*, vol. III, part 5, chapter 29 19 The incident is discussed in *The World's Banker*, chapter 9
- 7 Karl Marx, *Capital*, vol. I, chapter 31 20 See chapter 20
- 8 RAL, XI/109/62/1/2, Nat, Paris, to Lionel, London, undated, c. July 1847 21 See chapter 29
- 9 RAL, T7/129, Charlotte, Paris, to Lionel, London, undated, c. Aug. 1847 22 I owe this insight to my former student Edward Lipman
- 10 *Daily Telegraph*, 25 October 2000 23 I.S. Bloch, *Is War Now Impossible?* being an abridgment of 'The War of the Future in its Technical, Economic and Political Relations' (London, 1899), p. lx
- 11 See my 'Metternich and the Rothschilds: "A Dance with Torches on Powder Kegs"?' in *Leo Baeck Yearbook* (forthcoming) 24 Norman Angell, *The great illusion: A study of the relation of military power to national advantage* (London, 1913 edn.), p. 209
- 12 RAL, T12/57, Lionel, London, to Leo and Leonora, 25 March 1876 24 M. M. Warburg & Co., Hamburg, Max Warburg Papers, 'Jahresbericht 1914'; cf. Max M. Warburg, *Aus meinen Aufzeichnungen*, (printed privately), p. 29
- 13 Siegmund Warburg papers, box 10, SGW note, 'Dinner with Harold Wilson on 5th December', 9 Dec. 1963 25 See Youssef Cassis, *English City bankers, 1890-1914* (Cambridge/New York, 1994)
- 14 Siegmund Warburg papers, box 18, SGW to Michael Halls for Harold Wilson, 'Thinking aloud about the 26 See Bruno S. Frey and Marcel Kucher, 'History as Reflected in Capital Markets: The Case of World War II', *Journal of Economic History*, (2000), 468-96
- 27 See Bruno S. Frey and Marcel Kucher, 'History as Reflected in Capital Markets: The Case of World War II', *Journal of Economic History*, (2000), 468-96

'Up to our noses in smoke'

Richard Schofield records the results of a project to explore how The Rothschild Archive can throw light on the often forgotten role of Rothschilds as traders in commodities - in this case, tobacco



It is unclear exactly when the Rothschild houses first began to take a serious interest in the tobacco trade. The first mention found is in a letter from Harman and Co. of London, who write to N M Rothschild & Sons in 1810, 'Annexed we hand for your information an extract of a letter from our correspondent in Philadelphia to whom we committed your order for tobacco and cotton...'¹ However, it was probably not until the 1830s that any real push was made to develop trade in this commodity, and it was not until after 1840 that tobacco trading took on a great importance as a commercial activity. Indeed, James de Rothschild writes to Anthony in September 1839, 'For the moment I am not considering the tobacco business at all, because I think it is a little too much to spend 25 millions...'² Entry to the Cuban market was later still, as it is not until 11 December 1845 that Rothschilds' appointed agent, Scharfenberg, writes, 'I have been favoured with your letter of the 31 Oct.,... transmitting me the following order for a beginning in the tobacco business...'. The majority of the correspondence relating to tobacco dates from the 1840s and the greatest turnover

from the tobacco business seems to be in the mid-19th century. The 'Tobacco Account' that features in the Home Ledger series³ runs, with breaks, from 1842-1891, with a turnover of £89,193.18.5 in 1846. This is in marked contrast to the final entries, for 1890 and 1891, which are for £3032.31.0 and £1545.49.0 respectively. By the beginning of the 20th century the trade appears to have ceased altogether.

The evidence would suggest that all the Rothschild houses were involved in tobacco trading, both privately and for various governments. This is unsurprising, as the 19th century tobacco market was potentially very profitable. The governments of many European countries, notably France, Spain and the Italian states, kept a tight hold on the trade through state controlled monopolies. Companies submitted bids to government bodies to win the contract as exclusive suppliers of tobacco to the state. This tobacco was then processed only in government owned factories. The French government had 'manufactures' in Paris, Havre, Bordeaux, Marseilles and Morlaix, while the Spanish government had five in the Philippines and several Royal Tobacco companies across Spain. The length of time for which successful bidders would hold the supply monopoly varied from country to country. The French Régie held tobacco auctions annually, whereas the Spanish would grant contracts for a longer period but would pay only a fixed price, often set very low. There were also strict guidelines as to the quality and quantity of tobacco required.

The Paris house, de Rothschild Frères, was often successful in securing the French monopoly. While there is frequent mention, in the correspondence of American agents, of other buyers acting for the French Régie, the Rothschilds' New York based agent, Belmont, writes in December 1840, 'The Paris House has fared very well indeed for its order for cotton and tobacco and must realise a very considerable profit on both.'⁴

It is felt that this is a fitting opportunity to record the words of genuine personal regard and affection in which you are held by the entire Jewish Community of which you have so long

From the mid-1840s, the Rothschilds also held for a time the monopolies for the Neapolitan and Sardinian Régies. It is likely that this was an initiative of the Paris House. In 1839 James de Rothschild writes to his nephews in Paris, 'I am most interested in the Italian Tobacco Monopoly, especially since I inspected the accounts and saw the large amounts of profit'. A letter to Hanau, in the American Letter Copy Book⁵ series, of 11 March 1844, mentions the need for, '1000 to 1500 Hhds of Kentucky leaf tobacco for the supply of our transactions with the Naples Régie'. A contract from 1850 with C. M. Rothschild & Sons also exists for the supply of leaf tobacco to the Royal Manufactory in Naples and a letter of September 1848 refers to a contract with the Naples House 'to supply these quantities to the Sardinian government'.⁶ A letter to Scharfenberg, Rothschilds' agent in Havana, again from the American Letter Copy Books, speaks, in November 1864, of a contract for a large sale to the Naples Tobacco Administration.

Another key area was Spain. Weisweiller and Bauer, Rothschilds' Spanish agents, obtained for Rothschilds a share in the Compañía Arrendataria de Tabacos, a company founded in June 1887 by the Banco de España to manage the revenue from tobacco products and stamps. This is borne out by an entry in the Share Accounts volumes⁷ for July 1887, for Spanish Tobacco Shares.⁸ The Home Ledgers series⁹ contains an even earlier entry of 1845-1846 for 'Tobacco Spanish Co.'. A pencil note identifies this as 'Empresa de Tabaco Lign at Madrid' (*sic*).

There is also evidence of dealings with Austria and Gille¹⁰ states that correspondence from the archives of the French House also makes mention of Austrian deals. Austria actually grew its own tobacco and banned imports. However, Corti¹¹ mentions a deal in the 1840s made by Salomon von Rothschild with the Austrian government, by which he imported and sold 10,000,000 Havana cigars and gave the state a large proportion of the profits. The venture was so successful that a repeat order for 17,500,000 was sent off immediately. There is also evidence to suggest that Rothschilds managed to obtain further concessions as, on 26 June 1849, Scharfenberg writes of '...samples which are directed as you will observe under the

cover to Imperial and Royal Manufacturers of Tobacco at Vienna...'. That these samples were part of a bigger undertaking is borne out in the volumes making up the Tobacco Invoices and Account Sales series.¹² Here, between January 1844 and February 1849, can be found accounts for contracts with the Austrian Tobacco Régie and the Imperial Royal Tobacco Administration of Vienna, the latter for 2,000,000 Manila Cheroots.



Tobacco ledgers from The Rothschild Archive

Aside from the more obvious destinations for tobacco cargoes, correspondence from the American Letter Copy Books shows that Rothschilds were trading further afield. The volume that spans 1847-1848 has a letter addressed to F. C. Gasser, Rothschilds' agent in St. Petersburg, dated 17 December 1847, which talks of a tobacco cargo destined for this city. Two later letters, dated 16 December 1864, addressed to Chieves & Osborne and R. Ragland (both of Petersburg, Virginia, U.S.A.), state, 'Our market is without change, but the advices from Australia are rather better, and we hope to make some sales of your tobacco'. Thus it would seem that the tobacco business spread beyond the confines of central Europe.

The profitable nature of the tobacco trade meant competition for government contracts was fierce and evidence gleaned from correspondence would suggest that the French banker Pescatore was Rothschilds' greatest rival in this respect. He is first mentioned in a copy of a letter out to Hanau in an American Letter Copy Book, which

mentions an order for 1600 to 1700 hogsheads of tobacco (some 2,206,000 pounds) ‘...for the contract with the French Régie...’. It goes on to state, ‘...from the nature of Pescatore’s engagement we think his operations are not likely to interfere much with us’. This does not seem to have been the case with the Neopolitan contract, Carl writing to his nephews in 1847, ‘I have received both your letters of July 15th referring to the tobacco transaction; I am going to wait for inspiration from God. Pescatore and Guillot can likewise be expected to make a bid...’.¹³ However, cooperation appears to have been forced upon the two rivals by the Spanish administration. An outgoing letter of 18 April 1844 addressed to Hanau, regarding an order for the Spanish Tobacco Company, states that ‘...the orders of the said company are divided between us and Pescatores, and... Lanfear’s purchases will have to compete with those of Koch [Pesacatore’s agent]...’. Rothschilds’ desire for snatching the entire contract is also evident. Hanau is urged to buy the best tobacco he can as this ‘...will not only retain the present participation in the Company’s orders, but may secure the whole of the business which would give us great advantages in contracting your market’.

The biggest tobacco producers were found in Virginia, Kentucky and Maryland, U.S.A. and Havana, Cuba; the latter better known for its cigar manufacturers. Indeed, Carl Scharfenberg, Rothschilds’ agent in Havana, goes into considerable detail about the process for grading and selling tobacco for the production of cigars. He also writes that of the Cubans, ‘men, women and children’ all smoke cigars, keeping the best tobacco back for themselves. He continues, ‘...the second best qualities are sent to England and thirds to Germany and fourths to France’. This seems odd when he notes that France is importing 60,000,000 cigars a year, but he goes on to state, ‘the reason for this is because in Germany and France the light coloured cigars are preferred, but they are wrong in thinking the light cigars ‘the best’, because it is only the dark coloured...which is the best quality’. This variance in the type of tobacco demanded by different states was also evident in the United States’ market. Hanau’s reports make interesting reading in this respect. On 22 September 1843, he writes that ‘...in some

parts of Tennessee particularly they raise a fine sort of bright long and fine leaf just fit for the French Régie’. He goes on to say that he has induced the Paris House to bid for this crop. Later, on 17 October 1843, he writes ‘...the quality of the tobacco of the Saxony was not suitable at all for the French Régie; it contained only dark and heavy leaf and was only convenient for Naples’.



A Cuban tobacco factory, 1873

In order to ensure a reliable supply of tobacco to fulfil their contracts and to obtain the best prices it was necessary to have local agents, acquainted with the market, acting for the houses. To this end, Rothschilds appointed a number of figures to oversee the business for them. Some were established agents, whereas others were commissioned solely to oversee the tobacco business. They, in turn, commissioned local tobacco brokers to select tobacco and cigars for the house. As has already been demonstrated, all wrote to London and Paris on a regular basis, informing the Houses of the state of the crops and market and any cargoes sent. However, even reputable agents could do little if there was no tobacco to be bought and no means of shipping that which was available. Scharfenberg regularly had trouble chartering ships from Cuba and the interruption to trade by the American Civil War was significant. The firm of Chieves and Osborne write to N M Rothschild & Sons in May 1861, ‘We have a large quantity of tobacco for your House now ready, but cannot ship it and do not

know when it can be shipped. If you can or will send us a ship (small tonnage) loaded with salt, we will in return send you a cargo of manufactured tobacco...'.¹⁴ The same firm notes in June 1862, 'Our planters are making corn and meat instead of cotton and tobacco and until the war is over will not grow either'.¹⁵

The growth in Rothschilds' tobacco business would appear to be the motivation behind sending Hanau out to New Orleans. In 1842, Nathaniel de Rothschild writes to his brothers, 'If we are successful candidates at the adjudication... we shall in all probability send young Hanau to New Orleans. He will do very well to superintend the Tobacco purchases and can be trusted with money'.¹⁶ This is confirmed in a letter to Lionel of December 1842, signed by James de Rothschild, which states, 'Our offer re American tobacco was too high and for this reason Brown, Shipley and Co. in Liverpool were successful. Taking this into consideration I think it is important for us to have someone in New Orleans, who could send us reliable information.... Had we had someone trustworthy there, on whose communications we could have relied, we should not have been so timid in our offer. I recommend sending young Hanau and would like your opinion'.¹⁷ This letter shows clearly the highly competitive nature of the tobacco trade and the need for fine judgement when pitching prices for lots. Ironically enough, Rothschilds' problems seem to have been exacerbated by Hanau's own agent, Lanfear. Hanau remarks in July 1844 that Lanfear inadvertently causes prices to rise as it is known he is buying for Rothschilds. He therefore suggests taking on another agent to buy 'slowly and cautiously' so as not to affect the markets. By 1877, R. B. Mannion, another American agent, notes that buyers for the French market are by far the biggest contingent and other European buyers are unable to compete.¹⁸

Competition for the best tobacco was not restricted only to the United States. Scharfenberg, the agent in Cuba, notes that 'many London houses' are represented there. He goes on to say that this means local cigar manufacturers are fickle and hold out for higher prices and makes the recommendation that Rothschilds put their broker into competition 'with another or two or three' to

ensure they get the best prices. Indeed, Scharfenberg's advice seems to have been crucial to the development of Rothschilds' Cuban dealings and is further proof of the value of local knowledge. On 10 April 1847, following news that Rothschilds are thinking of pulling out of the Cuban tobacco market, Scharfenberg writes, 'Allow me to tell you that this plan is not the proper one to make money by this business; you ought to enter every year with an equal quantity and sell, even with a loss, that part of your former purchases, which might be exposed to deterioration'. He goes on to state that most Cuban tobacco will keep two or three years and thus when there is a bad crop any stored tobacco can be sold and '...the higher prices you then fetch will compensate your losses on former purchases'. The Spanish agents, Weisweiller and Bauer, were also key to the successful tobacco business with Spain. In January 1847, Weisweiller writes, 'The cunning and greedy director of the Spanish tobacco agency has advised several importers to bring in these cargoes in order to benefit from the concurrence, as regards the price. He has promised to give me preference...'.¹⁹ Later, during the late 1880s, the agents keep Rothschilds apprised of the passage of Spain's Tobacco Leasing Bill and the ramifications of the increasing monopolisation of the country's tobacco trade.

While Rothschilds relied heavily on their agents in the localities, it is also evident that family members spent time investigating the tobacco trade in some detail for themselves. For example, Nathaniel writes to his brothers from the United States early in January 1844, 'We have been occupying ourselves with your tobacco calculations and are doubtful what we shall do. I think we shall make up our minds to bid only for the Maryland; perhaps for Virginia, but at a remunerating price only. We have also got the Hungarian tobacco man here, so that altogether we are up to our noses in smoke. It is a pity old Bill [Anthony] is not here, as he is really the baccy man'.²⁰ There are also letters concerning tobacco, in the American Letter Copy Books, from Mayer Alphonse de Rothschild of the Paris House, during his visit to the United States in 1848.

This survey of the documentary evidence for Rothschilds' tobacco business can certainly not be



viewed as exhaustive. There is scope for further exploration, particularly into the large amounts of, as yet untouched, agency correspondence, much of it in Spanish, German and Judendeutsch. Already, however, the project paves the way for research into what was, during the mid-19th century, a significant and profitable area of business and one into which was poured

considerable time, energy and resources. It also demonstrates the scope, in terms of surviving evidence, for a thorough investigation into Rothschilds' trade in commodities in general, a facet of their work which, perhaps overshadowed by their better known activities in the issue of government loans, has been largely ignored to date by historians.

Notes

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| <p>1 T4/34 2 T35/61 3 VI/10/26-99 4 XI/62/1/1/233 5 II/10/0-111 6 XI/4/13-14 7 I/32/1-2 8 There is also an entry for 'Turkish Tobacco Shares' from 1888-1889, but it is unclear to what this refers. 9 VI/10/26-99 10 Bertrand Gille, <i>Histoire de la Maison Rothschild</i> vol. I: Des origines à 1848 (Geneve, 1965), p. 417</p> | <p>11 Count Corti, <i>The Reign of The House of Rothschild</i> (London, 1928), p. 232 12 II/81/0-7 13 T7/126 14 T6/346 15 T6/378 16 T24/157; XI/109/43A/2/154 17 T24/158; OXI/109/43A/3/52 18 XI/38/172 19 T6/189 20 T18/226; XI/109/46/1/67</p> |
|---|---|

Sources

Accounts

Share Accounts, 1870-1916 I/32/1-2, 2 volumes

This series records the shares in government and railways stocks held jointly by N M Rothschild & Sons and de Rothschild Frères. Volume 2 is of interest as it contains an account for 'Spanish Tobacco Shares', from July 1887. This account only shows movement of stock until 1889.

Volume 2 also has an account for 'Turkish Tobacco Shares', running from 1888-1889, which were bought in Berlin. This is duplicated in the Home Ledger series (below).

American Accounts, 1831-1918 II/3/0-50, 51 volumes

Although there are 51 volumes in this series, the two that are of significance for tobacco business are 9 and 11, concerned with British companies dealing with American imports.

Tobacco Invoices and Account Sales, 1844-1891 II/81/0-7, 8 volumes

There are a number of companies represented within these volumes although trade seems to have been dominated by a few key brokers. Most notable among these are George Scholey and Clagett Brachi & Co. Scholey's name also appears in the correspondence from various agents, American and Cuban (see below), as a trusted tobacco broker.

Home Ledgers, 1836-1918 VI/10/26-99, 74 volumes

This series is a continuation of the General Ledgers series, beginning in the year in which the foreign series was established separately. There is a separate index to each volume.

Correspondence

American Letter Copy Books, 1834-1918

II/10/0-111, 112 volumes

Copies of outgoing letters relating to American business survive from 1834, with an index of correspondents within each volume. The earliest volumes relate to just a few agents and concern routine remittance business. After 1837, letters to August Belmont, initially in German, appear frequently. There are also letters to Tolmé, the agent in Havana. As with the other correspondence series, the numbers of letters to those agents dealing chiefly in tobacco fall away during the 1850s.

Tobacco Business, 1844-1853

XI/4/13-14, 1 box

This is a gathering of miscellaneous documents relating to Rothschilds' tobacco trading, chiefly with France and Naples.

Hanau, J. N., 1843-1848

XI/38/130, 2 boxes

Hanau was based in New Orleans, from where most of his letters were sent, apart from a few from Memphis or Louisville. Hanau reports on the tobacco trade and advises N M Rothschild & Sons accordingly.

It seems that Hanau instructed Lanfear (see below) on tobacco purchases. There is also evidence to suggest that Hanau was in contact with N M Rothschild & Son's Spanish agent Weisweiller (see below), through the London house. It is therefore possible that he was buying, on Weisweiller's instruction, for the Spanish market.

Lanfear, Ambrose & Co., 1841-1855

XI/38/164, 1 box

This firm, mentioned frequently in the correspondence of J. N. Hanau, bought and shipped tobacco and cotton on account of N M Rothschild & Sons from its base in New Orleans. Lanfear comments on the market and the condition of the crops and gives general financial reports. It can be inferred from his correspondence that he was undertaking to fulfil Spanish contracts for the Paris House. He was also shipping tobacco to Antwerp and charging to the Paris House through N M Rothschild & Sons, and it would seem he had dealings with the Frankfurt House too.

Mannion, R. B., 1867-1873

XI/38/172, 2 boxes

A firm based in New Orleans, whose services to N M Rothschild & Sons included shipping tobacco. The letters include details of transfers to the Paris Rothschild account and comments on the quality of tobacco, although the main dealings are in cotton and bills of exchange.

Scharfenberg, Tolmé & Co., 1845-1873

XI/38/217-19, 6 boxes

The correspondence to 1845 is from Carl Scharfenberg alone, the former clerk in the Paris House and Rothschild Agent in Havana. From 1855 the letters are from Scharfenberg, Tolmé & Co. Scharfenberg describes the Cuban sugar business in great detail and, in less detail, the tobacco business. However, these are by far the most informative of the letters series that concern trade in tobacco, outlining the process by which tobacco is graded and sold. There is also information on the production of cigars.

Weisweiller and Bauer, 1881-1892

XI/92/0-5, 13 boxes

This series of private letters is full of political and social comment, providing a vivid description of life in Spain during the period. All of Rothschilds' business interests in Spain and the Spanish colonies – railways, quicksilver, government bonds and tobacco – are discussed.

T Files (XI/109)

The so-called T Files are, chiefly, transcripts of correspondence between Rothschild family members, those from the XI/109 series being the private correspondence of the five brothers. This series is central to an understanding of Rothschilds' business in the 19th century. The series also contains letters from Weisweiller and Bauer, Scharfenberg and other agents. Consequently, there is also some discussion of the tobacco trade, although this does not feature as frequently as one might hope.

Rothschild in the news

Melanie Aspey explains how one of this year's acquisitions helped the Archive to fulfil its aim of providing in its London searchroom access to collections from around the world of relevance to Rothschild history

The Stadt- und Universitätsbibliothek, (StuB), in Frankfurt am Main houses the former Carl von Rothschild Free Public Library, one of its founding constituents.* This library, based on the collection of Mayer Carl von Rothschild (1820-1886), was opened to the public by his heirs in 1888 and used the English free library system as a model. The collecting policy of the librarian, Carl Berghoeffer, built on the strengths of the holdings, which might be termed 'arts and humanities' – art, architecture, literature, philology, geography etc. Additionally he collected works by or about the Rothschild family – much as the Archive does – and subscribed to a newspaper cuttings service, which ensured that a copy of every 'Rothschild' article appearing in the international press was sent to the Frankfurt library where it was pasted into an enormous ledger. These cuttings, covering the period from 1886 to 1928, were of interest to us in the Archive, since they provide a chronological narrative of Rothschild activities during this time.

The reports give a good indication of the shifting impact of the Rothschild family on the world at

large. In the 1880s and 1890s, the deaths of Mayer Carl and his widow, Louise, were widely reported with detailed biographies and descriptions of their political and social activities. By contrast, the closure of the Frankfurt House in 1901, while noted in dozens of papers throughout the world, generated relatively little interest beyond the simplest of statements.

The Press reports have often provided the Archive with previously unknown information, enabling gaps in our knowledge to be filled. As an example, one week at the end of January and beginning of February 1908 produced reports about the International Conference on Marine Motoring and a meeting of the Alliance Assurance Company, both of which took place in London on the same day and were attended by Lionel de Rothschild, an enthusiast for motorboats, and Natty, 1st Lord Rothschild, respectively. A couple of days later, some sea elephants went on display at the Walter Rothschild Museum at Tring and in Vienna the premises of the Nathaniel von Rothschild Hospital, for the treatment of patients with nervous diseases, were extended. On 7 February Lord Rothschild



The interior of the Carl von Rothschild Free Library, recorded in the 'Neue Kleine Presse', Frankfurt, 1892

laid the foundation stone of a new wing of the Royal Buckinghamshire Hospital.

The volumes of cuttings have been used extensively by researchers in Frankfurt and we considered that the collection would be of significant use to both archivists and researchers in the Archive's London searchroom. With the support of the Director of the StuB, the collection of fragile volumes was microfilmed and this version is now available in Frankfurt and London. This partnership project has served the purposes of both the Rothschild Archive and the StuB,

simultaneously making more widely available a valuable collection and helping to conserve fragile original material.

This collection is one of the largest that the Archive has acquired so far as part of its continuing initiative to identify and acquire Rothschild-related information from other repositories. Valuable on its own merits, it also helps us to identify organisations with which the family were connected, and which might also hold records of interest to us.

*The Stadt- und Universitätsbibliothek is at Bockenheimer Landstr. 134-138, 60325 Frankfurt am Main (<http://www.stub.uni-frankfurt.de>)

List of the Microfilms

000/838 - Microfilm of the newspaper cuttings collection from the Carl von Rothschild Library

| | |
|---------|-------------------------------------|
| Reel 1 | 1886-1894/I - 1895/III/582 |
| Reel 2 | 1895/IV 583 - 1895 I/1168 |
| Reel 3 | 1896 I/1169 - 1896 III/1741 |
| Reel 4 | 1897 I/1742 - 1898 I/2326 |
| Reel 5 | 1898 I 2327 - 1899 I/2905 |
| Reel 6 | 1899 I/2906 - 1901/3486 |
| Reel 7 | 1901/3487 - 1902-1903 I/4044 |
| Reel 8 | 1902-1903 I/4045 - 1905-1906 I/4630 |
| Reel 9 | 1905-1906 I/4631 - 1907-1908/5211 |
| Reel 10 | 1907-1908/5212 - 1919/5782 |
| Reel 11 | 1910/5783 - 1912/6369 |
| Reel 12 | 1912/6370 - 1914-1916/6949 |
| Reel 13 | 1890-1928/6950 - 1890-1928/7135 |

The final reel is a collection of cuttings about the library itself

Charles Stuart and the Secret Service



Dr Robert Franklin is a retired psychiatrist who became interested in Charles Stuart some years ago and published a biography of him. Since then he has returned to his research in order to satisfy his curiosity and produce a further book about Stuart's secret activities, not all of which were in the public service. His research led him eventually to The Rothschild Archive

CHARLES STUART was the grandson of John Stuart, 3rd Earl of Bute, George III's favourite, and the son of

General Sir Charles Stuart, a distinguished soldier. He was a diplomat, whose career began as the Napoleonic Wars began, and ended, to all intents and purposes, when the Revolution of 1830 abruptly ended the Restoration of the Bourbons. He spent the years of the Napoleonic Wars on the continent of Europe, and the years of the Restoration of the Bourbons in Paris. He was British Ambassador at Paris from 1815 to 1824 and again from 1828 to 1830.

Stuart's papers, which are scattered among a number of archives,¹ show that he was often engaged in secret work, and that he had dealings with the Rothschilds over many years. During those years, the Rothschilds were operating a system for the collection and transmission of intelligence with which no government could compete for efficiency, so that in any project of research into Stuart's activities The Rothschild Archive is a natural resource. Legend has it that the Rothschilds bribed General Grouchy to desert Napoleon at Waterloo,² and that one of Stuart's servants delivered the bribe,³ but the first evidence of a link between Stuart and the Rothschilds to be found in The Rothschild Archive is a note dated September 1817.⁴

The Restoration of the Bourbons after Waterloo was the period during which Stuart and the Rothschilds had most to do with each other. It began with the return of Louis XVIII to Paris, accompanied by Stuart, who had been accredited to his Court in exile at Ghent and cannily stuck to him until acknowledged as Ambassador at Paris.⁵ It was a period of great political tension, intrigue and paranoia; plots and conspiracies abounded, and spies and special agents lurked round every

corner. Duff Cooper, in his biography of Talleyrand, characterised it as 'a cloak-and-dagger period'.⁶



Charles Stuart, Lord Stuart de Rothesay by Francois-Pascal-Simon Gérard, c.1828-30 (Courtesy of The V&A Picture Library)

As soon as Stuart arrived in Paris he began to set up his own intelligence service. An English lady visiting at the time remarked: 'He discovers what others are about or would be about to a degree that must be very useful to him in his situation'.⁷ His chief concerns at first were the safety of the Duke of Wellington and the stability of the new regime; but when the Duke had returned to England and Louis XVIII had shown himself settled on the throne there were other matters to engage his attention, particularly certain aspects of French foreign policy. He employed agents and informers, and despatches based on their reports went regularly and frequently to the Foreign Office.⁸

It is felt that this is a fitting opportunity to record the sense of genuine personal regard and affection in which you are held by the entire Jewish Community of which you have so long

His intelligence service was funded through an account at Coutts & Co. in London, called his 'Separate Account' to distinguish it innocently from a personal account at the bank.⁹ Amounts paid into the 'Separate Account' were transferred to an account at Bagenault & Co., in Paris, from which agents and informers were paid.¹⁰ Sometimes payments were made directly from the 'Separate Account', as was the case in 1817 and 1818 when relatively large amounts were paid to the veteran operator Quentin Craufurd.¹¹ Years earlier, most of Britain's military intelligence from the continent had come from Craufurd and his two nephews.¹²

The Rothschild Archive shows that Stuart was useful to the Rothschilds. They were concerned, first and foremost with their business: national and international politics were important to them; and scarcely less so were their relationships with men of influence in the countries of Europe. There are letters in the Archive that refer, for instance, to Stuart's opinion on the affairs of Spain and Portugal, of which countries he had personal knowledge,¹³ and to access through him to Wellington.¹⁴ One of the same letters suggests that the Rothschilds might expect to benefit from Stuart's influence in certain negotiations with the French Government.¹⁵

In return, the Rothschilds were helpful to Stuart. We know that he was able to make use of their courier service,¹⁶ though we do not know to what extent. We know, too, that intelligence obtained by them was sometimes shared with him. In April 1822, for instance, information from James enabled him to assure the Foreign Secretary, Lord Castlereagh, that a crisis in relations between Russia and Turkey had passed. James, in Paris, had had this information from Salomon, in Vienna, and he had had it from Metternich, the Austrian Chancellor, whose authority for it was Tsar Alexander.¹⁷ It is clear from letters in The Rothschild Archive that the brothers were helpful to Stuart financially, indirectly if not directly.¹⁸

What does The Rothschild Archive tell us about Stuart's secret activities? Given that Stuart and the Rothschilds had dealings in certain fields in 'a cloak-and-dagger period', and given also that the

Rothschilds had a better system for the collection and transmission of intelligence than had the Foreign Office or the Diplomatic Service, it seems likely that there was co-operation between ambassador and bankers in this particular field. Unfortunately, the Archive throws little light on the subject; but there is, in the collection, one letter that seems significant.

This letter was addressed to Nathan, in London, by John Charles Herries, Financial Secretary to the Treasury, in November 1823. The two men knew each other well: they could reasonably be described as having been unofficial business partners.¹⁹ Frederick Robinson was then Chancellor of the Exchequer.

*Mr Robinson desires I will state to you that Sir Charles Stuart is in want of a sum of between five and six thousand pounds at Paris, and I am to request you to place this sum at Sir Charles' disposal and to inform you that it will be replaced about the month of April next. The sum in question is required to defray the expenses of repairs to the Ambassador's home at Paris.*²⁰

There was nothing to make anybody think twice about it, and that was probably as had been intended. But 'the sum in question', a large one, was paid into Stuart's 'Separate Account' at Coutts & Co., his secret service account.²¹ It can be inferred that this was a put-up job, arranged to finance some clandestine operation approved at a high level. Since Nathan was close to Herries, it can be inferred, too, that he was privy to the arrangement.

Disappointed researchers in secret areas do well to remember Castlereagh's famous reply to a Member of Parliament who questioned him on the subject of secret service money. If the honourable member wished to know how much had been spent on the secret service recently, he was welcome to the information, said the Foreign Secretary; 'but if he wished to know the particular details of how it was expended, it was rather an Irish proposition, for then it would be secret service money no longer'.²² Too much must not be expected. Nevertheless, as research in The Rothschild Archive has shown, patience may be rewarded, if only by a glimpse of a hidden past.



Notes

1. *Private Papers of British Diplomats 1782-1900* (The Royal Commission on Historical Manuscripts, 1985), p. 65
2. Niall Ferguson, *The World's Banker* (London, 1998), p. 16
3. East Sussex Record Office: AMS. 6297/15
4. Rothschild Archive London: X1/T17/65
5. National Library of Scotland: MS. 6164, p. 727
6. Duff Cooper, *Talleyrand* (London, 1997), p. 284
7. The Hon. F. Leveson Gower (ed.), *The Letters of Harriet Countess Granville* (London, 1894), v. I, p. 67
8. National Library of Scotland: MS. 6175-6179; MS. 6182-6183; MS. 6196; MS. 6214
9. Coutts & Co. Account Books, Sir Charles Stuart; Elizabeth Sparrow, *Secret Service* (The Boydell Press, 1999) p. 44
10. National Library of Scotland: MS. 6165-6195
11. Coutts & Co. Accounts Books, Sir Charles Stuart
12. Elizabeth Sparrow, *Secret Service*, p. 54
13. Rothschild Archive London: X1/109/8
14. Ibid. X1/109/9
15. Ibid. X1/109/8
16. British Library: Add. MSS. 41533, f. 203
17. National Library of Scotland: MS. 6212
18. Rothschild Archive London: X1/109/8; Ibid. X1/109/9, Ibid. X1/T17/127
19. Niall Ferguson, *The World's Banker*, p. 164 ff
20. Rothschild Archive London: X1/T6/32
21. Coutts & Co. Account Books, Sir Charles Stuart
22. Hansard, 1822, v. 6, col. 1430

The Clementine

*The Rothschild Archive is from time to time called upon to provide historical background in support of organisations that were founded or supported by the Rothschild family. This year, the Archive supplied research material and images for a 125th anniversary book produced by the Clementine Children's Hospital in Frankfurt**

The Rothschild family established and supported numerous medical, cultural and social foundations in their home town of Frankfurt. Few of them survived the crises of the 1930s and 1940s but some traces still remain. The most prominent of these is the Clementine Children's Hospital, established in 1875 by Louise (1820-1886), the wife of Mayer Carl von Rothschild and the mother of Clementine who had died in 1865 aged only twenty. The foundation, initially known as the Clementine-Mädchen-Spital, was established to provide free medical care for girls of all denominations between the ages of 5 and 15. It survived the period of inflation thanks to further donations by members of the family, in particular Emma, Lady Rothschild, and Clementine's other sisters, but had to be taken over by the German women's section of the Red Cross.

The hospital was totally destroyed by bombing in 1943. In 1974 it was merged with the Dr Christ'sche Stiftung, but it retains its own identity.

The board of directors of the hospital, headed by Dr Barbara Reschke, organised various celebratory events during 2000, including medical conferences, benefit concerts and special activities for children and their parents. The culmination was the Jubilee Celebration in the City Hall of Frankfurt hosted by the Lord Mayor and addressed by the Minister of Health and Social Welfare for Hessen. On this occasion the name of the Foundation was inscribed in the City's Golden Book.

The commemorative book, launched at the City Hall, records the short life of Clementine against the background of her faith and examines the principle of 'good works' – Zedaka – that motivated the family's charitable activities.



Clementine von Rothschild, 1845-1865

**Clementine von Rothschild: 1845-1865; full of talent and grace; zum 125-jährigen Bestehen des Clementine-Kinderhospitals, Barbara Reschke, ed., on behalf of the Board of the Clementine Kinderhospital (Frankfurt am Main: Societäts-Verl., 2000)*

Whatever happened to Sarah?

Vic Gray explores the background to a chance survival which uncovered a forgotten Rothschild initiative

We know nothing of Sarah Tomlin. The Tomlin family lived modestly in the Buckinghamshire village of Aston Clinton in the 1860s, a family of rural labourers. But when the census enumerator called, Sarah was not there, perhaps away in service. All we have now is her name, engraved on the rim of a bronze medal. It may have been her only moment of fame.

The medal, recently acquired at auction by The Rothschild Archive (000/851), commemorates the Halton Industrial Exhibition of 1868, now virtually forgotten but in its day a bold experiment in rural community regeneration.

The Exhibition was the brainchild of Sir Anthony de Rothschild, second son of Nathan Mayer Rothschild, a committed countryman who, in 1851, had taken up residence in Aston Clinton at the foot of the Chiltern Hills.

1851 was a significant date. In that year Joseph Paxton was designing the Rothschild's first English country house, at Mentmore, just down the road from Aston Clinton, while at the same time his innovative and influential structure at Crystal Palace was taking shape to house the Great Exhibition, intended to display the best in industry and arts from around the world. It spawned many imitations around the world, most of them on an equally grand scale. What Anthony did in 1868 was to take the concept of the Great Exhibition and apply it on a more local scale, in an effort to demonstrate the range of creativity and skills in a small rural community.



The opening of the Halton Industrial Exhibition by Benjamin Disraeli

The seed of this idea rapidly took root. The original intention to focus on Aston Clinton and its immediate neighbourhood was rapidly left behind as applications to display crafts, artefacts and produce poured in from an area more than 20 miles across and covering 50 parishes. The fact that small rural industries, often cottage work undertaken by individuals, might merit a place in an exhibition aimed at a broad range of society, encouraged participation in just the way that Anthony had intended. More than 3,000 exhibits were eventually submitted and displayed.

Central to these were agriculture and cottage husbandry and the traditional Buckinghamshire craft of straw plaiting. But exhibits demonstrating individual crafts – building furniture, tool-making – were welcomed as a means of raising standards and of encouraging self-help initiatives to relieve poverty. A special prize was to be awarded for the best model of a modern farm cottage to be submitted by a local carpenter or builder, a contribution to the great movement of the time to provide cheap but hygienic housing for the rural community.

The Exhibition opened on 1st June on a 4-acre site at Halton Park on Sir Anthony's estate.

A brave showing of marquees lined the site on a fine English summer day. At one o'clock, a band of Grenadier Guards and a choir of local village school children took up their positions on the lawn. Past a Guard of Honour formed by the Aylesbury Corps of the Bucks Volunteers, filed Sir Anthony and his family with an entourage of dignitaries. They included Miss Angela Burdett-Coutts, the philanthropist, Mr Abel Smith M. P. who, ten years previously had introduced Lionel de Rothschild to the House of Commons and, as guests of honour, the Prime Minister, Benjamin Disraeli and his wife, long friends of the Rothschild family.

The Prime Minister made the opening speech, extolling the virtues of the county of Buckinghamshire. 'I think, my friends, under these

It is felt that this is a fitting opportunity to record the sense of genuine personal regard and affection in which you are held by the entire Jewish Community of which you have so long

encouraging circumstances, we need not despair of our manufactures flourishing and increasing in the good County of Buckingham, especially met as we are today to recognise success, to stimulate effort, and to excite to further excellence in these different branches.' Then to the strains of 'God Save the Queen', the crowd was let loose on the displays. In the old mansion at Halton, once the seat of the Dashwood family, were laid-out paintings and other artwork by local amateurs, together with locally produced lace. In the first of the marquees, surrounding an ornamental fountain erected by the Chiltern Hills Spring Water Co., were the produce exhibits: bread, butter, beer, wine, jam and confectionery. Next door, was a geological model of the parish of Halton together with fossils and rocks and locally collected natural history specimens. In two further tents, were the products of local industry: straw-plaiting, silk weaving, engineering models, needlework and furniture. Among the wilder fruits of cottagers' ingenuity was a model church made of 5,000

pieces of cork and 16,000 pins and a model mansion constructed wholly of fragments of chair leg, the fruit of 20 years' labour.

More than 5,000 visitors attended the Exhibition on its first gala day, at a cost of two shillings per head. On the four following days entrance was reduced to two pence. On the Wednesday alone 8,000 people attended – no mean number when the nearest railway station was five miles away. Canal barges and omnibuses had been commandeered to provide transport to the site.

On the final Saturday, 300 medals were distributed. The Gold Medal, for cottage design, was awarded to Mr A. Mayne of Aylesbury, with plans for cottages which he proposed to build for £225 a pair. And among those who wandered away happily on that June evening, clutching her bronze medal for embroidering a baby's shirt, was Sarah Tomlin – back home and into obscurity.

Sources

The Times, 2 June and 6 June 1868

The Bucks Advertiser and Aylesbury News, 30 May and 6 June 1868

Census Returns for Aston Clinton, 1861 and 1871 (microfilm held by Buckinghamshire Records and Local Studies Service, Aylesbury)



The bronze medal from the Halton Industrial Exhibition awarded to Sarah Tomlin of Aston Clinton. The reverse (right) carries the monogram of Sir Anthony de Rothschild, with the inscription: 'Halton Aston Clinton Industrial Exhibition' and the family motto, 'Concordia Industria Integritas'. On the obverse (left), the inscription is reduced into English: 'Let Truth and Concord ever be the Faithful Friends of Industry'.

Principal Acquisitions 1 April 2000-31 March 2001

This list is not comprehensive but attempts to record all acquisitions of most immediate relevance to research. Some items listed here may, however, remain closed to access for some time and for a variety of reasons. Researchers should always enquire as to the availability of specific items before visiting the Archive, quoting the reference number which appears at the end of each paragraph

Family papers collected by Nathaniel Mayer (Natty), 1st Lord Rothschild (1840-1915), his wife Emma Louisa and their descendants, including: sale particulars and correspondence re the purchase of the Gunnersbury estate by Nathan Mayer Rothschild (1777-1836); letters from Charlotte de Rothschild (1819-1884) to her husband Lionel (1808-1879); correspondence from Hannah Rothschild (*née* Cohen, 1783-1850), and her children to her husband Nathan Mayer, 1824-25; letters from Evelyn (1886-1917) and Anthony de Rothschild (1887-1961) and other serving officers, 1915; collections of bills and returns relating to the Rothschild property at 148 Piccadilly; lists, notes and valuations of works of art at Tring Park and 148 Piccadilly; correspondence addressed to Lionel de Rothschild (1808-1879) from various political figures; letters of condolence addressed to Nathaniel Mayer on the death of his father, Lionel, in 1879; letters to Nathaniel Mayer, 1st Lord Rothschild, from staff of *The Times* and from George V and Queen Alexandra re the paper's Red Cross appeal, 1915; letters to Nathaniel Mayer, 1st Lord Rothschild, from numerous political figures, 1880s-c.1915; visitors' books, Tring Park, 1875-1932 *passim*; Tring Park servants' wages book, 1900-33 and garden produce book, 1938-40; illuminated subscription volume for the Rothschild Wing of the Jews' Free School, 1898; illuminated testimonials to Nathaniel Mayer, 1st Lord Rothschild, on the occasion of his 70th birthday, 1910; obituaries and press cuttings on his death, 1915; press cuttings re the General Election campaign of Walter Rothschild (1868-1937) for the Aylesbury Division, 1906; typed volume *In Memoriam NCR 1877-1923*, on the death of Charles Rothschild; bound typescript account, anonymous and undated, of the Bill of Exchange with annotations in Charles' hand; photograph album labelled *Wady-el-Natroun, 1903: FRH, NCR*, recording a specimen-hunting expedition to Egypt and the Sudan by Charles and F. R. Henley; contract between Mayer Amschel de Rothschild (1818-74) and George Myers for the erection of Mentmore House, 1851; bound and printed volume by Hannah Rosebery (*née* Rothschild, 1851-90) listing the art collections of her father Mayer Amschel de Rothschild at Mentmore, 1883; printed catalogue, *A description of the works of art forming the collection of Alfred de Rothschild* (Charles Davis, 1884) (2 vols.); volume labelled *Leopold and Marie, January 19 1881*, containing reprinted notices and illustrations of the wedding of Leopold de Rothschild (1845-1917) and Marie Perugia (1862-1937); printed volume of theological texts addressed to Amschel von Rothschild (1773-1855), 1830; portfolios of printed text and plates *Der Schatz des Freiherrn Karl von Rothschild: Meisterwerke alter Goldschmiedekunst aus dem 14-18 Jahrhundert* (Frankfurt, 1883); printed volume *Verzeichniss der Freiherrlich Carl von Rothschild'schen Sammlung* n.d.; printed sale catalogue, *Orféverie allemande, pierres dures montées provenant de l'ancienne collection de feu M. le Baron Carl Mayer de Rothschild, de Francfort*, annotated with prices, Galerie Georges Petit, Paris, June 1911; draft will of James Mayer de Rothschild (1792-1868), 1827 and printed volume *A la mémoire du Baron James Mayer de Rothschild*, 1878; bound volume of manuscript and printed musical compositions by Hannah Mathilde von Rothschild (1832-1924), *Mémoires pour le chant composées par Mathilde de Rothschild*, n.d.; printed volume *Les Vaux de Cernay (Seine-et-Oise) à Madame la Baronne Nathaniel de Rothschild*, n.d.; printed volume *L'Allaitement mixte et l'Allaitement artificiel*, by Henri de Rothschild (Paris, 1898); volume of genealogical notes on the Rothschild family, bearing the book-stamp of de Rothschild Frères, n.d., French, 20th century; volume of cuttings concerning the Rothschild family and Jewish affairs, 1937-39; five albums of portrait photographs of the

family and associates; portfolio of Rothschild properties in and around Frankfurt, by C. F. Mylius entitled *Stadt-u. Landhäuser der Freiherrlichen Familie von Rothschild*, n.d.; portfolio of 19 photographic plates of Ashton Wold, n.d.; portfolio of photographs of the house of Adèle, Baroness Salomon de Rothschild (1843-1922) at rue Berryer, Paris, showing parts of her portion of the collection of her late father, Mayer Carl; two volumes of photographs of the Royal Mint Refinery, 1950s-60s and other miscellaneous 20th century papers (000/848)


Family papers preserved and arranged by Anthony Gustav de Rothschild (1887-1961), including: collection of press cuttings re the Rothschild and Goldsmid families, 1702-1953; transcript of diary of Dr Schlemmer, a tutor of the Rothschild family in London, c.1830; list of wedding presents received by Charlotte Béatrice de Rothschild (1864-1934) and Maurice Ephrussi (1849-1916), 1883; memorial volume published on the death of James Mayer de Rothschild, 1868; volume of press cuttings on the entry of Lionel de Rothschild (1808-79) to the House of Commons, 1850 and hymn and prayer by Rabbi Belais on the occasion of his election as M.P.; elegy and volume of cuttings on the death of Lionel, 1879; letters to Lionel and Charlotte de Rothschild from their son Leopold (1845-1917), 1864-84 and their niece Hannah Rosebery, 1883-84; letters to and from Charlotte de Rothschild (1819-84) from family and friends, 1838-84; photographs, diary and personal papers of Charlotte, 1818-84; sermon on her death, 1884; letters to and from Louise (1821-1910), wife of Anthony Nathan de Rothschild, 1835-1910 and press cuttings on her death; manuscript 'Lord Rothschild and the Alien Commission', c.1903; press cuttings and order of service on the death of Nathaniel Mayer, 1st Lord Rothschild, 1915; drawings by Evelina de Rothschild (1839-66) and papers on her death, 1866-67; address delivered on the death of Ferdinand de Rothschild, 1898; letters to and from Marie de Rothschild (*née* Perugia, 1862-1937), including correspondence with members of the Landauer, Schey and Perugia families, 1874-1936; and other miscellaneous items (000/924)

Family papers collected by Marie-Louise (*née* Beer, 1892-1975), wife of Lionel de Rothschild (1808-1879), and her secretary, including: letters from Lionel de Rothschild to his wife, Marie-Louise, 1922-39; album of 'Family Letters etc.', c.1900-1930s; album of 'Letters from important people', 1914-1940s; letters to Lionel de Rothschild, 1912-30s, from, *inter alia*, Marie-Louise, his brother Anthony Gustav (1887-1961) and Constance, Lady Battersea (*née* Rothschild, 1843-1931); collection of press cuttings re the Rothschild family, 1912-75; admission ticket to the marriage of Leopold de Rothschild and Marie Perugia, 1881; miscellaneous personal letters, papers and mementoes (000/928)

Documents relating to the conveyance of property on the Bucks./Herts. Estate, 1855-1893, with earlier documents of title, 17th-19th century; correspondence from entomologists and parasitologists addressed to Charles Rothschild, 1919-22; letters by him re collection of birds' nests for a study of parasites, 1901-1909; papers re the Royal Commission on the London Stock Exchange, 1877-78, on which sat Nathaniel Mayer, 1st Lord Rothschild (1840-1915) (000/972)

Printed *Report of the Committee of Secrecy ... on the Renewal of the Bank of England Charter*, 1832, to which Nathan Mayer Rothschild gave evidence on 24 July 1832 (000/849)

Printed book: *Tiphères Israel: Biographie der Freiherren von Rothschild bei Gelegenheit des gegenwärtig zu Ende gehenden Jahrhunderts seit der Geburt des Hauptes dieser hochberühmten Familie H. H. Meyer Anselm Rothschild als Beitrag zu hochderselben Secular-Feur von A. M. Mohr* (Lemberg, 1843) (Hebrew text) (000/872)



Copy building contract between Anthony de Rothschild (1810-1876) and George Myers, contractor of Lambeth, for repairs and extensions to Aston Clinton House, 1855 (000/891)

Bronze medal awarded to Sarah Tomlin of Aston Clinton at the Aston Clinton Industrial Exhibition, 1868 (000/851)

Printed book: *Stunden der Andacht: ein Gebet- und Erbauungs-Buch für Israels Frauen und Jungfrauen ...*, by Fanny Neuda (Prague, 1879), dedicated to Louise von Rothschild (000/425)

Indenture, schedule and plans of the Rothschild Estate in the Vale of Aylesbury, c.1880 [damaged] (000/891)

Collection of 50 satirical caricatures, *Musée des Horreurs*, in poster form by Lenepveu of Paris, featuring, *inter alia*, Nathan Mayer Rothschild, Carl Mayer von Rothschild, James de Rothschild, Alphonse de Rothschild (2 items), Leonora de Rothschild, Henri de Rothschild and Charlotte de Rothschild, c.1900 (000/922)

Printed catalogue of the Carl von Rothschild Library, Frankfurt (*Freiherrlich Carl von Rothschild'sche öffentliche Bibliothek: Verzeichnis der Bücher: Band 1*) (Frankfurt, 1892-98) (000/800)

Printed book: *Bibliographia Lactaria: Bibliographie générale des travaux parus sur le lait et l'allaitement jusqu'en 1899*, Henri de Rothschild (Paris, 1901) (Lib)

Deeds, maps and sale particulars of land in Buckinghamshire, chiefly in Aylesbury and Wingrave, 1881-1956; correspondence of Lionel de Rothschild (1882-1942) regarding local (Bucks.) charitable concerns, 1911-15 (000/891)

Video copy of newsreel film of Nathaniel Mayer, 1st Lord Rothschild, unveiling the Hampden Statue in Aylesbury, a Coronation gift to the people of Buckinghamshire, 27 June 1912 (from the collections of the National Film and Television Archive) (000/915)

File of letters of condolence on the death of Nathaniel Mayer, 1st Lord Rothschild, addressed to N M Rothschild & Sons, April 1915 (000/846)

Microfilm of a collection of European press cuttings relating to the Rothschild family, 1886-1928, originally from the Carl von Rothschild Library, Frankfurt and now in the Stadt- und Universitätsbibliothek, Frankfurt (000/838)

Files of letters to N M Rothschild & Sons from corresponding banks, as follows:

de Rothschild Frères, Paris, 1915-35 (000/855)

S. M. von Rothschild und Söhne, 1918-38 (000/868)

G. Bauer & Co., Madrid, 1918-31 (000/869)

L. Auerbach, Amsterdam, 1918-30 (000/870)

August Belmont, New York, 1918-30 (000/871)

S. Bleichröder, Berlin, 1918-1935 (000/871)

M. M. Warburg, Hamburg, 1918-30 (000/902)

Files from N M Rothschild & Sons, labelled *Affaires* and relating to specific initiatives, projects and transactions, 1925-1970 (000/908)

Files from the Secretary's Department of N M Rothschild & Sons relating principally to charitable and external affairs, 1918-70 (000/918, 935, 940)

Pen and ink drawings of six versions of the Rothschild coat of arms, 1817-1962 (000/839)

Typescript of anonymous memoir of working life at New Court, 1910-55, compiled in 1964 (000/921)

Photographs and slides of the Schillersdorf Estate, Czech Republic, 1935-1990s (000/835)

Printed book: *The Anthony de Rothschild collection of Chinese ceramics*, by Regina Krahl, 2 vols., 1996 (000/832)

Photographs of the Topping-Out Ceremony for the extension of New Court on the east side of St. Swithin's Lane, London, performed by Sir Evelyn de Rothschild, 29 April 1997 (000/812)

Photocopies and research notes compiled during the writing of *A Gilt-Edged Life*, the memoirs of Edmund de Rothschild, published 1998 (000/794)

Photographs, and audio-cassette of speeches, from the reception to mark the opening of The Rothschild Archive, 30 May 2000 (000/815, 844)



