

Cleansing Corporate History as Constructing Corporate Identity: The Case of Dresdner Bank after World War II

Ralf Ahrens

I. 'Identity' is, of course, a problematic term, and the problems grow if the concept is extended from personal to collective identity, of which corporate identity is only one form. But left aside these theoretical problems and also the variety of definitions (and the redundancies) one can find in the economic literature on corporate identity and its relationship with corporate culture, design or communication, it seems to be undisputed that enterprises generally have an interest in representing themselves in a way that finds acceptance by their employees as well as by their environment. The economic effects on the corporation's business success are hardly measurable, but at least their existence can be derived from the fact that more or less explicitly the management of any enterprise will define the construction of corporate identity as one of their fundamental tasks.

Neither personal nor collective identities are stable, invariable entities. Corporate identity is and must be, as Clemens Wischermann has summed up recently, constantly constructed out of current situations, and it changes with its actors and environments. 'Constructing identity' thus means: establishing a coherent and consistent self-definition accepted by oneself as well as by one's environment because it seems to meet current needs. This definition also builds a bridge between individual and collective, in our case: corporate, identity.

The representation of corporate history can obviously play an important part in establishing corporate identity. The following presentation deals with the construction of corporate identity through the manipulation of memory by leading managers of the Dresdner Bank after the Second World War. The immediate causes were not economic ones in the narrower sense, i.e. changes of market conditions or positions. Of course, the final object of managerial action was, just like in other fields, the continuation of business to make profits. But the stimulus for establishing a certain narrative on the history of the Dresdner Bank during the years 1933-1945 was essentially given by the political sphere. The politics of the occupying powers in post-war Germany, especially of the US Military Government (OMGUS), generated various challenges that demanded a self-definition of the bank and its leading personnel regarding their behaviour under the national socialist regime. The resulting narrative was not only established for the purpose of communicating with the bank's environment, it also shaped the internal communication of bank managers about their past and its possible consequences. A

‘clean’ version of the bank’s history was established to serve as a stabilizing factor for both individual and corporate identity.

II. Patterns of the attempt to preserve the bank’s corporate identity can even be found in the reactions to the most fundamental challenge. This was the banking politics in the Soviet zone of occupation that soon turned towards a complete destruction of the historically grown banking system. In the summer of 1945, shortly after the final closure of the old banks in the Eastern zone, Richard Holland, the last branch director of the Dresdner Bank in Dresden and meanwhile in an influential position at the financial administration of Saxony, tried to transfer as many of his former colleagues as possible to the new, state owned and politically controlled banking apparatus. This was not only a measure of care for the old personnel. Holland was also hoping to preserve as much private-business mentality and ‘good banking tradition’ as possible, and his letters to the former Berlin head office of the Dresdner Bank demonstrate very clearly the attempt of a long-serving bank official to preserve his own mental frame by transferring traditional business culture into a new institution. As we know today, the perspectives of his attempt were quite bad although at first, a lot of old bank personnel was transferred to the new state owned banks. In the Soviet zone of occupation and in the Soviet sector of Berlin, the Dresdner Bank was definitely shut down like almost all banks that had existed until 1945. Around 1948, many bank managers who – like Holland – were not willing to adapt to the new rules of state owned banking left for the Western zones of occupation.

The situation here was fundamentally different, although the challenges for the big banks and their leading personnel hadn’t seemed very much smaller initially. In the autumn of 1945, the American military government intensified a program of investigating the relationship of the so called ‘Big Six’ German banks with the Nazi regime and its politics of racial discrimination and aggression. Most of the members of the Dresdner Bank’s board of managers and the chairman of the supervisory board, Carl Goetz, sooner or later were arrested as potential war criminals and held in custody until the end of 1947. The American investigators had a quite simple, in some aspects correct, in other aspects misleading impression of the German big banks as ‘concentrations of economic power’ that had taken part in an extensive national-socialist conspiracy against peace and humanity. Their most critical evaluation was that of the Dresdner Bank, which had held especially close connections with the SS and had made special efforts to participate in the Third Reich’s economic expansion to the occupied territories. In a gradual reduction of the initially planned program of trials against leading German bankers, the campaign finally ended up in a Nuremberg trial only against Karl Rasche, the former

spokesman of the Dresdner Bank's board of managers, who was sentenced to seven years' imprisonment.

But Nuremberg was not only a place of criminal proceedings, it also became a workshop for what the American historian Jonathan Wiesen called the 'crafting of memory'. Wiesen has analyzed in detail how German industrialists and their advocates tried to turn the tribunals into something like the nucleus of modern public relations in Germany: Managers accused of war crimes stylized themselves into perfect examples of unpolitical yet socially responsible guarantors of human freedom. At least in the courtroom, the Dresdner Bank and the defence counsels of Rasche tried to establish a fairly similar interpretation of the bankers' behaviour during the Nazi regime. The internment of the bank's leading personnel, a 'special report' of the American military governor in June and the charge against Rasche in November 1947 became catalysts for creating a comprehensive historical narrative. This story had to be strictly opposed to the American version of the bank's participation in the national-socialist politics of discrimination, aggression, exploitation of occupied territories and, in the end, mass murder via loans to the SS. A long time before the start of the trial, in the summer of 1946, two groups of experts had begun with the collection of material to prove the innocence of the bank and its leading managers. Two important counter-arguments were already developed in this early phase, and they were characteristic of the later trial strategy. One was the claim of a 'secondary and only executing part' of banking in the Third Reich economy, relativizing the activity of the Dresdner Bank as well as its economic significance. The other one was the passivity and correctness in so called 'aryanizations', thus acquitting the bank from its active participation in the economic plundering of German Jews.

The line of argumentation developed here was extended in the trial to the two grave accusations. The bank's activities in the occupied territories, where especially Rasche had shown the will to work closely with the German occupation institutions, was described as only 'the continuation of a tradition existing for decades'; the expansion of business with these territories as a consequence of the 'intensification of economic relations between Germany and its neighbour countries'. This strategy of de-contextualization by interpreting every bank transaction under Nazi rule as normal banking business could even be extended to the financing of the SS; besides, part of the accusations could be diverted to Rasche's former colleague Emil Meyer, a convinced national socialist who had been in charge of the SS contacts and had helpfully killed himself at the end of the war.

What separated the Rasche defence from the three industrialist trials against the management of Krupp, Flick and I.G. Farben was, firstly, a more reserved strategy. The historical respon-

sibility was not only diverted to the state but partly also to industry, on whose behalf the banks had allegedly done their business. This goes well with the fact that all three big banks paid for the maintenance of heavy industry's Nuremberg 'archive' but evidently did not, like certain industrialists, try to make use of it for lobbying publications. Secondly, Rasche's colleagues and his lawyers had a slightly different task from the industrialists. They followed a policy of double demarcation: On the one hand, the bank as a whole had to be separated from national socialist politics and, as just shown, as far as possible from industry. This included massive efforts for the defence of Karl Rasche because exonerating the spokesman meant exonerating the whole board. On the other hand, the individual destiny of the half-outsider Rasche never was the priority of his management colleagues. During the trial, this internal distinction didn't come to the public, it was of importance only on the tactical level. But after Rasche's premature release in August 1950, the former colleagues finally drew a line under the shared Nazi past and averted his return to the Dresdner Bank. This was not an act of dissociating themselves from Rasche's involvement in war crimes though. The line of distinction was drawn between a provincial outsider and the traditional, conservative milieu of the German banking élite. Nevertheless, the separation from Rasche was practically the last step to bury the bank's Nazi past. The collectively responsible board of managers had accepted the SS loans as well as the expansion to the occupied territories, not to speak of 'aryanizations'; but there is not a single internal document by the board members reflecting the historical responsibility of the management as a whole.

Instead of stimulating a truthful examination of the past, the American accusations had the effect of manipulating corporate history (an effect that can be analyzed in the individual denazification procedures of a lot of bank officials as well). It is thus not surprising that the leading personnel of the Dresdner Bank reacted with a complete lack of understanding to the second fundamental challenge to the bank's identity. When Karl Rasche left the Landsberg prison, this challenge had already passed its peak. Closely connected to the idea of punishing the management of the 'Big Six' had been the American program of decentralizing the three branch banks among them, i.e. Deutsche Bank, Dresdner Bank and Commerzbank. The single steps in the process of decentralization and recentralization are not important here; it ended up, as well known, with a complete recentralization of the Western parts of all three banks in 1957. The last years of this process took part in more or less complete agreement with German politicians and the Bank deutscher Länder. By the time of final reconcentration the successful, heroic fight against the American arbitrary use of power had already become part of the own historical legend. On occasion of the formal act of recentralization the management

of the bank looked back at the last twelve years as a time of successfully preserving its corporate identity. The bank solely appeared as a victim of history, 'heavily damaged by the [German] breakdown in 1945' but regenerated despite all political, unjust opposition. Two years before, the three banks had even demanded their final recentralization as a 'last act of Wiedergutmachung'.

In the first years after the war, when decentralization had seemed a truly existential threat, the immediate past was not to be glorified but relativized. The arguments of the banks' representatives against the allied – essentially American – demands were mainly economic ones, mingling the presumed need for strong universal banks on the macro level and the special interests of the banks themselves. But it was in no way accidental that the first joint memorandum of representatives of all three banks against the decentralization plans spent half of its volume on an attempt to revise the American estimation of the big banks' economic and political power in the years prior to 1945, thus denying the historical legitimations of the planned occupational measures. The bankers' counter-interpretation was part of the effort to keep together as much as possible of their old and meanwhile fragmented concerns while preserving corporate identities. Hugo Zinßer, one of the members of the Dresdner Bank's board of managers, summed up the situation in August 1945 in what might be called a manifesto of reorientation. According to Zinßer, the 'term' or better 'idea' of the bank ('der Begriff der Dresdner Bank') as one of the Berlin big banks had to be maintained although the old Berlin head office was out of function for an unforeseeable period of time. But the bank as a whole was only to be reorganized from the Western zones of occupation, where the 'viable part of the bank's body' was situated.

What Zinßer called the 'idea of the bank' was not only a label. It was nothing other than the historically based identity of the enterprise, thereby connoting not only its formal aspects like the organisational structure and the passing of business transactions, but also the bank's existence within the minds of the customers and the employees. The active 'body' in the Western zones was the material basis of any possible reconstruction and of the coming clashes with the occupying powers, but it was still only a part of something bigger. This definition wasn't only a guideline for the leading management in the following years. It had to be internalized by the employees as well, and history served as a means of identity construction here, too. When decentralization in the American zone of occupation began to become practical in 1946 Max Schobert, at this time the leading manager of the Dresdner Bank in this zone, demanded the branch leaders' loyalty to a seemingly disintegrating institute. For this purpose Schobert did not only warn them about possible legal consequences of any active participation in the allied

decentralization policy. He also compared the actual situation with the drama of the banking crisis in 1931, thus reminding them of a long tradition of overcoming crises. Left out in this historical excursus was the Nazi past – of course another method of cleansing corporate history, but not a sufficient one in most situations.

This becomes clear if we take a look at a third complex of challenge. Also mainly inspired by the American military government was the legislation on the restitution of ‘aryanized’ or withdrawn Jewish property. This challenge never seemed a threat to the bank’s existence as much as the two complexes analyzed before did at least for a while. As a consequence of the currency reform, the German taxpayers shouldered most of the restitution payments of the banks, which themselves mainly suffered from a loss of liquidity. All the more astonishing is the obstinate resistance to any payments usually shown in the disputes over restitution claims. This resistance can be explained completely only by considering the effects of manipulated memory. In 1950, the old Berlin head office reminded the West Berlin branches that ‘we were not actively taking part in aryanizations but restricted ourselves to bring together the two interested parties’, i.e. the seller and the buyer of Jewish property. This formulation was obviously wrong; it was exactly the fiction constructed in the preparations for what had finally become the Rasche trial, and it provided a mental basis for the reaction to restitution claims. It is important to see that this remark was not made to any outside person or institution. It characterizes a self-definition that built the base for a mentality of restitution visible in a lot of negotiations. This self-definition became even more plausible by, just like in the Nuremberg constructions, denying the political background of ‘aryanization’ transactions.

This second argument was presented against a lot of restitution claims. The important point for the construction of a ‘clean’ corporate history in this line of argumentation was that it ignored the fact that the Dresdner Bank had, just like other banks, integrated the national socialist ‘racial politics’ into its own business calculation voluntarily and without much scruple; again the parallel to the Rasche trial is obvious. This interpretation of the bank’s behaviour prior to 1945 also made it possible to include, similar to the decentralization complex, the continuation after the war into the historical legend. One example is the comment of the Berlin management on one special claim that ‘here *again* the attempt was made to assert solely economically induced losses as caused by National Socialism’. Other examples are the internal statements of Carl Goetz, who still acted as chairman of the supervisory board and showed special interest in the bigger restitution cases. Goetz also brought a corresponding tendency of self-victimization to its peak. In 1957, he characterized Gabriel Neumann, a Jewish banker from Vienna who had been forced to emigrate, as someone who nevertheless ‘always was

nice and friendly' to the bank afterwards – 'in contrast to a whole lot of his religious comrades'.

III. In the years following World War II, the managers of the Dresdner Bank had to 'come to terms' with their Nazi past, and this could not be done by simply repressing it. Various political challenges demanded the construction of a comprehensive interpretation of the bank's history under National Socialism. The final object of this construction was, of course, an economic one: the maintenance of the bank's business and the survival of an enterprise that existed, just like any other enterprise, to make profits. But what becomes problematic from this point of view is the sharp distinction between the so called 'economic core' of an enterprise and its socio-political environment. The various manipulations of corporate history were not only immediate rational reactions to concrete and probably costly threats by the most important occupying power. They also reflected the attempt of leading personnel to 'come to terms' with their past without mental consequences and thus formed a consistent link between collective and individual self-definitions. The word 'we' quoted in the statement on 'aryanizations' above obviously meant two subjects: the individual actors and the bank as a whole.

The manipulation or 'cleansing' of corporate history certainly stabilized corporate identity in the sense of a shared self-definition that functioned as a central point of orientation. This was admittedly not the result of a strategically planned identity policy in the sense of modern management theory. But in all three 'complexes of challenge' it was necessary to establish an impression of the enterprise strictly opposing the American perception by creating a comprehensive, coherent interpretation of the bank's behaviour in the years 1933-1945 or at least special patterns of such an interpretation. This was most obvious in the Nuremberg trial against Karl Rasche, where more or less all aspects of the bank's involvement in national socialist politics were under discussion. But the ability to turn the participation in criminal politics into a story of unpolitical business was also helpful in other fields: The debate with the American banking politicians was not at least one about the historical legitimacy of their plans; and the general position on restitution claims for 'aryanizations' was considerably determined by the representation of the bank as only a fair agent in normal business transactions.

The resulting manipulations of memory shaped the bank's self-representations until the last few years – from this point of view, the bankers' politics of memory were quite successful. On the other hand, just the stubborn persistence in their complete innocence made it possible to establish a supercritical counter-interpretation in the 'OMGUS tradition' that was not only

shared in principal by Marxist historians. Only in the late 1990s, and again stimulated by non-economic challenges from the political and legal sphere, the historical legends established in the 1940s were given up in favour of a serious reconstruction of corporate history.