

Immigrant Entrepreneurship

German-American Business Biographies

1720 TO THE PRESENT



German-Jewish Immigrant Entrepreneurship in the United States From the Beginning of the Nineteenth Century to the Post-World War II Era

Designed by Simone V. Willnath, German Historical Institute, Washington, DC

Sample teaching plan for a multi-theme unit in an upper-level undergraduate course in American history, German history, Jewish history, ethnic studies, the history of migration, or immigrant entrepreneurship.

Jewish migration and entrepreneurship are two shared themes in the history of Germany and the United States. This sample teaching plan focuses on the establishment of German-Jewish businesses in America from the nineteenth century to the post-World War II period. It aims to familiarize students with the nature and development of German-Jewish migration to the United States, particularly during the nineteenth century and the interwar period. Each unit includes select biographies of German-Jewish immigrant entrepreneurs and topical readings on the broader history of German-Jewish migration to the United States. By using the biographies as case studies, students will gain a better appreciation of the impact of social, economic, and political conditions on Jewish life on both sides of the Atlantic.

THEME I: “THE FIRST BIG WAVE” – JEWISH MIGRATION TO NORTH AMERICA AND GERMAN-JEWISH ENTREPRENEURSHIP IN THE NINETEENTH CENTURY

Section 1. The Socio-Economic and Legal Situation of Jews in Germany and their Reasons for Migration: Joseph Schaffner and Isaac Sanger

Guiding questions: What social, economic, and political conditions did Jews encounter in Germany from the 1840s to the 1880s? Why did they emigrate?

Goals: Students will learn about state efforts to incorporate German Jews into civil society and to end their traditional religious and social isolation. Students will come to understand that although Jewish emancipation seemed possible during this time period, it had not yet been realized because Jews were still denied full civil rights. Within this context, students will acquire a critical understanding of Jewish emigration, which was motivated, on the one hand, by the unfulfilled desire for full emancipation, and, on the other hand, by socio-economic and legal conditions such as political restrictions, poor economic circumstances, and limitations on Jewish marriage and settlement rights.

Primary Materials from the Immigrant Entrepreneurship Website:

- [Joseph Schaffner](#) (1848-1918)
This article describes the economic struggles of German Jews in the 1840s. These struggles, which persisted despite government attempts to incorporate Jews into civil society, ultimately led many Jewish residents, including Joseph Schaffner's parents, to emigrate. The article also recounts Schaffner's experience as a second-generation German-Jewish immigrant and as a co-founder of the Chicago-based department store Hart Schaffner & Marx (HSM).
- [Issac Sanger](#) (1836-1918)
This biography begins with a discussion of the legal discrimination experienced by Bavarian Jews. It then tells the story of Isaac and Lehman Sanger, two brothers who immigrated to America and founded their own department store, Sanger Bros., in the wake of the U.S. Civil War. In the process, it describes how the war influenced entrepreneurial activities and Jewish life, making reference to two of Isaac's business partners who joined the Confederate forces.

Topical Readings:

- Avraham Barkai, "German-Jewish Migrations in the Nineteenth Century," *LBI Year Book XXX* (1985): 301-18.
This article provides an overview of the Jewish population in Germany and describes their social, economic, and legal circumstances between 1830 and the 1910s (using figures from different states such as Bavaria, Württemberg, etc.). Barkai discusses the various reasons for Jewish emigration to the U.S. during this time period.
- Alice Goldstein, "Urbanization in Baden, Germany: Focus on the Jews, 1825-1925," *Social Science History* 8, no. 1 (Winter 1984): 43-66
Although this article focuses on the distribution of Jews in the state of Baden from 1825 until 1925, it also provides information on efforts to incorporate Jews into civil society throughout the German states.

Additional Reading:

- Rudolf Glanz, "The German Jewish Mass Emigration," *Central European Jews in America, 1840-1880: Migration and Advancement*, eds. Gurock, Jeffrey S. New York: Routledge, 1998, 19-36.
This article explores the reasons why various Jewish groups and individuals migrated to America.

Additional Materials from the Immigrant Entrepreneurship Website & Additional Question:

What contributed to Jewish emigration from Germany?

- [German Jews and Peddling in America](#)
This essay provides an overview of the Jewish business of peddling

Section 2. "Off to a Better Future?!" — German-Jewish Immigration to America: Frederick Rauh and Fredericka Mandelbaum

Guiding questions: Why was America a desirable destination for Jewish migrants and entrepreneurs? What conditions did they face in America; did the dream of a better life come true? What advantages and disadvantages did German Jews have in the United States?

Goals: Students will gain a critical understanding of the positive and negative aspects of Jewish immigration to the United States in the nineteenth century. Furthermore, they will examine German-Jewish living conditions and business development in a North American context, especially in New York,

where German Jews went through a two-stage process of assimilation. (In the first stage, which lasted roughly up to the Civil War, they were considered one among many groups of German immigrants. In the second stage, in which anti-Semitism became a distinctive and observable problem in society, German Jews in the U.S. were forced to claim Jewish identity more publicly than before.)

Primary Materials from the Immigrant Entrepreneurship Website:

- [Frederick Rauh](#) (1838-1918)
This biography recounts how Frederick Rauh became the founder of one of the most influential insurance companies in the U.S. It shows how emigration was motivated by stricter regulations during and after the 1848 revolution, and it illustrates the two stages of German-Jewish assimilation in the United States.
- [Fredericka Mandelbaum](#) (1825-1894)
This biography shows how anti-Jewish prejudice in an American context (in combination with gender, ethnicity, and class-based prejudices) actually helped Mandelbaum achieve power and financial success in an illegitimate business environment.

Topical Readings:

- Hasia R. Diner, *A Time for Gathering: The Second Migration, 1820-1880*. Baltimore: Johns Hopkins University Press, 1992.
The second chapter, "On to America" (pp. 36-59), illustrates why America was a desirable destination for European Jews, especially for European/German-Jewish entrepreneurs.
- Avraham Barkai, *Branching Out: German-Jewish immigration to the United States, 1820-1914*. New York/London: Holmes & Meier, 1994.
Barkai's study looks at the nature of German-Jewish immigration to the United States while considering the sociocultural environments of Germany and the United States.

Additional Materials from the Immigrant Entrepreneurship Website:

- [Introduction: The Emergence of an Industrial Nation, 1840-1893](#)
- [Emigrant Map and Directory to North America](#)
This map shows European departure points as well as ports of arrival in North America.

<p>THEME II: ECONOMIC CHANGES IN TURN-OF-THE-CENTURY AMERICA AND GERMANY AND THE INTENSIFICATION OF ANTI-SEMITISM DURING THE WEIMAR REPUBLIC</p>

Section 1. Turn-of-the-Century German-Jewish Commerce, Investment and Finance in America, and International Trade Relationships: Mayer Lehman, Carl Morris Loeb, and Adolph Lewisohn

Guiding questions: What was the most profitable sort of German-Jewish entrepreneurship in the United States at the turn-of-the-century? How did German-Jewish entrepreneurship influence the American economy and its (inter)national business relations? What factors contributed to the establishment of successful international trading?

Goals: Students will become familiar with an important aspect of German-Jewish business in the United States at the turn of the century – commerce and finance. Students will gain an understanding of how international finance and trade networks were composed of extended Jewish families.

Primary Materials from the Immigrant Entrepreneurship Website:

- [Mayer Lehman](#) (1830-1897)
This biography tells the story of the Lehman Brothers and their investment bank. It presents their careers as mainly based on trade and domestic activities.
- [Adolph Lewisohn](#) (1849-1938)
Like many German Jews, copper magnate Adolph Lewisohn remained attached to his country of origin. This biography shows how he used this connection to establish international trading relationships.
- [Carl Morris Loeb](#) (1875-1955)
This biography of investment banker Carl Loeb describes how he slowly established international business relations spanning two continents.

Topical Readings:

- Barry E. Supple, "A Business Elite: German-Jewish Financiers in Nineteenth-Century New York," *Business History Review* 31.02 (1957): 143-78.
This article discusses the social and economic factors that influenced emigration and the establishment of German-Jewish investment firms in the U.S. at the turn of the century. It also illustrates how various factors (e.g. a sense of cultural identity) helped German Jews in their financial undertakings.
- Stephen Birmingham, *"Our Crowd": The Great Jewish Families of New York* (1967; Syracuse, N.Y.: Syracuse University Press, 1996).
This book traces the history of the most successful Jewish immigrant families of New York; it documents their ascent as bankers and merchants using diary entries, letters, and other personal notes. Part IV is particularly relevant for this section.

Additional Materials from the Immigrant Entrepreneurship Website:

- [Joseph Seligman](#) (1819-1880)
This biography tells the story of Joseph Seligman, who became an internationally renowned and respected investment banker during a time of German and American anti-Semitism. Still, despite his success, Seligman was never able to completely assimilate in the U.S. or break free of the limitations imposed by his Jewish identity.

Section 2. Migration, Anti-Semitism and Business during the Weimar Years: Emanuel Bronner

Guiding questions: What social and economic changes occurred in Germany from the nineteenth century to the Weimar Republic, and how did they influence German-Jewish life and migration? What were the reasons for the rise of various waves of German anti-Semitism? What can be said about Jewish businesses during the Weimar Republic?

Goals: Students will acquire an understanding of the dichotomous situation of Jews at the turn of the century and later in the Weimar Republic – on the one hand, Jews were experiencing positive changes

related to their economic potential and legal emancipation; on the other hand, they were also coping with the ongoing development of anti-Semitism in the wake of World War I.

Primary Materials from the Immigrant Entrepreneurship Website:

- [Emanuel Bronner](#) (1908-1997)
This biography recounts Bronner's life in Germany as a member of an orthodox German-Jewish family and describes his immigration to the U.S. in 1929 to escape increasing anti-Semitic violence. It also combines a historical account of Jews during the Nazi regime with a personal narrative describing how the Aryanization of German-Jewish businesses led Bronner's father to flee to North America in 1941.

Topical Readings:

- Donald L. Niewyk, *The Jews in Weimar Germany*. Baton Rouge: Louisiana State University Press, 1980.
Niewyk's book is a study of the Jewish response to the somewhat unstable liberal consensus of the Weimar Republic and its approaching supersession by the Nazi regime. It examines the position of Jews in Germany's economic and social life, their reaction to anti-Semitism, inner-Jewish conflicts, and their religious commitment and faith in liberalism. Suggested Chapters: Chapter I "Introduction" (pp. 1-10), Chapter II "The Role of the Jews in the Economics, Political, and Cultural Life of Weimar Germany" (pp. 11-42), Chapter III "Anti-Semitism" (pp. 43-81).
- Paul Bookbinder, *Weimar Germany: The Republic of the Reasonable*. Manchester: Manchester University Press, 1996.
Chapter twelve, "The Situation of the Jews," pp. 194-208, examines the rise of anti-Semitism from the end of the 1890s to the beginning of the Weimar Republic.

THEME III: THE THIRD REICH AND ITS IMPACT ON GERMAN-JEWISH BUSINESSES

Section 1. The Aryanization of Jewish Businesses and Immigration to America: Werner Frank and Otto Jeidels

Guiding questions: What impact did the rise of the Nazi regime have on Jewish life? What did the "Aryanization" of Jewish businesses and property mean? How did anti-Semitic measures, as well as other economic changes during the Nazi period, affect Jewish entrepreneurs in Germany?

Goals: Students will acquire a historical understanding of anti-Semitic hatred and violence during the Nazi period and will become familiar with the term "Aryanization" and its effect on Jewish entrepreneurship in Germany.

Primary Materials from the Immigrant Entrepreneurship Website:

- [Expulsion – Plunder – Flight: Businessmen and Emigration from Nazi Germany \(1933-1939\)](#),
This essay introduces the factors and conditions that influenced emigration during the Nazi regime, highlights the specific situation of German-Jewish businesspeople, and provides students with a definition of the terms "Jewish émigrés" and "Aryanization."

- [Werner Frank](#) (1929-)
This biography recounts the Frank family's emigration to the United States in 1937, when Werner was a child, to escape the Nazi regime. It also describes economic boycotts and Aryanization. The essay focuses on two important aspects of Werner Frank's life – his pioneering career in the international computer industry in the United States and his assimilation into American work and social life.
- [Otto Jeidels](#) (1882-1947)
This biography is a unique case study of a successful Jewish investment banker who was able to remain in leading positions in the BHG in Germany on account of his participation in the Nazi economy. Only later, due to the increasing suppression of Jewish participation in the German economy, and after several business trips to the United States, did Jeidels finally decide to settle in New York in 1938. There, he successfully continued his career as an investment banker.
- [SA members holding posters declaring the Nazi boycott of stores with Jewish owners, April 1, 1933](#)

Topical Readings:

- Frank Bajohr, "Aryanization and Restitution in Germany," *Robbery & Restitution: The Conflict over Jewish Property in Europe*. Eds.: Dean, Martin, Constantin Goschler, and Philipp Ther. New York: Berghahn Books, 2007, pp. 33-52.
This article provides a thorough overview of the development of Aryanization between 1936 and 1938 and sheds light on the complex political and social ramifications of this process.
- Avraham Barkai, *From Boycott to Annihilation: The Economic Struggle of German Jews, 1933-1943*. Hanover: University Press of New England, 1989.
Barkai discusses various measures against Jews and Jewish entrepreneurs in Nazi Germany and describes how they progressed during the Nazi regime, eventually resulting in the expropriation of the Jews. Furthermore, Barkai reflects on the Jewish response to anti-Semitic measures and shows how this led to Jewish emigration.

Additional Materials:

- Fifteen-minute documentary, "[Kristallnacht—Night of the Broken Glasses](#)" (English)
This short documentary provides a brief summary of the social and economic situation of Jews in Nazi Germany. It recounts the events leading to *Kristallnacht*, describes Jewish emigration, and discusses the difficulties Jews faced in being accepted by other European countries, as well as by the United States.

Section 2: An Easy Escape? Complications to Jewish Immigration, American Restrictionism and the Establishment of German-Jewish Businesses in the U.S. during and after WWII: Felix Guggenheim and Lillian Vernon

Guiding questions: What difficulties did German-Jewish refugees face during their flight to the United States? How did World War II and its aftermath affect the (re)establishment of German-Jewish businesses in the U.S.?

Goals: Students will learn about the problematic conditions for Jewish refugees who emigrated from Europe, and especially from Germany, to the United States. They will learn about American restrictions on emigration and about American anti-Semitism, which complicated rescue attempts both before and

during the war. Furthermore, students will learn about the ways in which German-Jewish émigrés adjusted economically in the United States.

Primary Materials from the Immigrant Entrepreneurship Website:

- [Felix Guggenheim](#) (1904-1976)
This biography recounts Felix and Evelyn Guggenheim's harrowing journey to the United States via England and Canada at the beginning of World War II; it describes Guggenheim's efforts to help other refugees escape to North America in times of tight restrictions, and it discusses his eventual economic success as a literary agent and legal advisor in the United States and Germany after the war.
- [Lillian Vernon](#) (1927-)
This biography tells the story of one of the most successful (female) German-Jewish entrepreneurs in U.S. postwar history. It begins by describing Lillian Vernon's escape from Nazi Germany as a young girl. It also describes the difficulties her parents faced in reestablishing a flourishing business in the United States. It then charts Vernon's own career as a retailer and discusses the long and painful process by which she came to terms with her native country.

Topical Readings:

- David S. Wyman, *The Abandonment of the Jews: America and the Holocaust, 1941-1945*. New York: Pantheon Books, 1984.
The first chapter of Wyman's book, "The Setting: Europe and America" (pp. 3-18), explains how American anti-Semitism impeded Jewish immigration to the United States during World War II.
- John Higham, *Strangers in the Land: Patterns of American Nativism, 1860-1925*. New Brunswick, N.J.: Rutgers University Press, 2011.
Chapter 10, "The Tribal Twenties" (pp. 264-99), describes the growth of nativism in the United States in wake of World War I, while giving particular attention (pp. 277-86) to the growth of anti-Semitism.
- Steven M. Lowenstein, *Frankfurt on the Hudson: The German-Jewish Community of Washington Heights, 1933-1983, Its Structure and Culture*. Detroit: Wayne State University Press, 1989.
Using New York City's Washington Heights neighborhood as a case study, Chapter 4, "Economic Adjustment and Communal Consolidation" (pp. 57-65), looks at the ways in which German-Jewish emigrants adjusted their business careers after arriving in the United States before and during World War II.

Additional Readings for the Entire Unit:

- Abraham Barkai, "Die Juden als sozio-ökonomische Minderheitsgruppe in der Weimarer Republik," *Juden in der Weimarer Republik. Skizzen und Porträts*, eds. Walter Grab and Julius H. Schoeps. Darmstadt: Wissenschaftliche Buchgesellschaft, 1998, pp. 330-46.
This challenging German-language article can be assigned as additional reading for students who have high reading proficiency in German and who are interested in broadening their knowledge of the socio-economic situation of Jews in the Weimar Republic. Using statistics and other data, this study offers detailed explanations for the declining size of the Jewish population in Germany during the interwar period.
- Tobias Brinkmann, "Jews, Germans, or Americans? German-Jewish Immigrants in the Nineteenth-Century United States," in *The Heimat Abroad: The Boundaries of Germanness*, eds. O'Donnell, Krista, Renate Bridenthal, and Nancy R. Reagin. Ann Arbor: University of Michigan Press, 2005, pp. 111-40.

Brinkmann's chapter examines the various meanings of the term "German Jew," and, by extension, the relationship between Germanness, Jewishness, and Americanness for nineteenth-century Jewish immigrants to the United States.

- Mark Häberlein and Michaela Schmölz-Häberlein, "Competition and Cooperation: The Ambivalent Relationship between Jews and Christians in Early Modern Germany and Pennsylvania," *The Pennsylvania Magazine of History and Biography*, vol. 126, no. 3 (July 2002): 409-36.

This article uses a comparative, transatlantic perspective to view interactions between German-Jewish and German-Christian immigrants in Pennsylvania. It also includes a community study of Jewish-Christian economic cooperation and social interactions, and describes how conflicts that started in eighteenth-century Germany were perpetuated in America.

- Stefan Rohrbacher, "From Württemberg to America: A Nineteenth-Century German-Jewish Village on Its Way to the New World," *American Jewish Archives* 41.2 (1989): 143-71.
Using a small village in Württemberg called Jebenhausen as a case study, this article provides a fuller picture of the socio-economic situation of German Jews during the nineteenth century. Rohrbach provides the reader with specific data on Jewish living conditions there and uses this data to explain both the reasons for and the scope of emigration.