

BERLIN'S GRAND HOTELS AND THE CRISIS OF GERMAN DEMOCRACY

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On September 15, 1932, the manager of Berlin's Kaiserhof Hotel informed its owners of what they doubtless already knew: "that Hitler has been in residence in the Kaiserhof for some time, that the Stahlhelm have commandeered the house for use as a headquarters, that too much of the clientele has been lost ... that the whole Jewish clientele has stayed away" (see Figure 1). Profits, and the Kaiserhof itself, had to be "won back" and soon.

Before taking the Chancellery, Hitler had no formal headquarters in the capital. When he came to town to campaign, he first opted for the Hotel Sanssouci, a middling concession near Potsdamer Platz. But in February 1931, his electoral successes mounting, Hitler transferred to the Kaiserhof, the windows of his chosen corner suite within view of the Chancellery, the goal.¹ By the fall of 1932, the board of the Kaiserhof's parent company would need to decide whom to favor: Hitler and his henchmen or the establishment's Jewish clientele.

At the September 15 meeting, the board postponed discussion to the meeting's end, when, finally, William Meinhardt, one of Germany's foremost industrialists and chairman of the board of the Hotelbetriebs-Aktiengesellschaft, the Kaiserhof's parent company, offered his solution:

As a hotel company, we must remain neutral on matters of religion and politics [*Konfession und Politik ausschalten*]. Our houses must remain open to all. Surely the situation, as it has developed, is no fun for any of the interested parties, but we, the directors, cannot do anything about it.²

Next spoke Wilhelm Kleemann, a managing director of Dresdner Bank, member of the board of the Hotelbetriebs-Aktiengesellschaft, and head of the Jewish Community of Berlin.³ "I know for certain," he said, "that Jewish guests no longer stay at the Kaiserhof and no longer visit the restaurant, either." Meinhardt then conceded: "I know how hard it is for the house's restaurant director to exercise the requisite tact in face of these difficult questions."⁴

- 1 On Hitler at the Kaiserhof, see Thomas Friedrich, *Hitler's Berlin: Abused City*, trans. Stewart Spencer (New Haven, 2012), 28 and 216.
- 2 Meeting minutes of the board of directors of the Hotelbetriebs-Aktiengesellschaft for September 15, 1932, in Landesarchiv Berlin (hereafter: LAB), A Rep. 225-01, Nr. 39.
- 3 Christoph Kreutzmüller, "An den Bruchlinien der Volkswirtschaft: Jüdische Gewerbebetriebe in Berlin, 1918 bis 1933," in *Was war deutsches Judentum, 1870-1933*, ed. Christina von Braun (Oldenbourg, 2015), 245.
- 4 Meeting minutes of the board of directors of the Hotelbetriebs-Aktiengesellschaft for September 15, 1932, in LAB, A Rep. 225-01, Nr. 39.



The minutes end there. The decision, in the end, was not to decide, and that meant the de facto expulsion of Jews from the Kaiserhof, the abdication of all civil and fiduciary responsibility, and preemptive capitulation to the radical right. Most remarkable about this discussion, as the minutes

Figure 1. Reception of the NSDAP at Hotel Kaiserhof after the Reichstag elections of July 1932. From left to right: Curt von Ulrich, Edmund Heines, Heinrich Himmler, Ritter von Epp, Ernst Röhm, and Graf Wolf Heinrich von Helldorf. Source: Bundesarchiv, Bild 146-2000-005-23. Reproduced by permission.

reflect it: Meinhardt was Jewish, and so were most of the board members in attendance. This was an argument among Jews about what to do with Hitler.

These men were also industrialists, financiers, and liberals — National Liberals before World War I and then members of the Weimar coalition parties afterward. Meinhardt (see Figure 2), a member of the German Democratic Party, had been born to Jewish parents in Schwedt, a small city on the Oder River, in 1872.⁵ In 1914, he became managing director of one of the world’s great manufacturers of metal filaments for incandescent bulbs, a concern he transformed, in 1919, into the new conglomerate OSRAM, which dominated the German market in light bulbs. As chairman of OSRAM’s board and architect of the legal maneuvers that allowed this monopoly to form and flourish, Meinhardt became a “recognized authority on the subject of the electrical industry,” according to a study published in Britain in 1935.⁶ Yet it was in his capacity as chairman of the board of the Hotelbetriebs-Aktiengesellschaft and not as leader of OSRAM, a much larger concern, that Meinhardt first came face-to-face with the Nazi menace. Meinhardt’s interlocutor at the September 15 meeting, Kleemann, was himself one of Germany’s most

5 Brigitte Heidenhain, *Juden in Schwedt: Ihr Leben in der Stadt von 1672 bis 1942 und ihr Friedhof* (Potsdam, 2010), 153.

6 Hermann Levy, *Industrial Germany:*

A Study of Its Monopoly Organizations and Their Control by the State (Cambridge, 1935), 77. Meinhardt’s numerous speeches and essays had been published

together in an edited volume called *Kartellfragen* (Berlin, 1929) and *Entwicklung und Aufbau der Glühlampenindustrie* (Berlin, 1932).

prominent financiers. Other board members present included Eugen Landau, a diplomat and member of the boards of the Schultheiß-Patzenhof brewing concern and two banks, and Walter Sobernheim, Landau's stepson, also a diplomat, and director of Schultheiß-Patzenhof.⁷ Sobernheim, Landau, Kleemann, and Meinhardt were industrial and financial elites first, hoteliers second, with liberal-democratic affiliations and tendencies.⁸

The term "liberal" here connotes three political orientations at once. The first is party-political and places these hoteliers as businessmen in the National Liberal tradition; still intent on lowering taxes, freeing trade, and defanging labor unions, they had also come around to a more democratic liberalism by the 1920s. The second sees the hoteliers as proponents of a liberal urbanism characteristic of European bourgeoisies and the German bourgeoisie in particular, recognizable in manifold forays into civic altruism.⁹ The third groups these actors with their British counterparts, who used regulation, infrastructure, and technologies of surveillance to maintain



Figure 2. William Meinhardt, chairman of the board of the Hotelbetriebs-Aktiengesellschaft, the Kaiserhof's parent company, photo from 1931. Source: Bundesarchiv, Bild 183-2007-0307-506. Reproduced by permission.

7 Non-Jews present were Hans Lohnert, an official of the corporation, and Fritz Aschinger, owner of one of Germany's largest gastronomy concerns. Also in attendance were three managing directors, one of them Jewish, and two employee representatives. Meeting minutes of the board of directors of the Hotelbetriebs-Aktiengesellschaft for September 15, 1932, in LAB, A Rep. 225-01, Nr. 39.

8 See Arndt Kremer, *Deutsche Juden-Deutsche Sprache: Jüdische und jüdenfeindliche Sprachkonzepte und -konflikte* (Berlin, 2007), 164.

9 See Hartmut von Strandmann, "The Liberal Power Monopoly in the Cities of Imperial Germany," in *Elections, Mass Politics, and Social Change in Modern Germany*, ed. Larry Jones and James Retallack (Cambridge, 1993), 344; Brian Ladd, *Urban Planning and Civic Order in Germany, 1860-1914* (Cambridge, Mass., 1990), 139; Friedrich Lenger, "Bürgertum, Stadt, und Gemeinde zwischen Frühneuzeit und Moderne," *Neue Politische Literatur* 40 (1995): 14; Despina Stratigakos, *A Women's Berlin: Building the Modern City* (Minneapolis, 2008); Syl-

via Schraut, "Burghers and other Townspeople: Social Inequality, Civic Welfare and Municipal Tasks during Nineteenth-Century Urbanism," in *Towards an Urban Nation: Germany since 1780*, ed. Friedrich Lenger (Oxford, 2002), 164; and Lothar Gall's discussion of bourgeois support for municipal projects in *Walther Rathenau: Porträt einer Epoche* (Munich, 2009). See also Yair Mintzker, *The Defortification of the German City, 1689-1866* (New York, 2012); Andrew Lees, *Cities, Sin, and Social Reform in Imperial Germany* (Ann Arbor, 2002) and "Between »

» Anxiety and Admiration: Views of British Cities in Germany, 1835-1914," *Urban History* 36 (2009); Claus Bernet, "The 'Hobrecht Plan' (1862) and Berlin's Urban Structure," *Urban History* 31 (2004): 419; Andrew Lees and Lynn Hollen Lees, *Cities and the Making of Modern Europe, 1750-1914* (Cambridge, 2007), 131; Jan Palmowski, *Urban Liberalism in Imperial Germany: Frankfurt am Main, 1866-1914* (Oxford, 1999), 36 and 254.

a balance between freedom and order in the modern metropolis.¹⁰ In my dissertation, I suggest that none of these three liberalisms survived the Weimar period, because the economic chaos of 1918–1923 generated an incorrigible pessimism among industrialists, which, in turn, created the conditions whereby a number of conservative elites could, at the advent of the next crisis (1929), sabotage the economy and dismantle liberal republican institutions from within—and with little fear of the protestations of commercial interests.

In trying to understand the abdication of German liberalism from the vantage of Berlin’s grand hotels, I align myself with historians of Germany who argue that the institutions — both formal and informal — of Weimar culture, society, and politics evaporated before the wind had even yet changed direction, round about 1930–31, when, as one of Peter Jelavich’s sources has it, a kind of “fear psychosis” seized the very people one would expect to resist the forces arrayed against the Republic.¹¹ Under these conditions, the board members of Berlin’s hotel corporations chose, to the detriment of their business, to let Hitler stay. The final job of this article is to connect the experience and understanding of interwar dislocations to this process of decision-making. What was the logic that made giving up on the Republic seem like the best or only option?

The writings and reports of the board and the managerial cadre are rich with explicitly political content. On the basis of these sources, I offer a qualification to the consensus among historians of Weimar Germany that the Republic, if not doomed from the start, was done in by the Great Depression. Instead, I suggest, the economic chaos of 1918–1923 discredited the Republic to the extent that a representative sample of industrial and financial elites — in this case, the hoteliers of Berlin — made arguments in the public sphere that moved them ever closer to the language and perspectives of the anti-republican right. These hoteliers’ pessimism regarding the Republic reached a fever pitch in late 1923 — a pitch that was sustained down to Hitler’s transfer from the Kaiserhof to the Chancellery on January 30, 1933. With a high degree of precision and clear sense of causality, this history connects concrete, quotidian difficulties to the rightward drift in German politics before 1933.

These difficulties are usually hard to pin down. Struggles issue and recede in the text below, just as they do in my dissertation and in the sources, just as they did for the hoteliers. In the prewar period, hoteliers were most concerned with maintaining hierarchy and managing

10 See Chris Otter, “Making Liberalism Durable: Vision and Civility in the Late Victorian City,” *Social History* 27 (2002): 1. Governmentality, by Foucault’s formulation, did not always have to be liberal in modality, as Reuben Rose-Redwood, Anton Tantner, and others have shown in a special section of *Urban History* 39 (2012): “Introduction: Governmentality, House Numbering, and the Spatial History of the Modern City.” See also Patrick Joyce, *The Rule of Freedom: Liberalism and the Modern City* (London, 2003), 3ff and 121.

11 Peter Jelavich, *Berlin Alexanderplatz: Radio, Film, and the Death of Weimar Culture* (Berkeley, 2006), xii and 116. For the Reichstag, Thomas Mergel observes a similar effect of Nazi intimidation tactics when after the electoral victories of the NSDAP in 1930, that party’s delegates adopted a language of moral absolutes and a strategy of outright disruption that undid parliamentary democracy even before the advent of the presidential dictatorship, in *Parlamentarische Kultur in der Weimarer Republik: Politische Kommunikation, symbolische Politik und Öffentlichkeit im Reichstag* (Düsseldorf, 2002).

guests' experiences. At other intervals, such as 1918–1922, labor relations took pride of place. For 1924–1928, it would be taxes. Each of these areas of grievance helped shape hoteliers' conception of the political between 1918 and 1933 — of what the state should do to stabilize the social and economic order. And as Eric Weitz has noted about the nature of political discourse in Weimar Germany, these conceptions quickly turned into indictments of the Republic itself.¹² Over the course of the 1920s, it became uncommon for hoteliers to criticize the policies of the state without also heaping scorn on the Republic.

My research joins a growing body of scholarship in business history that uses the traditional sources of the field to answer questions in political and cultural history.¹³ What do ways of running a business tell us about shifting relationships of power? Where do we see signs of political and cultural discontinuity and change? Most helpful in this respect has been Jeffrey Fear's book on the Thyssen concern, which assesses the processes, patterns, and conflicts that shaped a corporate leadership's strategies of growth, organization, and control. Fear reads meeting minutes and public statements against the grain for clues about the extent of authoritarian leanings among the managers of the Vereinigte Stahlwerke, much in the same way that I use similar sources for Berlin's hotel corporations in roughly the same period. Fear's actors evinced the same tendency toward blaming, against all evidence, most of their difficulties after 1918 on workers and taxes. This move excused managers from their key responsibility: to helm a large, complex enterprise through the choppy waters of an increasingly competitive and global economy. It also served to obfuscate these men's avoidable mistakes, especially with respect to disadvantageous borrowing, misguided plans for long-term growth, and sometimes poor accounting.¹⁴ It is perhaps unsurprising that Berlin's hoteliers spoke Thyssen's language. Many were industrialists first and hoteliers second. Yet my

12 Eric Weitz, *Weimar Germany: Promise and Tragedy* (Princeton, 2007), 403.

13 This approach owes a great deal to the work of sociologists in the field of corporate systems. See Michel Crozier and Eberhard Friedberg, *L'acteur et le système* (Paris, 1977). For German examples, see Pamela Swett, S. Jonathan Wiesen, and Jonathan Zatlin, eds., *Selling Modernity: Advertising in*

Twentieth-Century Germany (Durham, N.C., 2007), 17, and especially Kevin Repp's essay in the same volume, on anti-Semitism in Berlin's publishing industry: "Marketing, Modernity, and 'the German People's Soul': Advertising and its Enemies in Late Imperial Germany, 1896–1914," 27–51. See also Heinrich Hartmann, *Organisation und Geschäft: Unternehmensorganisation in Frankreich und*

Deutschland, 1890–1914 (Göttingen, 2010). For a British example of the new business-cultural history, see Timothy Alborn, *Regulated Lives: Life Insurance and British Society, 1800–1914* (Toronto, 2009). For France, see Robert Proctor, "Constructing the Retail Monument: The Parisian Department Store and Its Property, 1855–1914," *Urban History* 33 (2006): 393.

14 Jeffrey Fear, *Organizing Control: August Thyssen and the Construction of German Corporate Management* (Cambridge, Mass., 2005), 591.

study not only confirms Fear's findings but shows the great extent to which the anti-government ire of Germany's industrialists infected the service industries as well. It was endemic.

Although September 15, 1932, is this history's vanishing point, the advent of the Third Reich is only a small part of the picture.¹⁵ In recovering and assessing the twists and turns that produced such a decision as whether to let Hitler stay at the Kaiserhof, my dissertation reaches as far back as 1875, the year that the Kaiserhof opened as Berlin's first grand hotel. I reconstruct the hierarchies and practices that shaped the business until the outbreak of World War I, the end of an age of relative equipoise among groups of people — owners, managers, workers, and guests, many from outside Germany — who would soon come into spectacular conflict. The war and its aftermath exposed class and cultural cleavages that managers had had more success concealing during the old regime. Now, the grand hotel was a crucible of social, economic, and political dislocation, the subject of the last two chapters of my dissertation and the context in which Meinhardt and the board had to come to a decision on what to do about Hitler and his henchmen. I argue that long-term weaknesses in the business model, which depended on the exploitation of thousands of workers both downstairs and upstairs, on the peaceful accommodation of foreigners who could easily turn into belligerents, as well as on the perception of social, economic, and political crisis after 1918, created the conditions for a particularly harrowing postwar experience. With class animosities and political violence out in the open, hoteliers saw no way to reestablish the relative equipoise of prewar hotel society.¹⁶

This article will focus on Berlin's luxury hospitality industry after World War I, which had worked to whittle away the niceties of grand hotel life and with them the cultural practices of the prewar social scene. The peace — followed by revolutionary violence, class animosities, and, especially, hyperinflation — led hoteliers to compromise their liberal commitments in time for the era of relative stability, 1924–1928. Even in those years, the changing language of hoteliers' annual reports, trade publications, internal memos, correspondence with the authorities,

15 On the "vanishing point" metaphor, see Helmut Walser Smith, *The Continuities of German History: Nation, Religion, and Race across the Long Nineteenth Century* (Cambridge, 2008). See also Celia Applegate, "Metaphors of Continuity: The Promise and Perils of Taking the Long View," *German History* 27 (2009): 433–439.

16 Adam Bisno, "Hotel Berlin: The Politics of Commercial Hospitality in the German Metropolis, 1875–1945," PhD dissertation, Johns Hopkins University, 2018. For his patience and assistance with this work, I want »

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and communications with the public bore a semantic affinity to the anti-republicanism of the right. Hoteliers' incorrigible pessimism with respect to the economy and the polity, in turn, produced a willingness to countenance the destruction of the Republic. Then, as prominent hoteliers had to contend with



the Great Depression, pessimism turned to fatalism, and liberal solutions to the industry's and the nation's problems appeared to be unavailable, even to committed liberals such as Meinhardt, who chose not to complicate Hitler's rise to power, instead allowing him to remain at the Kaiserhof, a stone's throw from the Chancellery.

Figure 3. Hotel Kaiserhof, at Wilhelmplatz in Berlin, photo from 1928. Photo by Herbert Hoffmann. Source: Bundesarchiv, Bild 146-1993-059-07. Reproduced by permission.

I.

In early 1919, the Kaiserhof descended into a nightmare of vandalism and atrocity. Having summarily and suddenly commandeered the building, Freikorps commanders gave as many as 1200 soldiers the run of the house, now a central node in the war against the Spartakists.¹⁷ The men flooded parts of the building and damaged virtually all of the flooring, most of the walls, and many of the ceilings. They broke windows, wrecked textiles and furniture, clogged toilets, bidets, and baths, and swung from chandeliers in the public rooms. They smashed china and glasses, pocketed all the silverware, broke up tables, ate everything in the kitchens, and quaffed or absconded with thousands of bottles of wine. They hauled in prisoners, whom they mistreated, tortured, and in some cases murdered. When the Freikorps pulled out a month later, they took with them much of the rest of the Kaiserhof's property.¹⁸ The ground floor needed months

» *Journal of Modern History* 83 (2011): 489–502. On the brutalization thesis, first elaborated by George Mosse but now questioned by Dirk Schumann and others, see Mosse, *Fallen Soldiers: Reshaping the Memory of the World Wars* (New York, 1990); and Schumann, "Political Violence, Contested Public Space, and Reasserted Masculinity in Weimar Germany," in *Weimar Publics/Weimar Subjects: Rethinking the Political Culture of Weimar Germany in the 1920s*, eds. Kathleen Canning, Kerstin Barndt, and Kristin McGuire (New York, 2010), 236, who argues that political street violence, at least after 1921, became a ritualized contest over urban space.

17 On the diverse composition of the Freikorps, see Peter Keller, "Die Wehrmacht der Deutschen Republik ist die Reichswehr": *Die deutsche Armee, 1918–1921*

(Paderborn, 2014), 51; Karen Hagemann and Stefanie Schüler-Springorum, eds., *Home/Front: The Military, War and Gender in Twentieth-Century*

Germany (New York, 2002), 15; Robert Gerwarth and John Horne, "Vectors of Violence: Paramilitarism in Europe after the Great War, 1917–1923," »

18 Meeting minutes of the board of directors of the Berliner Hotel-Gesellschaft of January 30, 1919, and March 24, 1919, in LAB, A Rep. 225, Nr. 1046.



Figure 4. The murderers of Karl Liebknecht and Rosa Luxemburg celebrate their crime in the Eden Hotel on 15 January 1919. In the middle, at the table: Otto Emil Runge. Photo by Franz Gerlach. Source: Bundesarchiv (SAPMO), Bild Y 1-330-1485-76. Reproduced by permission.

to reopen and still longer to be returned to its former shine.¹⁹

Meanwhile in western Berlin, the Eden Hotel fell under the control of the Army High Command for use as the Berlin headquarters for the government's forces. From there, army leaders coordinated battles throughout the city. When Rosa Luxemburg was

beaten nearly to death in its lobby, the Eden became not only the site of political violence but also the site of the first antifeminist, anti-Semitic attack in a grand hotel in Berlin.²⁰ The building itself both housed and facilitated this development: the existence of back hallways, great rooms, and multiple entrances of varying publicity helped the murders of Luxemburg and Liebknecht unfold in different ways — Liebknecht's murder having been discreet and less violent — while guest rooms served as perfect holding cells for the evening's victims (see Figure 4). A decade later, the Eden's advertising materials claimed that the hotel first opened in 1922, a full three years after the murders.²¹ Grisly scenes of revolutionary violence were public relations liabilities, of course: they laid bare the vulnerability of hotels to the vicissitudes of German history—a vulnerability all too familiar to hotel guests during World War I and after. That period had to be forgotten if hoteliers meant to turn profits in the 1920s.

However, visions of the future were grim. At a January 30, 1919, meeting of the directors of the Kaiserhof's parent company, one of the city's three principal hotel corporations, a board member stated the obvious: in addition to the dangers of going out and traveling amid incipient civil war and widespread street fighting, Germans' declining incomes made it "impossible" to keep up the "luxury services of former times." Wilhelm Rüttnik, the Kaiserhof's general manager, offered a solution: to initiate an "alteration of the business," a capacious idea that included the dissolution of the accommodation

19 Ibid., and meeting minutes of the board of directors of the Berliner Hotel-Gesellschaft of October 8, 1919; October 18, 1919; March 3, 1920; March 30, 1920; September 16, 1920; and April 1, 1921, in LAB, A Rep. 225, Nr. 1046.

20 Elżbieta Ettinger, *Rosa Luxemburg: A Life* (Boston, 1986). On the hysterical demonization of Luxemburg in the revolutionary period of 1918–1919, see Paul Fröhlich, *Rosa Luxemburg: Ideas in Action*, trans. Joanna Hoornweg (London, 1994), 190.

21 Promotional book for the Eden Hotel, undated (1920s), 9–10, in LAB, Soz/420.

concession entirely. After some discussion, the directors opted for smaller steps toward other sources of revenue, in this case a five o'clock tea dance. "With amusements like these," they reasoned, "we might again find at least a modicum of profitability."²² Nothing could be done yet, however, until the waitstaff returned. The city's waiters were on strike.²³

II.

In the midst of the 1918/19 revolution, leaders of the Verband der Gastwirtsgehilfen (Union of Hospitality and Gastronomy Workers) called for all of the city's waiters to walk out. Union leaders demanded the abolition of the practice of tipping as well as the institution of a weekly wage of 90 to 130 Reichsmark (RM), the immediate implementation of an eight-hour workday, and a prohibition on firing a waiter without the express approval of the Verband. Reports of unruly crowds at restaurants across the city filled the papers. (The fashionable Café Keck fell to a mob that destroyed all of its furniture and porcelain.) The Adlon's restaurant was one of the few to remain open during the strike. That fact brought 1500 waiters and their sympathizers to a demonstration at the hotel. As the dining room filled with protesters, patrons fled. *Das Hotel*, the weekly trade publication for hoteliers in the German-speaking world, in its reports showed little sympathy for the waiters, who were supposed to have "thrashed" a delegate to the Entente Commission and to have "violently attacked" a member of the Adlon family. For their part, the Adlon's own waiters refused to take part in the strike. Of course, what the paper missed was the sense that these waiters, in agreeing to help keep the Adlon restaurant open, were also acting as strikebreakers.²⁴

In increasing numbers, hoteliers responded to "this terror" by trying to move together against the strikers. The chairman of the Verein Berliner Hotelbesitzer (Association of Berlin Hotel Owners) told a reporter for *Das Hotel* that he believed it was the "duty" of all hoteliers to come together "in solidarity."²⁵ Negotiators working on behalf of the hoteliers urged owners to close for the duration of the strike in order to put pressure on all workers, not just the ones on strike.²⁶ The strategy failed.²⁷ Hoteliers' balance sheets could not sustain the closures. On January 10 and 11, the Verein Berliner Hotelbesitzer moved to notify hotel employees, by means of large placards, of the Verein's decision to abolish tipping for waiters and kitchen staff,

22 Meeting minutes of the board of directors of the Berliner Hotel-Gesellschaft of January 30, 1919, in LAB, A Rep. 225, Nr. 1046.

23 On the tendency in post-war Germany toward confrontation rather than compromise, especially in comparison with France, see Petra Weber, *Geschlechterte Sozialpartnerschaft—Gefährdete Republik? Industrielle Beziehungen, Arbeitskämpfe und der Sozialstaat: Deutschland und Frankreich im Vergleich, 1918-1933/39* (Munich, 2010), 179-190. On workers' demands and the increasingly fraught relationship between workers and non-workers after 1918, see Sean Dobson, *Authority and Upheaval in Leipzig, 1910-1920: The Story of a Relationship* (New York, 2001), 189-289.

24 "Kellnerausstand in Berlin," *Das Hotel*, January 10, 1919. One plan for breaking strikes never quite got off the ground. It was to hire women, who were excluded from most waiters' unions. Robert Glücksmann, in a January 24, 1919, article for *Das Hotel* entitled "Der Kampf gegen die Kellnerin," reminded readers that in the South of Germany, it was perfectly normal to be waited on by women. There, "herrschte in den bürgerlichen Restaurants unbestritten die Cenzi, Kati oder Lisbeth."

25 "Kellnerausstand in Berlin," *Das Hotel*, January 10, 1919.

26 Report prepared for the Hotelbetriebs-Aktiengesellschaft of April 23, 1928, in LAB, A Rep. 225, Nr. 911.

27 "Kellnerausstand in Berlin," *Das Hotel*, January 10, 1919.

raise wages to make up the difference, and shift almost everyone to an eight-hour day. To cover the expense, restaurant prices would go up 20 percent.²⁸ The rise in wages ushered in what *Das Hotel* called “a new era for the German hotel industry.”²⁹

It was also a new era for labor relations, not one defined by consensus and compromise but by spectacular conflict.³⁰ Trouble came again, in May 1919, when, in response to demands from the Verband der Gastwirtsgehilfen, the Verein Berliner Hotelbesitzer offered a 20 percent raise for servants and maids. The Verband declined the offer and prepared to call a strike in the event that the hoteliers refused to increase wages an additional 15 to 20 percent.³¹ Conflict between employers and workers also ensnared white-collar employees. The Hotelangestelltenverbände (Combined Associations of Hotel Employees), the umbrella organization for various associations of clerks, accountants, salesmen, procurers, and management staff, made its position clear on the pages of the *Deutsche Gastwirtezeitung*, a trade publication aimed at the *Mittelständler* (owners of small and mid-sized businesses) in the gastronomy industries: the Hotelangestelltenverbände wanted nothing to do with what they and their employers called the “terror” tactics of hotel workers. The best thing to do was to have all white-collar employees join their own unions, which would use “Christian” principles to counter the godless bolshevism of the workers.³²

And now, by the middle of 1919, in the hotels and elsewhere, the preconditions for the collapse of Weimar society had formed already. There was a propertied class — the hoteliers — who established close associations among each other in order to control the price of labor. These associations would turn into cartels and other illiberal formations as one corporation, Aschinger’s Aktien-Gesellschaft, came to own almost all of Berlin’s grand hotels by the late 1920s. There was also a working class, the leaders of which continued their assault on cartel capitalism. And finally, there was the petty bourgeoisie, the white-collar workers, who adopted radical language and a radical tone that took issue not with the machinations of their betters but with the efforts of their inferiors. Fearful of downward social mobility and unsure of how to respond to the political culture of the new republic, these white-collar workers of the lower middle class turned increasingly to the splinter parties of the right.³³

For hoteliers, the reins began to unravel in their hands. Their annual reports after 1918 became increasingly dismal for three possible reasons:

28 “Beschlüsse des Vereins Berliner Hotelbesitzer,” *Das Hotel*, January 24, 1919. The eight-hour working day became the law of the land for industrial workers on November 23, 1918, and then for most other workers, including white-collar employees, on March 18, 1919. See Ben Fowkes, ed. and trans., *The German Left and the Weimar Republic: A Selection of Documents* (Leiden, 2014), 21–22. See also Gerard Brauntal, *Socialist Labor and Politics in Weimar Germany* (Hamden, Conn., 1978), 255–256.

29 “Der erste Reichstarif im deutschen Hotelgewerbe,” *Das Hotel*, April 4, 1919.

30 Noah Strote, *Lions and Lambs: Conflict in Weimar and the Creation of Post-Nazi Germany* (New Haven, 2017), 46ff.

31 “Vereinsnachrichten: Verein Berliner Hotelbesitzer,” *Das Hotel*, May 18, 1919.

32 “Hotelangestelltenverbände gegen den Terror,” *Das Hotel*, February 7, 1919. The announcement referred to the establishment of a “christliche Gewerkschaft” (Christian Trade Union) for white-collar employees. On the position of Christian trade unions after the Stinnes-Legien Agreement, see William Patch, *Christian Trade Unions in the Weimar Republic, 1918–1933: The Failure of “Corporate Pluralism”* (New Haven, 1985), 36–37; on Christian unions’ popularity among white-collar workers, largely on account of the unions’ anti-socialism, see *ibid.*, 47–49.

33 Patsch, *Christian Trade Unions*, 199–201.

first, business really was as difficult as the reports contended; second, board members wanted shareholders to know that it was on account of such a difficult business environment that dividends would not come in, not on account of mismanagement; and third, the board had every reason to present to the state an account of conditions that might inspire officials to lighten the tax burdens of hotels and related businesses.

On July 12, 1920, Heinrich Kreuzer, chairman of the Hoteltreuhandgenossenschaft (Hotel Trust Cooperative) of Düsseldorf, in his address to the first annual meeting of the Verband der Hotelbesitzervereine Deutschlands (Association of Hoteliers' Societies of Germany), pulled together the strands of hoteliers' nascent anti-republicanism. Kreuzer called to his audience's attention a litany of disasters and blunders that had compromised the hotel industry from before the war to the present.

The people, who have no understanding [of the problem], as well as the government and the communes, who sit by in silence as one fine hotel after the other is stripped of its identity — are all guilty. It is they who will be held responsible if in the foreseeable future the German hospitality and travel industries collapse and thus forfeit every competitive advantage to foreign countries, which never could have happened in the old days.³⁴

Hoteliers' belief in the indispensability of the hotel industry to German culture, society, and politics was rooted in recent experience. After all, the hotels had accommodated and continued to accommodate delegates to the Entente Commission meetings, where the details of reparations were hammered out. National and international business likewise depended on the capacity of Berlin's grand hotels to house investors, salesmen, and money carriers. But there was little to support the belief that responsibility for the hotel industry's woes lay primarily with the Weimar state and left-leaning municipal governments. These accusations took cues from the legend of the "stab in the back" (*Dolchstoßlegende*), then making rounds among right-radicals, conservatives, and other Germans — namely, that proponents of the illegitimate Republic had undermined the army and lost Germany the war. Thereafter, Jewish, socialist, and effeminate republicans had besmirched the German name by signing the "war guilt clause," disgraced Germany's traditions by dismantling the

³⁴ Transcript of a speech given on December 7, 1920, by Heinrich Kreuzer, Vorstand der Hoteltreuhandgenossenschaft, Düsseldorf, at the I. Hauptversammlung des Verbandes der Hotelbesitzervereine Deutschlands, in Berlin, in LAB, A Rep. 225, Nr. 893.

military, dismembered the nation by ceding territory, and crippled the national economy by agreeing to pay reparations in cash, gold, and kind. And now, Kreuzer charged, the republicans had trained their sights on the grand hotels of Berlin. In 1920, Kreuzer's was an extreme position for a hotelier to take. But by the end of the hyperinflationary period in 1923, it was commonplace.

Between 1918 and 1923, bitter recriminations became a common occurrence in hoteliers' comments, annual reports, and contributions to *Das Hotel*. In his opinion piece for that publication, Harry Nitsch, an expert in advertising in the hotel industry, singled out the French for special opprobrium.³⁵ To him, the advice to rely on "our people's inner strength and efficiency [*Tüchtigkeit*]," to find "Germany's star," to submit to the "healing power of Reason," was not only useless but also un-German—indeed, prototypically French. This deluded worship of reason and the belief in the nation's capacity to overcome all challenges captured the spirit of the French Revolution in the days "of Robespierre and Danton."³⁶ Neither romantic nationalism nor the Enlightenment state could get the Germans, and their hotel industry, out of the hole.³⁷ Deliverance instead depended on a change of heart among the authors of Germany's misfortune in Paris and London, according to Nitsch. Such assignments of guilt tended to extend to the Weimar coalition parties, too, especially the SPD, which allegedly had sabotaged the German economy by abetting the Entente's program of extortion.³⁸

In their political statements, hoteliers began to lean to the right, however much they tried to cling to economic liberalism. Their

35 Nitsch also published a book in 1927 titled *Das Hotel- und Gastgewerbe: Moderne Propaganda-Methoden* (Düsseldorf, 1927). By 1933, Nitsch's publisher, the Friedrich Floeder Verlag, was distinguishing itself with such titles as *Das Ehrenbuch des Führers: Der Weg zur Volksgemeinschaft* (*The Führer's Book of Honor: The Path to Volksgemeinschaft*) by Heinz Haake (1933). See David Biale, "Blood and the Discourses of Nazi Antisemitism," in *Varieties of Antisemitism: History, Ideology, Discourse*, eds. Murray Baumgarten, Peter Kenez, and Bruce Thompson (Newark, Del., 2009), 71.

36 Harry Nitsch, "Die neue Zeit: Einführung und Ausblicke," *Das Hotel*, November 7, 1919.

37 Railing against the machine state of the French while praising the German genius for freedom became current as early as the 1790s, shortly after the Reign of Terror, when the early German Romantics, horrified by the recent violence in France, formed an idea of Germany and Germanness as fundamentally different from France and Frenchness. See Frederick Beiser, *Enlightenment, Revolution, and Romanticism: The Genesis of Modern German Political Thought, 1790-1800* (Cambridge, Mass., 1992), 1-7ff. On the legacy of early Ger-

man Romanticism, see George Williamson, *The Longing for Myth in Germany: Religion and Aesthetic Culture from Romanticism to Nietzsche* (Chicago, 2004).

38 Transcript of a speech given on December 7, 1920, by Heinrich Kreuzer, Vorstand der Hotelreuhandgenossenschaft, Düsseldorf, at the I. Hauptversammlung des Verbandes der Hotelbesitzervereine Deutschlands, in Berlin, in LAB, A Rep. 225, Nr. 893. The very act of paying reparations on behalf of the

German people quite enraged many voters, especially of the DVP (Deutsche Volkspartei, formerly the National Liberal Party), men and women alike. See Raffael Scheck, *Mothers of the Nation: Right-wing Women in Weimar Germany* (Oxford, 2004), 34. So intense was the anger that a group of radical nationalists murdered Walther Rathenau on June 24, 1922, largely because he had come out in favor of fulfilling the terms of the Treaty and because he was Jewish. See Gall, *Walther Rathenau*, 223.

politics between 1919 and 1923 developed into a synthesis of anti-republicanism and prewar National Liberalism — liberal in terms of a general antipathy to Social Democracy and organized labor. The sense of emergency never quite dissipated after the days “of grave danger,” when communist revolution and the first waiters’ strike prompted hoteliers to “stick together” and defeat “these radicals” and their “terroristic principles.”³⁹ “The world war may have ended,” read an opinion piece of August 1919, “but the war of Germany with itself has yet to find its end.”⁴⁰ And many men of the hotel industry made it clear whose side they were on. A lawyer writing for *Das Hotel* in January 1921 referred to the economy under state control as the “sword of Damocles ... hanging over the head of every hotelier and restaurateur” in Germany.⁴¹ Or, if not a sword to the head, then the managed economy was the shackle around the ankle, heavy and “unbearably” tight.⁴² Neither abstract economic forces nor the concrete mistakes of the old regime were to blame. Rather, the Republic and its illiberal economic policies bore the sole responsibility. This logic extended to foreign relations: the rejection of the Treaty of Versailles, and subsequent ancillary agreements, became an increasingly popular position among hoteliers. And these were disadvantageous agreements for which hoteliers blamed the Republic alone. Here, liberalism entered the conversation, for revision would usher in an era of free trade, and only through free trade — that is, the self-correcting capacity of the free market — could inflation be halted.⁴³ Yet, theirs was a compromised liberalism that expressed itself in the revisionist terms of the anti-republican right.

III.

Inflation became unmanageable in March 1922, when hotel bookkeepers started to register it by the day. “Extraordinary increases in operation costs” first occurred as a result of the fast rising expenditures on labor, laundry, and coal in the winter of 1921/22.⁴⁴ By September 30, runaway gas prices were causing bills for cooked meals to mount.⁴⁵ As machinery and furniture wore out after almost a decade of underinvestment, the money was not there to repair them.⁴⁶ When, later that year, the Entente Commission declared Germany to be in default on its reparations payments, the French occupied the Ruhr, and the government printed money in order to counter the effects of its policy of passive resistance, a concatenation of events that caused the Reichsmark to collapse, bringing down with it Berlin’s hospitality industry.⁴⁷

39 “Kellnerausstand in Berlin,” *Das Hotel*, January 10, 1919.

40 “Mit- und nicht gegeneinander,” *Das Hotel*, August 1, 1919.

41 “Das schiefe Gleis unserer Zwangswirtschaft,” *Das Hotel*, January 21, 1921.

42 Ibid.

43 Annual report of Aschinger’s Aktien-Gesellschaft for 1921, in LAB, A Rep. 225, Nr. 636. See Andrew Williams, *Liberalism and War: The Victors and the Vanquished* (New York, 2006), especially chapters 3 (“Reparations”) and 6 (“Retribution: The Logics of Justice and Peace”).

44 Meeting minutes of the board of directors of the Berliner Hotel-Gesellschaft of March 2, 1922, in LAB, A Rep. 225, Nr. 1046.

45 Franz Kessels, manager of the Fürstenhof, to Hans Lohnert, managing director of Aschinger’s Aktien-Gesellschaft, letter of September 30, 1922, in LAB, A Rep. 225, Nr. 1174.

46 Meeting minutes of the board of directors of the Berliner Hotel-Gesellschaft of April 27, 1922, in LAB, A Rep. 225, Nr. 1046.

47 On the effects of this course of action, particularly on workers in the Ruhr, see Conan Fischer, *The Ruhr Crisis, 1923–1924* (Oxford, 2003), 290. On the mismanagement of the crisis more generally, see Gerald Feldman, *The Great Disorder: Politics, Economics, and Society in the German Inflation, 1914–1924* (New York, 1993), 669ff; and Carl-Ludwig Holtfrerich, *The German Inflation, 1914–1923*, trans. Theo Balderston (Berlin, 1986).

Prices now achieved new heights of esotericism. Official price lists could not be reprinted fast enough. From February 1, 1923, on, the corporate directors of Aschinger's Aktien-Gesellschaft added to the frenzy by changing the menus without any advance warning.⁴⁸ Overnight, prices for coal would rise 160 percent; soap, 200 percent; and laundry, 350 percent.⁴⁹ In mid-March, taxes followed suit, now climbing "not only from month to month but from week to week—no, day to day, even." Profits withered and then disappeared.⁵⁰

48 Beverages price list of February 1, 1923, in LAB, A Rep. 225, Nr. 1174.

49 Price list sent from the Verband Groß-Berliner Wäsche-Verleihgesellschaften to Aschinger's Aktien-Gesellschaft on February 27, 1923, in LAB, A Rep. 225, Nr. 1174.

50 Annual report of the Aschinger's Aktien-Gesellschaft for 1922, in LAB, A Rep. 225, Nr. 636.

51 Ibid.

52 Vorstand der Hotelbetriebs-Aktiengesellschaft to Fritz Haas, waiter at the café of the Central-Hotel, letter of April 14, 1923, in LAB, A Rep. 225-01, Nr. 150.

53 Lohnert to Kessels, letter of April 18, 1923, in LAB, A Rep. 225, Nr. 1174.

54 Meeting minutes of the board of directors of the Berliner Hotel-Gesellschaft of May 30, 1923, in LAB, A Rep. 225, Nr. 1046.

55 Corporate office of Aschinger's Aktien-Gesellschaft to Kessels, unsigned letter of March 1, 1923, in LAB, A Rep. 225, Nr. 1174.

56 Corporate office of Aschinger's Aktien-Gesellschaft to Kessel, unsigned letter of August 21, 1923, in LAB, A Rep. 225, Nr. 1147.

57 Meeting minutes of the board of directors of the Berliner Hotel-Gesellschaft of May 30, 1925, in LAB, A Rep. 225, Nr. 1046.

In April, upward pressure on wages and salaries exploded. Managers threw money at staff and workers with abandon.⁵¹ On April 14, 1923, the chairman of the Hotelbetriebs-Aktiengesellschaft, on behalf of the Berlin Chamber of Commerce, sent waiter Franz Haas the customary notice of congratulations on 25 years of service to the Central-Hotel. The "certificate of honor" came with no less than 50,000 RM in cash, which would lose most of their value a few hours later.⁵² In fact, in four days, 50,000 RM would not have bought 5 napkins, now costing 12,000 RM apiece.⁵³ Yet employers needed some way to compensate white-collar workers like the chief buyer for the Hotelbetriebs-Aktiengesellschaft, for example, whose job it was to source and pay for everything the hotel needed. The board agreed to give him a bonus equaling 60 percent of his April wages. But how much money would that be, exactly? By the board's own estimate: 23 million RM.⁵⁴ Other employees had to be let go; there was not enough cash on hand to pay them. The cost of leasing telegraphs, for example, had consumed the wages of the Fürstenhof telegraph girl, so the corporate office ordered that her post be eliminated.⁵⁵ Meanwhile, their compensation dwindling by the hour, the Fürstenhof's musicians had been going from table to table asking guests for money. Disciplined just short of being fired, the musicians had their hours reduced and were told that they would be dismissed without compensation should they ever go "begging" again.⁵⁶

The board of the Hotelbetriebs-Aktiengesellschaft took drastic measures to keep the situation under control, yet their cost-cutting schemes never kept pace with the crisis. In May, out of desperation, came the unanimous decision to sell all foreign currency and apply the entirety of the proceeds to the purchase of textiles, as well as goods and wine.⁵⁷ To loot its own treasury was, for the Hotelbetriebs-Aktiengesellschaft and the Berliner Hotel-Gesellschaft, already a foregone conclusion. Since the onset of hyperinflation, the strategy had been to "settle up every day," including with guests, and then put every bit of the proceeds toward "constantly filling up our stores."

Hoarding was now so commonplace that one hotel corporation referred to the practice without euphemisms in its annual report.⁵⁸ It became impossible to keep account of inventories as the stores filled and emptied many times over the course of a month. In fact, when Price Waterhouse came to audit Aschinger's Aktien-Gesellschaft a few years later, they found that the "schedules relating to the Inventories of Merchandise on Hand at January 1, 1924 have been mislaid."⁵⁹

For calculating dividends, the board invented several modes of translation among the values of a prewar mark, a present-day mark, a 1918 mark, the value of gold, and the exchange rate of RM to American dollars.⁶⁰ On November 15, 1923, when the government finally made this kind of accounting official by introducing the gold-backed Rentenmark, hotel bookkeepers now had a currency they could match to the notional sums with which they had been working since summer, and the period of hyperinflation came to a close. Yet the period of relative stability, 1924–1928, did not mollify members of the board. To the contrary, after the experience of hyperinflation, they intensified their invective against the Republic, which they appear never to have forgiven, even as business recovered and profitability returned. Theirs was an incorrigible pessimism seeded by the experiences of 1918–1923 but given new urgency by hyperinflation and lent an anti-republican edge that persisted until Weimar's last moments.

With stabilization and the transition to a more conciliatory approach to labor, hoteliers focused even more of their energies on taxes.⁶¹ As of 1924, their businesses were taxed in various ways. Sales tax entailed an accommodation tax, a ten-percent state tax (*Reichssteuer*), a tax on wine, a surtax on sparkling wine, and a tax on profits. The state also collected on bonds, mortgages, ground rent, and land use. And finally, there was the tax on commerce in the state of Prussia.⁶² In the midst of hyperinflation, tax rates had indeed reached astronomical proportions. The accommodation tax for foreigners in early 1923 reached 80 percent (40 percent for Germans). These liabilities pushed hoteliers' and restaurateurs' tax contributions up to about 50 percent of all revenue. These taxes on commercial hospitality, the board argued, would surely sink "the whole of our national economy." At the people's expense, then, the hotel industry suffered—and worse than any other industry, "not one" of which was "saddled with so many and such heavy taxes," as the hoteliers saw it.⁶³ Such complaints spilled easily into demonization of the Republic, the "Tax-Hydra" that reached farther and wider by the day.⁶⁴

58 Annual report of the Berliner Hotel-Gesellschaft for 1923, in LAB, A Rep. 225, Nr. 1048.

59 Prüfungsbericht der Price, Waterhouse & Co. über den Jahresabschluss der Berliner Hotel-Gesellschaft und der 'Geka' Geschäfts- und Kontorhaus A.G. für das Jahr 1923, sent in a letter from Price, Waterhouse & Co., Berlin, to Aschinger's Aktien-Gesellschaft on February 5, 1926, in LAB, A Rep. 225, Nr. 626.

60 Meeting minutes of the board of directors of the Berliner Hotel-Gesellschaft of June 20, 1923, in LAB, A Rep. 225, Nr. 1046.

61 Meeting minutes of the board of directors of the Berliner Hotel-Gesellschaft and the Betriebsrat for June 12, 1924, in LAB, A Rep. 225, Nr. 1046. After 1923, labor relations improved, even if the confrontational politics of the far left and the far right never quite disappeared. Increased cooperation among owners, managers, and employees helped defuse tensions. On stabilization and new taxes, see Holtfrerich, *The German Inflation*, 301–303.

62 Annual report of the Berliner Hotel-Gesellschaft for 1923, in LAB, A Rep. 225, Nr. 1048.

63 Ibid.

64 Georg Persisch, "Gegen die Steuerhydra," *Das Hotel*, December 12, 1921.

A second set of complaints, also contending that the Republic was singling out the hotel industry for extra punishment, revolved around the institution of the Preisprüfungsstelle beim Magistrat Berlin (Price Auditing Authority of the Magistrate of Berlin). In July 1924, the Verein der Berliner Hotels und verwandter Betriebe (Association of Berlin Hotels and Related Businesses) wrote to the Magistrate to protest the Preisprüfungsstelle's recent decision to fix room prices at their pre-war levels.⁶⁵ This move, according to the hoteliers, failed to account for the tax rate and cost of living having gone up 40 to 60 percent since July 1914.⁶⁶ Moreover, the "incessant pestering of our members by your officials' pointless inquiries" was taking up valuable time and energy.⁶⁷ On the very same day, the Verein Berliner Hotels also wrote to the Statistisches Amt der Stadt Berlin (Office of Statistics for the City of Berlin) in order to tattle on the Preisprüfungsstelle. The latter's questionnaires exhibited flaws in procedure of which the city's statisticians should be aware. As if to goad the statisticians, the hoteliers suggested that the Preisprüfungsstelle had "neither the competency nor the prerogative" to conduct its own surveys, since surveys should be the exclusive purview of the Statistisches Amt.⁶⁸ These exchanges among the Verein der Berliner Hotels, the Preisprüfungsstelle, and Statistisches Amt point to hoteliers' two-pronged strategy when dealing with state and municipal regulations. First, complain to the relevant authority about the unfairness and deleterious effects of the policy in question; second, contact a rival authority that might intercede on one's behalf. Increasingly, hoteliers, hotel corporations, and hotel industry combinations tried where possible to complicate, confuse, and frustrate the state's efforts to extract revenue from the hospitality trades. As instances of evasion and protest mounted in 1924-1928, they converged with illiberal, increasingly anti-republican currents in hoteliers' assessments and actions.

IV.

The annual reports of the Hotelbetriebs-Aktiengesellschaft, approved if not co-authored by Meinhardt, reflected a pattern of pessimism and a lack of confidence in the governments of Germany, Prussia, and Berlin, even as economic and political conditions improved after 1923.⁶⁹ Meinhardt's reports were, in fact, more consistently pessimistic than those of Berlin's other two large hotel corporations, the Berliner Hotel-Gesellschaft and Aschinger's Aktien-Gesellschaft. Finally, and surprisingly, the annual reports of the Hotelbetriebs-Aktiengesellschaft managed to conceal the fact of the corporation's

65 Verein Berliner Hotelbesitzer to the Preisprüfungsstelle beim Magistrat, letter of July 30, 1924, in LAB, A Rep. 001-02, Nr. 2390, f. 108.

66 Annual report of the Berliner Hotel-Gesellschaft for 1923, in LAB, A Rep. 225, Nr. 1048.

67 Verein Berliner Hotels und verwandter Betriebe to the Preisprüfungsstelle beim Magistrat, letter of July 30, 1924, in LAB, A Rep. 001-02, Nr. 2390, f. 108.

68 Verein Berliner Hotels und verwandter Betriebe to the Statistisches Amt der Stadt Berlin, letter of July 30, 1924, in LAB, A Rep. 001-02, Nr. 2390, f. 110.

69 On the perception of economic decline, see Detlev Peukert, *The Weimar Republic: The Crisis of Classical Modernity*, trans. Richard Deveson (New York, 1992), 12-14. See Rüdiger Graf, *Die Zukunft der Weimarer Republik: Krisen und Zukunftsan- eignungen in Deutschland, 1918-1933* (Munich, 2008), 83-133.

relatively good health in the period between 1924 and 1928. By the end of the decade, the reports no longer served the purpose of informing shareholders and the public of the financial state of the corporation; rather, these documents' principal function became to convey complaints and demands to the authorities—to lobby, not to testify. (This was a curious move considering the fact that the audience for these annual reports was primarily corporate shareholders and investors.) The politicization of the annual reports, which were overwhelmingly pessimistic, left little space for the acknowledgement of what was actually going well in these years of relative stability and prosperity.

The dismal tone of the annual reports for 1924-1928, in fact good times for Berlin's hotels, changed little from the reports of 1918-1923, a period of almost unmitigated disaster for the hotel industry. Points of information that could have generated optimism about the near future of a German economy now blessed with a stable currency were nonetheless tempered by dark prognoses based on what hoteliers saw as the "poor general condition of the German economy."⁷⁰ German guests could no longer afford to patronize luxury hotels in the midst of "Germany's impoverishment," they lamented. Moreover, foreigners were staying away, the argument went, largely on account of advertisements abroad that cast a visit to Germany in a negative light. Board members were quick to blame Germany's local governments for the bad press: foreign visitors to Germany knew not to expect "some of the entertainments" to which they might be accustomed "on account of officials' wrongheaded decrees—for example, the ban on dancing in hotels," which proved to be short-lived. That municipalities in other European countries were more permissive meant that foreigners were more likely to choose one of those places over Berlin as a vacation destination. But the official stance against fun was not the only force to blunt Germany's competitive edge. There was also the "tremendous [*ungeheuer*] pressure applied by taxes," which made it "all but impossible for the German hospitality industry to compete with destinations abroad." The policies of the state and the municipal governments, more than any other geopolitical or economic forces, were sinking the industry, the Hotelbetriebs-Aktiengesellschaft's 1925 report suggested, and without some reversal and soon, the industry would succumb.⁷¹

Yet the German economy, as well as the profits and the prospects of Berlin's hotel industry, were actually improving. The board simply downplayed improvements by tempering any suggestion of optimism

70 Annual report of the Hotelbetriebs-Aktiengesellschaft for 1924/1925, in LAB, A Rep. 225-01, Nr. 4.

71 Ibid.

with dark aspersions on the local and national governments: “The results of this most recent fiscal year (1926/1927) more or less met those of the previous fiscal year (1925/1926), despite ... the higher expenditure on taxes.”⁷² The phrasing was slippery. A higher expenditure on taxes actually reflected, in this context, greater revenue, not a higher *rate* of taxation, but Meinhardt and his directors were comfortable leaving this fact buried in the summary of accounts that followed the report’s introductory essay. They were using the annual report as an opportunity to campaign against the present tax regime.

Instead of acknowledging their good fortunes, the reports attacked national, state, and local governments anew, this time for the failure to spur tourism. The city of Berlin had, the report conceded, made great efforts to increase traffic to the capital. “Large-scale events and the creation of new attractions” were supposed to have “revived tourism in Berlin.” The hotel industry, too, had done its bit, Meinhardt and the others contended, but all such efforts foundered on the rocks of local, state, and national tax policies. Success could only have been possible with a “reprieve” from taxes, which were still too high to allow any business, but particularly a hotel, to turn a profit and thus contribute to the national economy.⁷³ Again, the annual report became a place for railing against tax policy and, by extension, making claims that were political in the sense of suggesting how the state should and should not collect and distribute resources for the purpose of improving national and local economic conditions. The suggestions were classically liberal: this and the other business reports of the later 1920s never missed an opportunity to make the case that lowering or even eliminating corporate taxes, however crucial the proceeds were to the social and economic goals of the government, would ultimately revive the German economy and, in turn, stabilize German social relations and politics. And yet, again, these were liberals who found themselves using falsehoods in order to downplay the successes, however limited, of Germany’s first republic.

Meinhardt’s and the managing directors’ pessimism in the annual reports came close to misrepresenting the state of affairs for the Hotelbetriebs-Aktiengesellschaft between 1924 and 1929. An independent study of the corporation, published in *Der deutsche Volkswirt* in November 1929, did indeed confirm some of the annual reports’ negative points — the decrease in German hotel guests and the failure of government programs to boost tourism, for example. But the study also established grounds for optimism, especially with respect

72 Annual report of the Hotelbetriebs-Aktiengesellschaft for 1926/1927, in LAB, A Rep. 225, Nr. 644.

73 Annual report of the Hotelbetriebs-Aktiengesellschaft for 1927/1928, in LAB, A Rep. 225, Nr. 645.

to the gastronomy concessions. Moreover, overall revenues from 1925 to 1928 had increased dramatically: 4.5 percent from 1925/1926 to 1926/1927, 55.6 percent from that fiscal year to 1927/1928, and then a further 29.8 percent up to the summer of 1929.⁷⁴ These figures had been present in the directors' respective annual reports but buried under introductions that did all they could to divert attention from the good news below.

In fact, the Hotelbetriebs-Aktiengesellschaft as a whole, in light of the performance of all its branches, was doing quite well by 1928. Its principal source of revenue being rents from retailers and not room fees or restaurant bills, the corporation reaped a whirlwind of cash as soon as the German economy stabilized in 1924. In 1928/1929, the corporation pulled in 1.1 million RM in rents. Yet this particularly profitable side of the hotel business — the renting of shop space on ground floors — like other positive points, escaped mention in the annual reports. The only announcement about the new profitability, and an oblique announcement at best, was the rise in dividends for the fiscal year 1928/1929, the first such increase since the war, from seven to nine percent. If this development inspired optimism, however, it did so tacitly. Meinhardt and the board spent the rest of the 1920s downplaying the various ways in which business had improved since the tumults of 1918–1923.

A look at the business reports of other hotel corporations reveals an industry-wide tendency to downplay the positive. The tone of the Berliner Hotel-Gesellschaft's annual reports, for example, tended to be mixed, to give several examples of improvement only to dash readers' hopes with dramatic pronouncements of decline. The business reports of Aschinger's Aktien-Gesellschaft were likewise mixed, if more extreme in the swings between optimism and pessimism. There were the same complaints about "suffering" under the burden of taxes both from the state (*Staat*) and the municipality (*Kommune*) and the same complaints about the failure of the authorities to do enough to increase tourism.⁷⁵ The first half of 1926, the managing directors reported, had indeed been bad, but then conditions improved to the extent that an "encouraging picture" had emerged by the end of the year. The optimism persisted well into 1927, when the managing directors drafted a particularly rosy report for the year 1926.⁷⁶ Yet 1928 dispelled this confidence. In that year, the government's foreign policy came into Aschinger's crosshairs. "The monstrous burden of the Dawes Plan and the duty to pay 'reparations,' which

⁷⁴ Dividends were seven percent of profits in the fiscal years 1925/1926 and 1926/1927, compared with ten percent in 1912/1913. See "Hotelbetriebs-Aktiengesellschaft (Bristol, Kaiserhof, Bellevue, Baltic, Centralhotel)," *Der Deutsche Volkswirt: Zeitschrift für Politik und Wirtschaft*, November 8, 1929.

⁷⁵ Annual report of Aschinger's Aktien-Gesellschaft for 1926, in LAB, A Rep. 225, Nr. 636.

⁷⁶ *Ibid.*

rests on all levels of society, is impeding ... the recovery of the German economy.”⁷⁷

This statement made a series of political and economic claims. First, it used scare quotes to express a rejection of the terms of the peace settlement. Then it presented its protest under a veil of altruism—the need to raise awareness of the plight of *every* class of German. But Aschinger’s was not heaping scorn on the Entente alone, although that appears to be the case. The Entente, after all, had not forced the hotel industry to pay up. In fact, the terms of the Dawes Plan exempted hotels and related businesses.⁷⁸ But the Reich government, as a means of spreading the burden of reparations more evenly across the economy—all in an effort to blunt the effects of reparations—chose to extract from the hotel industry a portion of the payments.⁷⁹ This line, then, worked similarly and in parallel to conservative and ultra-conservative revisionist claims that the Entente was not the only or even the principal author of German suffering; it was the Republic that must bear the guilt of having accepted and agreed to administer the unjust punishment.

The same report made further forays into political speech with the anti-worker, anti-socialist language it used to protest rising wages and the eight-hour workday: “The labor laws around the catering trades have become a special burden.”⁸⁰ Yet for all these complaints, tinged with the ire of the anti-republican right, neither the gastronomy nor the hotel business was going badly, Aschinger’s admitted. “With respect to our hotels,” the 1927 report read, there had been “an improvement” — “despite,” of course, missing the mark of the “prewar period.” Nostalgia for the old regime was a particular feature of the Aschinger’s Aktien-Gesellschaft reports.

If we find ourselves able to report a substantial expansion of the business, of openings and re-openings and also of the acquisition of two properties, then these facts are not to be taken as a sign that operations have returned to that prewar trajectory so favorable to the development of our enterprise. No, the necessary conditions for that, embedded in the way things used to be, no longer exist.⁸¹

This report was a model of anti-republicanism and had a good deal in common with prior reports from the period of hyperinflation, inflation, unrest, and revolution. But the 1927 report also did

77 Annual report of Aschinger’s Aktien-Gesellschaft for 1927, in LAB, A Rep. 225, Nr. 636.

78 On the Dawes Plan’s exemptions, see Albrecht Ritschl, *Deutschlands Krise und Konjunktur, 1924–1934: Binnenkonjunktur, Auslandsverschuldung und Reparationsproblem zwischen Dawes-Plan und Transfersperre* (Berlin, 2002), 196–198.

79 Audit report by Price, Waterhouse & Co. of February 5, 1926, in LAB, A Rep. 225, Nr. 626.

80 Annual report of Aschinger’s Aktien-Gesellschaft for 1927, in LAB, A Rep. 225, Nr. 636.

81 Ibid.

something different. It told readers, presumably shareholders but also any interested parties in industry and government, exactly how to interpret the data — to interpret it against reason. The data pointed to good news, not bad: a hotel industry at its healthiest state in 15 years. The problem from the perspective of the board was not that the state was killing the business. It was not. The problem was that the state was taking too large a cut of the proceeds. And for that, Aschinger's board peppered the annual reports with fiercely anti-republican pronouncements.

Aschinger's took a harder line against the Republic than did the Hotelbetriebs-Aktiengesellschaft. Nonetheless, the chairmen and managing directors of both corporations used their annual reports to protest government policy and at several points to malign the Republic, its labor and fiscal policies in particular. In these cases, the tendency to see the darkest side of any development in the business — that is, a chronic pessimism even in face of improving conditions — easily spilled over into anti-republicanism after 1929, even when, as in the case of the Hotelbetriebs-Aktiengesellschaft, the business was headed by a Jewish member of the German Democratic Party, William Meinhardt.

V.

In the aftermath of “Black Friday,” October 25, 1929, the profits of the hotel corporations began to dwindle. Margins shrunk almost to 1924 levels, and this after revenue from the first nine months of the year had appeared to guarantee an increase. Indeed, “there is very little good to say about our hotel business,” communicated the board in its annual report for 1929. It cited the *Jahresbericht der Berliner Handelskammer (Annual Report of the Berlin Chamber of Commerce)* in its declaration that “since 1923,” under hyperinflationary conditions, there has been “no year as inauspicious as this.”⁸²

Two more years of the downturn had spelled disaster, managing director Adolf Schick informed the board of the Hotelbetriebs-Aktiengesellschaft at a meeting on July 19, 1932.⁸³ In the first half of 1929, the total number of foreigners at Berlin hotels had been 790,000. For the same period in 1932, it was 473,000. Under these circumstances, revenues plunged. Between 1931 and 1932, the hotels of Aschinger's Aktien-Gesellschaft—the Fürstenhof, Palast, and Grand Hotel am Knie—brought in a full 20 percent less than in the previous year.⁸⁴ For 1932, the Hotelbetriebs-Aktiengesellschaft, the majority stake of which now belonged to Aschinger's, operated at a staggering loss.⁸⁵ These shortfalls

82 Annual report of Aschinger's Aktien-Gesellschaft for 1929, in LAB, A Rep. 225, Nr. 637.

83 Ibid.

84 Annual report of Aschinger's Aktien-Gesellschaft for 1932, in LAB, A Rep. 225, Nr. 407. Primarily a provider of inexpensive meals prepared simply and often in advance, Aschinger's depended on the fortunes of the lower middle and working classes, or the “in Frage kommenden Bevölkerungskreise,” as the corporation's annual report for 1931 put it, in LAB, A Rep. 637.

85 Annual report of Aschinger's Aktien-Gesellschaft for 1932, in LAB, A Rep. 225, Nr. 407.

were happening throughout the German economy; between 1929 and 1933 the depression managed to erase the gains of the period from 1924 to the end of October 1929.⁸⁶ It was in the course of this swift decline that hoteliers' longstanding pessimism turned to fatalism.

As prices fell and hoteliers looked for new sources of revenue among groups heretofore peripheral to its publicity efforts, such as middling businessmen and budget travelers, the class profile of the guests began to change. "Perhaps it was a mistake," wrote Paul Arpé, manager of the Fürstenhof, in his report on the New Year's celebrations for 1930/31, "to price the menu so cheaply [*billig*], since around 50 percent of the attendees were first-timers."⁸⁷ Not all of the guests behaved.⁸⁸ At 9:30, hotel staff wheeled out a large radio so that everyone would be able to hear President Hindenburg's New Year's address. The speech, which admonished Germans to "walk hand in hand toward the future," could not be heard in its entirety on account of what Arpé described as "political troublemaking."⁸⁹ There is no more information about what happened, but that there was a political disturbance at all portended the baleful effects of political polarization.

Indeed, as in 1919–1923, the hotel firms blamed the state for their misfortune and seized on taxes as the means by which the fiscus sought to destroy free, profitable enterprise. They were, in part, correct: high taxes as a response to the Depression were having terrible effects in Germany as elsewhere.⁹⁰ "We have made every effort" to right the business and only failed to turn a profit on account of "our tax burden," the Hotelbetriebs-Aktiengesellschaft claimed in its annual report for 1931/1932. It was because of taxes and taxes alone that business was suffering, they argued.⁹¹

86 Peukert, *The Weimar Republic*, 12.

87 "Denkschrift Silvester 1931," in LAB, A Rep. 225, Nr. 1156.

88 Ibid. These revelers, 105 in all, consumed 94 bottles of champagne that night, almost the same number drunk the previous year when the guest list had been twice as long, according to the report for 1930, in LAB, A Rep. 225, Nr. 1156.

89 "Denkschrift Silvester 1931," in LAB, A Rep. 225, Nr. 1156.

90 Dietmar Rothermund, *The Global Impact of the Great Depression, 1929–1939* (London, 2003), 16–17. On taxation and the Great Depression in Germany, see Dietmar Keese, "Die volkswirtschaftliche Gesamtgrößen für das deutsche Reich, 1925–1936," in *Die Staats- und Wirtschaftskrise des deutschen*

Reichs, 1929–33, eds. Hans Raupach and Werner Conze (Stuttgart, 1967), 35–37. See Theo Balderston, "The Beginning of the Depression in Germany, 1927–30: Investment and the Capital Market," *Economic History Review* 36 (1983): 396–397.

91 Annual report of the Hotelbetriebs-Aktiengesellschaft for 1931/1932, in LAB, A Rep. 225–01, Nr. 189.

The hoteliers advanced a sound liberal argument when it came to taxes: high rates of taxation were indeed damaging the economy by reducing the spending power of consumers. Still, hoteliers might have found a more pointed argument for why the state was to blame if that argument focused on Brüning's deflationary measures and the conservatives' efforts to dismantle the Republic by further ruining the economy.⁹² On that count, however, the annual reports and all other communications remained silent. Instead, hoteliers used increasingly hysterical language to describe the effects of taxation.

The emphasis remained on taxes as the principal cause of the emergency — an emphasis that tended to cast the government as selfish, anti-business, and even anti-German. But high taxes were only one way that the government managed to damage the economy. For the annual reports to have focused on deflation as well as taxes would have been to cast the leadership as saboteurs, intent on pursuing a policy that would victimize Germans to the extent that they would turn against the Republic. Instead of calling on the state to end this practice, the hoteliers chose almost never to acknowledge it. When they did speak up, it was only to ask for a “temporary” reprieve from the austerity, not for an end to deflation.⁹³ This move tended to cast the present difficulties as part of a longer history of over-taxation under coalitions of the center-left and not as a result of the newer policies of the conservatives, aimed at restricting the money supply and credit.

This tacit acquiescence to the policies of the Right mirrored and, as a general phenomenon, aided in the ascent of the anti-republican, ultraconservative milieu that eventually invited Hitler to power. While hoteliers were trying to make sense of what they saw as a deepening crisis, both political and economic, they would have observed the continued rightward drift of the German electorate. In April 1932, Paul von Hindenburg won reelection to the presidency, ensuring the continued presence of arch-conservatives in the Chancellery. Two weeks later, the NSDAP prevailed in the state parliament elections of Anhalt, Bavaria, Württemberg, and Prussia.⁹⁴ Then, in July, Chancellor von Papen, under the president's powers to legislate by emergency decree, took over the government of Prussia and effectively abrogated parliamentary rule there. In the national elections eleven days later, the Nazi party won 37.3 percent of the vote and became the strongest faction in the Reichstag, which, by the end of August, had a new president: Hermann Göring. These were the political conditions under which the boards of the hotel corporations labored.

92 Ferdinand von Lüninck (DNVP), a member of Brüning's cabinet, put the chancellor's rationale most succinctly: “Improvements in the existing system will never be possible through reform but only through the total elimination [of the system itself], and this is only possible by letting it collapse from the weight of its own incompetence.” Letter of February 4, 1930, quoted in Larry Jones, “Franz von Papen, Catholic Conservatives, and the Establishment of the Third Reich,” *Journal of Modern History* 83 (2011): 276. See Ritschl, *Deutschlands Krise und Konjunktur*, 131–133, 220ff.

93 “Ein Hilfsprogramm für die deutsche Hotelwirtschaft: Entschließung des Reichsverbandes der Deutschen Hotels E.V.,” flyer of October 6, 1932, in LAB, A Rep. 225, Nr. 798.

94 The NSDAP also prevailed in Hamburg's *Bürgerchaftswahlen* (city assembly elections).

Throughout the minutes of board meetings and in correspondence among hoteliers in 1931 and 1932 there is a high frequency of fatalist pronouncements. The reports' authors used language to suggest that they were in the process of washing their hands of the industry and of any effort to salvage it. "Stagnation," "crisis," and "catastrophe" became the words used most frequently to describe the situation.⁹⁵ Although the reports paid scant attention to the international dimensions of the Depression, the board members of the Hotelbetriebs-Aktiengesellschaft must also have been aware of the conditions of hotel industries abroad. In the United States, for example, some 70 percent of hotels were out of business, bankrupt, or in receivership by the start of 1932.⁹⁶ The Depression discredited the American example, which Berlin's hoteliers had until very recently held up as the model of rational, responsible enterprise. Now there were no models, only the sense that a business as big and costly to operate as a grand hotel had finally and conclusively proved itself to be less viable than almost any other kind of business.⁹⁷

VI.

How do we begin to make sense of Meinhardt's reasoning and the board's decision to allow the Nazis to use the Kaiserhof as their Berlin headquarters? Several factors would have played into Meinhardt's decision to allow them to stay. There were, first, the negative consequences of ejecting the Nazis: the risk of reprisals from a party that was growing rapidly in size, power, and popularity, as well as the alienation of pro-Nazi customers. Second, there was the problem of Meinhardt's responsibility to shareholders and his duty to remain impartial: as chairman of the board, he was not supposed to let his own politics or Jewishness guide his decisions. Third, there was the problem of Meinhardt's liberalism: to refuse service to someone on the basis of his or her political beliefs, however odious, would be an illiberal thing to do, and Meinhardt was a committed liberal. Fourth, and finally, there was his particular position as a member of Germany's industrial elite, the anti-republican stance of which might have made the democratic solutions to Germany's problems less attractive to Meinhardt. These four facets of Meinhardt's profile — his appreciation for the overwhelming appeal of Nazism and his awareness of Nazi strategies of intimidation, his fiduciary responsibility to shareholders, his liberalism, and his status as a member of the German industrial elite — any or all of these might have encouraged Meinhardt to allow the Nazis to remain at the Kaiserhof.

95 Annual report of Aschinger's Aktien-Gesellschaft for 1930, in LAB, A Rep. 225, Nr. 636.

96 Lisa Davidson, "A Service Machine': Hotel Guests and the Development of an Early-Twentieth-Century Building Type," *Perspectives in Vernacular Architecture* 10 (2005): 124-125.

97 "Ein Hilfsprogramm für die deutsche Hotelwirtschaft: Entschließung des Reichverbandes der Deutschen Hotels E.V.," flyer of October 6, 1932, in LAB, A Rep. 225, Nr. 798.

The amorality of other industrialists' approach to the rise of Nazism indicates that this kind of thinking would have been possible on Meinhardt's part. Overwhelming pessimism among Germany's industrialists eliminated any opportunity to see a way toward prosperity that did not involve a fundamental transformation of the German economy, German society, and even in some cases the German polity.⁹⁸ As Hitler consolidated his mass base in the years 1928 to 1933, he appeared to be the most likely instrument of change. By way of a pessimism that had been intensifying and the emergence of a leader whose meteoric rise indicated at least the possibility of the transformation industrialists sought, a fatalism emerged among the industrial elite and therefore infiltrated the board room at the Hotel Bristol where Meinhardt convened the meeting of September 15, 1932. The tendency toward fatalism and toward blaming the state for all misfortunes, together with an atmosphere of uncertainty, emergency, and fear, made Meinhardt's decision a choiceless one.

The consequence was that Meinhardt and the others invited into their own house the man who would ruin them. Quite swiftly after January 30, 1933, the situation for Meinhardt became particularly dangerous. Bad press about violence against Germany's Jews had incensed the top brass in Berlin, especially Göring, who summoned the leaders of the city's more assimilationist Jewish organizations in order to demand that elite Jews put a stop to the negative reports in foreign newspapers: "Unless you put a stop to these libelous accusations immediately, I shall no longer be able to vouch for the safety of German Jews."⁹⁹ Meinhardt lost little time. He fled to London within a few months. Eventually, he would help coordinate relief efforts under the auspices of the Association for Jewish Refugees.¹⁰⁰

The calamities of 1918–1923, and especially the hyperinflation at the end of that period, caused Meinhardt and a sample of Berlin's most influential businessmen, who also sat on the boards of the city's hotel corporations, to believe that their interests and the interests of the Republic might never align. The period of relative stability (1924–1928) did little to quell their pessimism. Instead, stabilization indicated the likely endurance of the Republic, its social programs, and, especially, the taxes that paid for those programs. Dismayed, the hoteliers railed against the government, and particularly its tax regime, with such zeal that when the Republic needed them, these liberal democrats had neither the words nor the nerve to come to democracy's defense.

98 Theo Balderston, *The Origins and Course of the German Economic Crisis: November 1923 to May 1932* (Berlin, 1993), 381–412.

99 Quoted and translated by Will Wainwright, *Reporting on Hitler: Rothay Reynolds and the British Press in Nazi Germany* (London, 2017), 75.

100 Renate Tobies, *Iris Runge: A Life at the Crossroads of Mathematics, Science, and Industry* (Basel, 2012), 342; Meinhardt, Wilhelm, biographical entry, *Deutsche Biographie*, <https://www.deutsche-biographie.de/gnd127299904.html>, accessed January 6, 2018.

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