

THE ARMS OF KRUPP 1587–1968

(WILLIAM MANCHESTER)

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The late William Manchester, master of twentieth-century popular history, made his reputation with this book, published in 1968. There will never be another book on the Krupp family like it, and not just because it's so long, nearly half a million words and a thousand pages. It is also because the Krupps are largely forgotten today, fifty years later—and because Manchester personally talked to nearly everyone in, and connected to, the Krupp family at its height, and those people are all dead. Just as dead is the firm itself, since the sole proprietorship that was “Krupp” no longer exists in that form or has any connection to the Krupp family. *Sic transit gloria mundi*, if “gloria” is the right word.

Manchester's goal in writing this book was to combine an account of Germany's military and industrial rise with a longitudinal view of the Krupp family. The traceable history of the Krupp family began in 1587, with the arrival of Arndt Krupp in Essen, the heart of Germany's Ruhr region. The five generations after Arndt Krupp receive only skeletal mention in a handful of pages; the only family head who rates even a minor mention, at least in Manchester's eyes, is Anton Krupp, who was recorded as selling musket barrels during the Thirty Years War, around 1640. Still, the family was very prominent and successful in Essen, with the usual ups and downs of early modern merchants, and by the late 1700s had moved into iron and coal. But the book really begins with the accession of Friedrich Krupp, nineteen years old, as manager of the works owned by his grandmother, in 1807. Friedrich died in 1826, and there were only four more heads thereafter. Alfred, Friedrich's son, ran the firm until 1887. Friedrich Alfred ran it until 1902. His daughter, Bertha, inherited the firm (he had no sons), but the firm was headed by her husband, Gustav; they ran the firm until the 1940s. Their son, Alfred, ran the firm until 1967. And his son, called Arndt just as had been the first Krupp, renounced his inheritance without reluctance—and so the firm passed, due to insolvency, out of family hands in 1967, just before Alfred's death.

The first Friedrich set the tone for the family's 150 years of effort, focusing on cast steel of the highest quality. Making steel was then some

combination of art, alchemy, and science, and the English dominated the high-end steel market. Friedrich had some success in manufacturing excellent steel on a small scale, but he had constant struggles with manufacturing and creditors, and died in his thirties. Still, he was credited with being the foundation of the family's later enormous fortune, and the hut in which he lived and died was preserved as a monument inside the gigantic forest of factories that made up the Krupp works. (It was destroyed in World War II, but was rebuilt and stands today.) But his son, Alfred, an eccentric, monomaniacal genius, was the real making of the family.

Alfred's nickname, the "Cannon King," gives away what he was most famous for. Actually, it was railroad wheels that made him more money than cannon, at least at first. In fact, the famous interlinked three-ring logo of the Krupp firm signifies railroad wheels, not cannon muzzles. But Alfred began with almost nothing—his father's decayed shop and hut, a few workers, and no money. And he was only fourteen years old. However, he was a workaholic perfectionist, and scraping together money and workers, he focused on high-quality steel rollers, and then he went about selling them and other products near and far, with a mixture of bombast and bravado. Really, he exemplified what I have always said a starting entrepreneur must do—say "yes" to every potential customer inquiry, and figure out how to accomplish it later. Alfred, for example, assured the Prussian government he could produce a million pounds of cast steel a year, which was totally ludicrous. And then he traveled to France and England, making similar promises (and awkwardly spying on the English, who were not fooled and didn't care anyway, since they would have been happy to show him what they were doing). For decades his business went up and down, but on an upward trajectory—especially after he turned to weapons for the first time, in 1844, though for reasons that are completely unknown.

Weapons, primarily artillery of various types, made the Krupps, although that was also not an easy path. As with any military procurement, between sclerosis and corruption, it was hard to get the government interested. It took many years for the Prussian government to be willing to even test Krupp weapons, despite Alfred's constant efforts. He sold guns to any other government who would buy, primarily the English and Russians, before the Prussians bought in. And

he was always, always, improving his weapons, both in quality and in capability (and making improved armor that could only be penetrated by his improved cannon). It helped that all the Krupp patriarchs were practicing engineers, deeply involved in the design and construction of implements, whether martial or peaceful, and they were only too willing to re-invest every penny of profit in continuing the growth of the business. Finally, the Prussian government also began to buy his guns, and Alfred Krupp became rich—among other expenditures, in 1870, not coincidentally the year of the Franco-Prussian War, he built a 270-room mansion in Essen.

Not that Alfred Krupp was a happy man. In fact, none of the Krupps seem to have been happy. They were all wholly dedicated to the firm, and to its continued existence as a sole proprietorship. Their relationships with their wives were rarely good (except for Gustav and Bertha); their relationships with siblings not much better, and not helped by the combination of tradition and law which dictated that the entire firm was passed to a sole heir, leaving nothing for the others. Moreover, the Krupp family heads were subject to various phobia-type mental debilities and personality quirks, and rarely seemed to be enjoying themselves, even amidst all their wealth. Still, as Prussia waxed, so did the Krupps. Alfred died in 1887, leaving a detailed, demanding will and testament to which his successors hewed closely until the demise of the firm itself. Alfred's son, Friedrich Alfred, with whom he had a distant relationship (he had lived primarily with his mother, who had separated from her husband), succeeded to the firm's ownership. Friedrich Alfred wasn't all that interested in steel, but he rose to the occasion, educating himself on steelmaking and turning himself into a sales ambassador for the firm. By the peak of his power, he had 127 acres of factories under roof and manufactured 320,000 tons of the finest steel each year. In practice, much of Essen was run as a company town, and most important of all, Friedrich Alfred developed an excellent relationship with the Kaiser, Wilhelm II (strained sometimes by the ongoing Krupp habit of selling weapons to all comers).

Unknown to nearly everyone, though, Friedrich Alfred's main diversion was running an orgy palace, centered on himself, for young men on the island of Capri. German law frowned aggressively on male homosexuality (even though a non-trivial number of high military officers

were homosexual, not surprising in a male-dominated culture that denigrated women—similar in some ways to Spartan culture). Exposed by the Italian press, Friedrich Alfred killed himself in 1902, leaving the firm to his teenage daughter, Bertha. With the Kaiser's needed approval (given that by this point the Krupp firm was regarded as essential to the military readiness of the Reich), in 1906 Bertha married a minor diplomat, Gustav von Bohlen und Halbach, who added "Krupp," to his name upon the Kaiser's special permission, and was normally simply called "Gustav Krupp." He was nearly a caricature of Prussian rectitude and inflexibility, and while Bertha continued to own the firm, Gustav Krupp ran it until the early 1940s, when he gradually slid into senility.

That time period, of course, was the peak of German military prowess and output. Manchester relates Krupp's sales of weapons to governments around the world, including in the Balkan wars and World War I. By the third year of the Great War, Krupp was producing 9,000,000 shells and 3,000 cannon—every month, including monsters like "Big Bertha," the famous, enormous howitzer. Krupp also produced ships and submarines, and so was involved in nearly every area of war technology. The result of World War I was, unsurprisingly, disastrous to the Krupp firm. Most of the factories were forcibly dismantled and given to the victors, and Gustav Krupp was formally branded a war criminal. The family largely retreated to the Austrian Alps, to the secluded Blühnbach Castle, which they had bought from the Habsburgs after Franz Ferdinand's assassination—and which is today owned by a little-known brother of the famous Koch brothers. Gustav, though, immediately began working with the government to overturn the effects of the Versailles treaty, and was instrumental in various evasions that allowed German rearmament, although among other indignities he served a year in prison (even though he had been sentenced to fifteen years) after being convicted by a French military court on charges of "inciting a riot," in which, propaganda gold, several Krupp workers were killed by French soldiers. Gustav therefore missed the worst era of hyperinflation, and began the recovery of the firm, openly manufacturing civilian trinkets, and investing in the latest equipment, that would ultimately be turned to other purposes—so-called "black production."

As the Nazis rose, Gustav eagerly hitched himself to their star, though he was always more interested in Krupp and Germany than Nazi politics

as such. As Hitler overran Europe, Gustav and, increasingly, his son Alfried participated enthusiastically in stripping the conquered territories of equipment and raw materials, accelerating their own production of weaponry to hyper-speed. As Germany's war fortunes declined, the Krupp works turned more and more to using slave labor, both at home and in plants abroad, and was involved in both the building of extermination camps and their filling. Manchester is somewhat vague on these details other than slave labor, which he exhaustively documents—presumably little is known and much only guessed, maybe in part because of the giant open-air bonfire the Krupp firm held of documents just before the Allies overran Essen. We forget, even with the German penchant for record keeping, how much can be lost in the chaos of war.

After the war, Gustav and Alfried were both indicted for war crimes. Gustav was regarded as the chief criminal, although the reality was that Alfried was more responsible, according to Manchester. But it took quite a bit of time for the Allied tribunals to realize that Gustav was incompetent to stand trial, and by the time Alfried was instead brought to trial, the Allied stance had softened, so he avoided the death penalty. Instead, he was sentenced to twelve years, of which he served five, being released as Cold War tensions increased. Manchester is incensed by this, and regards Alfried's relatively soft treatment as a disgrace. Maybe it was, although Manchester seems far too emotional about it. But perhaps it's just distance and time that makes it feel that way.

Yet, once again, the Krupps rebuilt. The family even came together somewhat—two of Alfried's four brothers were killed in the war, and a third spent ten years in Russian camps, so perhaps they had to. Alfred, who had a son, Arndt, by a brief first marriage (which his mother had forced him to end, finding the bride too low class), married again, to an erratic, but vivacious, gold digger. That marriage also ended quite quickly, to Alfred's substantial financial loss. But he was still one of the richest men in the world, or so it seemed. By this point, the firm was not so much involved in coal, steel, or weapons (all those being supposedly forbidden, although they did get back into coal and steel), but more the construction of factories for others around the world. All this was led by Alfred, but also by his chief lieutenant, Berthold Beitz,

an insurance executive whom Krupp hand-picked to help him run his enormous concern.

According to Manchester, Beitz was the death of the Krupp firm. He says Beitz goosed sales, even as the German postwar “economic miracle” turned sour, by competing on price, contrary to Krupp tradition, and by offering long-term credit at very low interest rates, while borrowing short-term at high interest rates, all the time not understanding what a balance sheet is. That’s a bad set of strategies, and a worse set during a major economic downturn. (Notably, most of this credit went to Warsaw Pact countries or their client states in the Third World, continuing the Krupp tradition of putting profits over country.) Moreover, Manchester ridicules Beitz for affected Americanisms and for his inability to make friends among the “smokestack barons,” and, even more importantly, German bankers. Whatever the reason, the financial vise closed on Krupp, and in 1967 Alfried, in a deal with a massive consortium of German banks and the West German government, turned the firm from a sole proprietorship into a corporation partially owned by a foundation, receiving himself just a large annuity—which he only collected for a few months, promptly dying of lung cancer.

What about Arndt, Alfried’s son and only child, you ask? Well, let’s just say that he was shockingly effeminate and a notorious homosexual, who made very clear in the years leading up to the firm’s demise that the last thing he wanted to do was work hard at anything, and even less to work hard at running the family firm. Rather, he wanted to design costume jewelry and sail his yacht, the *Antinous II* (named after the presumed homosexual lover of the Emperor Hadrian) around European pleasure spots. So he renounced his inheritance even before the firm’s collapse, receiving instead a sizeable annuity—which he outspent, but lived well, mainly in Palm Beach, until dying of cancer in the 1980s, before he reached fifty years of age. (Manchester never quite comes out, pun intended, and states that Arndt was homosexual, presumably because of libel laws, but it’s obvious in the book, and openly acknowledged today.)

And instead of Beitz, whom Manchester dislikes so much, presiding over the firm, he was thrown out upon the demise of Krupp. But Beitz had the last laugh—he lived to 99, and only died in 2013. Moreover, he was widely honored along the way, for among other reasons by Yad Vashem for saving Jews from death, both by paperwork (similar to

Oskar Schindler) and by actually hiding Jews in his house. Manchester does not mention any of this (maybe it was not known in the 1960s), but it seems like Beitz's star, unlike Alfried's, rose after the publication of this book.

In general, I liked *The Arms of Krupp*. I could have used more information about the specifics of Krupp industry, not a commonly covered topic, and a lot less about World War II, a topic that has been covered endlessly. The earliest Krupps worked in steel, and their comparative advantage was quality and innovation. That steel became the basis of railroad wheels (and guns), as well as other steel implements. By the end, though, as shown in a chart provided by Manchester, Krupp dealt in chemicals, refineries, rubber, real estate and much more. We are given no idea, though, of how the firm got from focusing narrowly on steel to be a conglomerate. So I would have liked more industrial history and less war history. But then, I'm in the manufacturing business, so that may be a minority viewpoint.

A common complaint at the time this book was published was that Manchester was biased against the Germans as a people. It is hard to tell if that's true, and if he was, it was understandable—the war, after all, was very much a living memory in 1968, and Alfried Krupp had largely escaped justice, which annoyed Manchester. I am no expert, but I suspect that today there is much more evidence of the bad behavior of Alfried Krupp during the war, since documentation of the Holocaust really only became a focus in the 1970s. Still, Manchester's discussion of slave labor becomes repetitive—half the book, more or less, is spent on the Nazi era, and that could have been cut down. In fact, much of the book could have been cut down. Nonetheless, Manchester's writing is generally excellent and compelling, which is why he was so successful as a historical popularizer with academic pretensions, and this book is a worthy entry in that genre.