

Theresa M. Collins, *Otto Kahn: Art, Money, & Modern Time* (Chapel Hill: University of North Carolina Press, 2002), xii + 383 pp.

This detailed and masterful biography of Otto Kahn presents an encompassing and vivid portrait of this prominent cultural patron and investment banker, who was a partner of Kuhn, Loeb, and Company. This meticulously crafted and thoughtful work extends well beyond *The Many Lives of Otto Kahn* (Pendragon Press, 1963) by Mary Jane Matz and *Otto the Magnificent: The Life of Otto Kahn* (Scribner, 1988) by John Kobler. The Collins's is the first scholarly biography of this German Jewish financier to be published. Theresa M. Collins wrote her doctoral dissertation about Kahn under Thomas Bender at New York University. Having revised her dissertation, Collins, who is an associate editor of the Thomas A. Edison Papers, has produced a magisterial book about Kahn's fascinating career. The biography contains an introduction and ten chronologically and topically arranged chapters. It reflects extensive research as well: Collins especially has meticulously combed pertinent sources in Kahn's papers in Princeton's Firestone Library. In writing the biography, she also consulted business letters and records housed in Harvard's Baker Library, in the Pierpont Morgan Library, and in the American Jewish Archives. To explain Kahn's contributions to the Metropolitan Opera, Collins has probed the archives of this institution.

Moreover, the major theses advanced by Collins are quite persuasive. In this business and cultural biography, she depicts Kahn's multiple roles in light of the concept of modernity: this concept helps to describe his successful role as an intensively competitive investment banker. Modernism also serves as the basis of Kahn's behavior in other realms, effectively illustrating his prominent status as a patron of opera and the arts and thus enabling him to promote bourgeois culture. Collins as well demonstrates that Kahn's thinking about liberal, authoritarian, and totalitarian political cultures and his attitudes about both Jewry and Germany can be explained in light of modernist notions.

In the first chapter, which is titled "Foundations," Collins presents an insightful account concerning Kahn's early life and personal

qualities. He was born on February 12, 1867, in Mannheim, Baden, to the cultured Emma Eberstadt Kahn and banker Bernhard Kahn. Collins shows that his parents endowed him with cultural capital, for he displayed a passionate devotion to education and the arts. Reared in a city and in a family with a culturally rich milieu, Kahn as a child was privately tutored: at about age eleven he especially revealed admiration for music, learning to play the violin and piano. Along with his brothers, Kahn in his mid-teens studied in a gymnasium, an institution that enabled him to acquire attitudes and pertinent ideas of classical, humanistic, and German culture. By the early 1880s he experienced additional acculturation, attending some sessions in the salon of his Aunt Bertha Hirsch and thus meeting writers, artists, and musicians in the city's finest institution of its kind.

Collins well shows that Kahn's life during the 1880s and 1890s was shaped in other ways. Kahn at this time received minimal exposure to Judaic practices in his family. He also served for one year with the Hussar unit in Mainz and came to dislike German militarism. The author also stresses his desire to achieve financial independence; unlike his brothers and sisters, who pursued professions in teaching and in the arts, Kahn entered the world of banking. He accepted a position in 1888 with the Deutsche Bank in Berlin and was promoted two years later to the position of vice manager in its London office. Collins well assesses his successes in London during the early 1890s. As a result of German Jews being well received in London during these years, Kahn became part of the cultural and social circle of Sir George Henry Lewis and was naturalized as a British subject in July 1893. Moreover, the ambitious Kahn did well with Deutsche Bank, but decided to accept a position in 1893 with Speyer and Company in New York City. Collins astutely depicts his activities in New York. Because of internal dissension in the Speyer firm, he left the international banking house in late 1895. As a consequence of his marriage on January 6, 1896 to Addie Wolff, and of his father-in-law, Abraham, being a partner in Kuhn, Loeb, and Company, Kahn became associated with the leading German Jewish investment firm in the United States. Despite protests from the firm's head, Jacob Schiff, Abraham Wolff succeeded in 1897 in having his son-in-law named as a partner. As Collins astutely

observes, Kahn, even though he lacked the wealth and status of Felix Warburg, Schiff, and other partners, would significantly contribute to the firm's operations.

The second chapter, "Metropolitan Scenes in the Harriman Cycle," contains comprehensive accounts about Kahn's role in American finance capitalism and about his place in New York City's cultural life during the first two decades of the twentieth century. After the death of Abraham Wolff in 1900, Kahn proved to be a capable leader in Kuhn, Loeb; he developed cordial relations with the combative E. H. Harriman and secured funds required for the expansion of his railroad empire. Kahn helped to solidify the operations of his client's Union Pacific Railroad and to acquire large amounts of stock in James J. Hill's Northern Pacific Line. In the railroad feud between Harriman and Hill, Kahn played a central role in bringing about a compromise: he secured the consent of both railroad titans in November of that year for the creation of the Northern Securities Company. Until its investigation by the Interstate Commerce Commission between 1906 and 1907, both railroad leaders directed the Northern Pacific Line by controlling 96 percent of its stock.

This chapter also contains a lengthy section about Kahn's intensive involvement in the activities with the Metropolitan Opera Company. Between 1903 and 1910 he was associated with significant achievements of this institution. The eminent banker and cultural patron served on the board of the opera, provided financial help to its owner Heinrich Conried, and by 1909 became its president and dominant stockholder. Kahn's leadership during these years enabled the Metropolitan Opera to stage productions of Puccini's *Madama Butterfly* and the controversial *Salome*, to contract as its conductor the services of Arturo Toscanini, and to begin to transform itself into a modern cultural institution. The last section of this chapter extends beyond the realm of culture and is quite suggestive. The author shows that Kahn, even with the support of Lord Beaverbrook, refused to become a candidate in British politics in 1913. The New York financier decided to remain in the world of investment banking, and in 1917 he was naturalized as an American citizen.

The third chapter centers on an examination of Kahn's activities during World War I. Collins rightly maintains that partners at Kuhn, Loeb were split in their views about supporting major belligerents during this war. However, members of the House of Morgan, who backed the entente powers, levied criticism against the "German Jewish" firm. Along with Mortimer Schiff, Kahn denounced German autocracy and militarism. He worked with Morgan partners to raise funds for the huge 1915 Anglo-French loan; Kahn in 1916 played a central role in marketing sixty million dollars' worth of bonds to provide assistance to Bordeaux, Lyons, and Marseilles. During the war years he also helped to foster artistic modernism: Kahn provided funds that enabled Nijinsky, Diaghilev, and other Russian Ballet members to tour America in 1916.

The book's fourth chapter reveals much about the financial thinking and activities of Kahn during the post-World War I years. Following the Versailles Settlement he encountered issues of modernity and ascended with great skill in the world of international financial diplomacy. Kahn, who spoke against American isolationists, was highly lauded by European leaders: he was admitted to the French Legion of Honor and to the Italian Order of the Crown. After the death of Jacob Schiff in late September 1920, Kahn, who constantly tried to obtain additional power within Kuhn, Loeb, did acquire seniority within the ranks of this firm. Furthermore, he displayed during the 1920s aggressive leadership skills, contributing in numerous ways to the rebuilding of Europe. As one of the founders and directors of the Council on Foreign Relations, he advocated an international vision of finance. He believed that monies were required to flow to numerous financial centers to stabilize European states and to thwart the spread of Bolshevism.

Collins in this chapter lucidly portrays Kahn as an internationalist in the realms of finance and culture during the early 1920s. Then he purchased shares in Austria's Creditanstalt. Two years later he assisted in selling thirty million dollars in bonds to finance French railroads. Kahn in 1922 also helped to distribute fourteen million dollars of bonds for the newly created Czechoslovak Republic. Moreover, he played an active role in trying to bring stability to Germany – a nation

that greatly suffered from hyperinflation and high unemployment. The author well explains that despite their antisemitic feelings about him, members of the House of Morgan worked with Kahn to secure funding for the huge 1924 German External Loan. Consequently, the capable Kahn, along with other New York financiers of this syndicate, helped Germany to avert economic disaster and to make reparations payments in light of the terms of the Dawes Plan. Moreover, the author demonstrates that Kahn developed an international cultural agenda during the vibrant Twenties. This advocate of the League of Nations in the arts backed efforts to bring German opera back to the Metropolitan, provided funds for French and Russian ballet performers to come to America, and supported productions of British and Irish plays in several New York theaters.

The fifth chapter focuses on a discussion of Kahn's "Protocol of Patronage." He used his money in different ways to support the arts; the generous Kahn emerges as a broker of various cultural productions and as a contemporary Medici who gave new meaning to modernity. His private patronage, for the most part, was extended in the form of loans and helped to benefit numerous artistic, musical, and literary figures. Collins well describes the careers of three of Kahn's benefactors. As a consequence of receiving aid from this banker patron, the talented Bel Geddes was placed in the propitious position of being able to sign a fairly large contract with the Metropolitan Opera Company. During this time, Kahn also contributed to the advancement of the Afro-American Renaissance, helping the aspiring actor Paul Robeson. His loans enabled Robeson to perform in plays in the Provincetown Theater and to star in the Broadway production of *The Emperor Jones*. There is also a lengthy section about Hart Crane, who attempted during the 1920s to write a poem that would offer a synthesis of the major values of American culture. Collins explains in detail that despite extending several loans to this talented and troubled poet, Kahn, who was disappointed with the contents of "The Bridge," decided to terminate his financial relationship with Crane. As the author persuasively shows in this chapter, Kahn emerges as "Otto the Magnificent," trying to improve relations between Jews and Gentiles and to enhance the cultural status of New York.

The sixth chapter, titled “Tears and Bears,” reveals Kahn’s various activities during the 1929 New York Stock Exchange crash and its preponderant effects upon him. Like Maury Klein in *Rainbow’s End: The Crash of 1929* (2001), Collins maintains that this crash and that of the bond market in 1931 brought an end to an era of financial and industrial prosperity in America and in Europe. Moreover, Collins thinks that the massive selling of bears tore apart economies on both sides of the Atlantic. As the author shows, Kahn, along with his partners at Kuhn, Loeb, had been purchasing conservative investments during the late 1920s, anticipating a sharp decline in the business cycle and in the bond and stock markets. Following the October stock market crash, Kahn, who attributed this event to easy credit and excessive speculation, suffered considerable losses, but fortunately remained solvent.

There are also in this chapter persuasive accounts regarding Kahn’s views toward Germany and Jewry. Prior to the 1929 and 1931 crashes, Kahn became a staunch booster of the Weimar Republic, selling, among other things, bonds for Hamburg and for Berlin’s Darmstaeder & Nationalbank. Recognizing the significance of a viable Germany, he denounced the 1922 assassination of the Weimar Republic’s German Jewish foreign minister, Walter Rathenau, but supported the provisions of the Young Plan relating to German reparations. Moreover, Kahn, who spoke and acted against Nazi antisemitism, helped his sister Lili Deutsch and her family flee from Germany during the early 1930s. The financier was quite cognizant of his Jewish identity. He wished to build a new facility for the Metropolitan Opera Company. Realizing that his goal would never be achieved and that his opponents on the company’s board, who were from old-guard Protestant New York City families, looked upon him as an aggressive Jew, Kahn resigned from his positions as the company’s president and chairman (in October 1931).

The remaining chapters of the book describe the last three years of Kahn’s later career. During the early 1930s he continued to alter his political and religious thinking. A liberal Republican for many years, Kahn was disappointed with Herbert Hoover’s policies and programs for resolving the problems of the Depression. He refused to contribute

to the Republican Party in 1932 and, after the presidential election of Franklin Delano Roosevelt, tended to back some New Deal legislation. During the Pecora Senatorial Hearings the next year, Kahn supported Roosevelt's banking legislation and called for the enhanced role of the national government in monitoring activities of investment banking firms. Collins also shows that matters regarding Judaism were of significance to Kahn during these years; he perceived the antisemitic ideologies of Hitler as being associated with the madness of modernity. Kahn, who was not particularly religious, began to make donations to Jewish organizations that tried to help Jews leave Germany. In the final chapter the author discusses Kahn's sudden death on March 29, 1934, and mentions major tributes paid to him.

This splendid biography greatly contributes to the scholarship about American Jewish financial and cultural history during the late nineteenth and early twentieth centuries. The book is lucidly written and well organized. It also contains detailed endnotes and a comprehensive bibliography. However, a cogent concluding chapter would have significantly bolstered the many persuasive arguments advanced in this study. Such a chapter as well would have provided valuable context about Kahn's many contributions to Atlantic history, accentuating how finance capitalism, major cultural movements, and antisemitic ideologies relate to the thesis of modernity in both America and Europe. Nevertheless, this biography will be considered as the classic study of Otto Kahn.

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*R. William Weisberger is a professor of history at Butler County Community College in Pennsylvania and has written the essay about Otto Kahn for Oxford University Press's American National Biography. He has also written an essay titled "Freemasonry As A Source of Jewish Civic Rights in Late Eighteenth-Century Vienna and Philadelphia: A Study in Atlantic History" for the East European Quarterly and has served as the senior editor of a book regarding Freemasonry on both sides of the Atlantic.*