

Conference Report: Jewish Business Dynasties: Family, Power, and Vulnerability

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Tova Benjamin, New York University

The Madoff docuseries released on Netflix this month, covering the rise and fall of the man behind the largest Ponzi scheme in history, reveals a discomfiting theme. Nearly all the protagonists, from Madoff to his biggest investors, are Jews. More than that, Madoff's offices were staffed with family members: his father-in-law, brother, and sons. From the very first days of Madoff's money managing business, it's clear that ethnic and family networks were crucial to his operations—trust and tribal feeling that Madoff exploited in his fraud. First, when his father-in-law corralled a feeder fund of his friends and family, gathering cash for Madoff to 'invest,' and later, when Madoff courted clients at Jewish country clubs in Palm Beach Florida, where he "was like their Jewish son," as one victim put it. In a deposition after his arrest and imprisonment, Madoff reflected on the importance of trust in his business. "I learned very quickly in this business that all you have is your word," he remarked. The story of Bernie Madoff, then, is a story of family, ethnic networks, and reputation. The very same foundations of capitalism, [one might say](#). What's surprising, watching in 2023, is the role Jewishness plays in building that trust. In the age of steamships and telegrams, we could understand why tribalism and ethnic affiliation might drive investing decisions. But in the era of credit rating agencies, online trading, and litigation, it's striking that ethnic networks might still be a decisive factor in business decision making and success.

Last September, an international group of researchers gathered outside of Brussels to consider these questions of trust and family, and the relationship between Jewish business dynasties and modern capitalism. The two-day conference, "Jewish Business Dynasties: Family, Power, and Vulnerability," was organized by the Jewish Country Houses research project and convened a diverse group of historians and curators. Burdened by longstanding and tragically consequential associations between Jews and capitalism, it is understandable that 21st century researchers are hesitant to assess the relationship between these categories. The supposed link between Jews and modern capitalism has been the trough antisemites feed at, whether or not the Jews behind any business endeavor are honest, cheating, or in fact, poor. But more than antisemitism,

understanding Jews and family dynasties matters for business history because it mattered to the individuals who made business decisions with family and ethnicity in mind.

So, how should we understand the Jews in business dynasties past and present, and the business dynasties in Jewish history? Organizers Professors Abigail Green, Chris McKenna, Rebecca Kobrin, and Dr. Jaclyn Granick proposed an interdisciplinary conversation, in which scholars of business history brought their expertise to bear on subjects of Jewishness, while scholars of Jewish history considered themes of political economy. The conference was appropriately held at the Domaine du Château de Seneffe, a beautifully preserved, 18th century country home acquired by Franz Philippson, a Jewish banker of the Philippson family dynasty. In attendance were also a few descendants of the Philippson family, one of whom still carried memories of an early childhood in the neoclassical castle and manicured parks. This was in the postwar period, when the family briefly regained ownership of the castle after the Nazis invaded and forced them out during World War II. The themes of power and vulnerability—incidents of Jewish wealth in a century and continent where Jewish rights and lives were under attack—shaped the conference panels and was the explicit subject of the final panel.

The six panels were thoughtfully organized by categories that encouraged researchers to consider the importance of industry, place, and family. Researchers focused primarily on Western Europe, with some comparative attention to Eastern and Central Europe. The first panel focused on sectors, asking whether Jews in late nineteenth and early twentieth century Europe were attracted to certain industries over others, and if so, why. Papers looked at railroads (Tobias Brinkmann, Penn State University), art dealers (Tom Stammers, Durham University), and grain (myself). Risk, mobility, and pooled credit were common themes across these discussions. In a panel focused on family, Cyril Grange (CNRS, Sorbonne) shared an ambitious new technology mapping the marriage strategies of Jewish banking families in Western Europe from 1800 until 1940, with attention to family and international alliances. The presentation sparked a lively discussion about using a gendered approach in the study of Jewish family business dynasties, given that Judaism has traditionally prized matrilineal descent.

These themes of gender were revisited in a panel on place, where Tullia Catalan (University of Trieste) turned to ships and the seas in her presentation of the port city, Trieste during the Habsburg period. Here, women proved to be important cultural mediators as elite Jewish families developed roots in the city. Paired with Lida-Maria Dodou (University of Vienna) and her study of Jewish business families in fin-de-siecle Salonica, the two considered how a cluster of well-connected Jewish families shaped the economy of these two port cities. But lest one get carried away, Youssef Cassis shared his findings on Jewish city bankers in London, concluding that Jews were not an anomaly or even a significant presence among them. Along the way, Cassis gave a master class in historical finance, demonstrating the different kinds of banks, credits, and bills of exchange bankers in these major financial points were juggling.

One standout panel analyzed the three categories in the conference title, particularly the meaning of the word “dynasty” in a business and family context. In a fascinating presentation that pulled together the different papers’ threads, Jeroen Duindam (Leiden University), applied categories employed in studies of global political dynasties to modern family businesses. Nearly all the panel’s papers touched on strategic marriages, conflicts between fathers and sons, and anxieties about succession, all of which Duindam helpfully contrasted with political strategies of kings, queens, dowagers, and princes. Susie Pak (St. John’s) and Rebecca Kobrin (Columbia University) offered an analysis of family firms and antisemitism in American finance. If studies of family firms are crucial for understanding the history of capitalism, and if the family is an important site for Jewish cultural transmission, does the Jewish family have a special place in business history? Pak and Kobrin argued that Jewish firms had a more expansive notion of family, highlighting the importance of an approach that centers the two categories.

Joining the historians were museum curators from Brno (Petr Svoboda, National Heritage Institute), Berlin (Michal Friedlander, Berlin Jewish Museum), and Copenhagen (Rasmus Kjærboe, Hirschsprung Collection), among others, who asked how current conversations about Jews and wealth should be brought into their exhibitions. The stakes of these discussions were highlighted in an entertaining and poignant talk about the centrality of the Rothschild family collections to contemporary antisemitic conspiracy theories (Juliet Carey, Waddesdon Manor).

Both body, mind, and soul must be fed, and the conference organizers took care of our nourishment on all fronts. Participants were treated to a tour of the Château, with its elaborate (and original!) mosaic wood floors, and a guide to the rare silverware collection. Thanks to the Jewish Country Houses research project, the tour included remarks on Franz Phillipson and the Phillipson family's Jewishness, asking what their ethnic identity signified among Belgium's countryside elite, both before and after World War II. Conversations continued over a three-course dinner in the Orangery. Participants were also lavished with an 18th century themed chocolate tasting in one of the Château's grand halls.

By the time we concluded the final panel and our last dinner, I felt that a new field of inquiry across these disciplines was taking shape. In a provocative joint paper by Jaclyn Granick (Cardiff University) and Abigail Green (University of Oxford), argued that national histories of Jewish bourgeoisie are aplenty, but as an international group, Jewish business dynasties are less understood. Sensitive to the antisemitic myths that cloud the term, they put forth the category of "Jewish business dynasties" as it relates to what they called an "international Jewish aristocracy." That is, a short lived wealthy Jewish elite who claimed to speak for, and was referred to, by Jews across Europe. A group that gained its power at the moment the European aristocracy began to decline. Across papers, certain themes reappeared: decline, newness, outsider advantage, networks, and risk. It seems that European Jews of the 20th century were well positioned to enter the social elite during periods of political uncertainty and change, and to enter business sectors at moments of economic insecurity or transition.

Bernie Madoff entered New York's Wall Street during the 'wild west' of the 1960s and 70s, trading in little understood, over the counter stocks. He grew his business during a transitional period, when traders were just beginning to reckon with computer-based trading. Madoff's competitive ability depended on the trust of his primarily Jewish network, which he relied on to raise capital. Yet if Jewishness proved crucial to Madoff's start, it is not a contradiction to assert that his Jewishness had no bearing on his fraud. That the larger Jewish population was not held as responsible for a single man's fraud, is a testament to the security Jews have historically experienced in the US. Similarly, perhaps the most interesting aspect of September's conference was that it happened at all. A hundred years ago, it would have been impossible to discuss such

subjects—in Europe!—with the academic neutrality of historical distance. The fact that we are only just beginning to seriously research the history of the Jewish business elite speaks to how new this phenomenon is. More than 70 years after the genocide of Jews in Europe, this social and economic aspect of Jewish history is only just unfolding. New as it is, it promises to rethink the way we approach the history of modern capitalism, both in Europe, and the United States.