

ARTICLES

Jewish Bankers, Russia, and the Soviet Union, 1900–1940: The Case of Kuhn, Loeb and Company

by Priscilla Roberts

The relationship between American Jews and both tsarist Russia and its successor, the Soviet Union, was rarely trouble free. In the early twentieth century tsarist Russia was widely perceived as the fountain-head of anti-Semitism, an outlook that led American Jews to oppose commercial ties with and loans to the tsarist government and to advocate that their own government take even stronger action to combat Russian mistreatment of the Jews. The overthrow of Nicholas II's government in 1917 and its replacement by the short-lived Provisional Government brought a brief interval when American Jews hailed with euphoric enthusiasm the dawning of a new era.

The emergence of the Bolshevik regime brought a period of much greater complexity, one well exemplified in the changing attitudes of the most prominent Jewish banking house in the United States, Kuhn, Loeb and Company. From 1917 at least throughout the 1920s and 1930s, Kuhn, Loeb and its assorted partners were all frequently accused of pro-Bolshevik sympathies. In the 1920s this was a standard charge leveled at Jewish bankers by anti-Semitic critics in the United States and Europe.¹ During the First World War, this accusation carried additional overtones of pro-Germanism and disloyalty to the Allied cause, due to the widespread belief that the Bolsheviks were German puppets whose real aim was to expedite a German victory by taking Russia out of the war.² Suggestions that Kuhn, Loeb, particularly its senior partner, Jacob H. Schiff, had secretly financed the Bolshevik revolution complemented both the belief that the firm was pro-German and the fear that all Jews were radicals bent on overthrowing the social order, a viewpoint that seemed to be substantiated by allegations that most of the Russian Bolsheviks were Jewish.³ Such a decidedly capitalist institution as Kuhn, Loeb might appear an unlikely home for left-wing tendencies. Even so, British and French

officials, American conservatives, Russian émigré organizations, and anti-Semites such as Henry Wickham Steed, the editor of the British *Daily Mail*, justified their fears by asserting that Schiff, his partner Felix Warburg, and other Jewish bankers had made loans to the Bolsheviks in exchange for valuable financial concessions in Russia.⁴ By contrast, more recently historians have suggested that after World War I the fear of the spread of Bolshevism throughout Europe and even to the United States motivated American officials, bankers (prominent among them the Kuhn, Loeb partners), and other leading Americans to support their country's greater involvement in European affairs, to promote Europe's economic recovery and political stabilization, and to favor American membership in the League of Nations and other international organizations.⁵ The reality was more complex and reveals an interesting series of attempts to reconcile ideological opposition to communism with American Jewish bankers' realistic tendency to accept the existence of and even work with a noncapitalist Russian regime.

In the first four decades of this century Kuhn, Loeb was one of the leading financial institutions of the United States, a private investment house second only to J. P. Morgan and Company in its prestige and the scope of its operations. Its partners were all of German-Jewish extraction, generally related to each other by blood or marriage, a traditional pattern in the network of Jewish international banking firms that linked all countries from Central Europe to the United States. The firm specialized in railroad finance, though it handled a wide variety



Jacob H. Schiff
(American Jewish Archives)

of other business. Much of its eminence in the New York financial world derived from its ability to tap not only American investment capital when it floated issues of securities but also the resources at the command of foreign banking houses.⁶

Until his death in 1920, Kuhn, Loeb's dominant figure was Jacob H. Schiff, who emigrated to the United States from Germany in the late nineteenth century, joined the then rather lackluster Kuhn, Loeb firm, married the senior partner's daughter, and quickly became the bank's leading partner, building it up to the eminence it enjoyed in 1919. An austere figure, he gave heavily to charity and was considered in New York, if not in the United States, the senior Jewish lay leader, a position in which he also exerted considerable political influence. He took his duties to the Jewish community seriously and often used his political connections and prestige to promote the interests of Judaism in the United States and overseas.⁷



Mortimer Schiff
(American Jewish Archives)



Felix Warburg
(American Jewish Archives)

Schiff's other partners were rather more worldly. His suave and polished son Mortimer joined the family firm under considerable pressure from his father and never attained his senior's stature as a banker, instead generously patronizing the Boy Scouts, the racetrack, and numerous ladies of somewhat doubtful virtue.⁸ Schiff's son-in-law, Felix M. Warburg, was a

scion of the famous banking family of Hamburg associated with the bank M. M. Warburg and Company. One of five brothers, he had not been destined for a career in banking, but when he met, wooed, and rather against Schiff's paternal misgivings, won Schiff's only daughter Frieda, his father-in-law insisted that he move to the United States and join the family business. Never an outstanding banker, Felix Warburg threw himself into a wide variety of charitable activities, par-

ticularly devoting most of his considerable energies to the administration of Jewish philanthropic and communal organizations, especially the Federation for the Support of Jewish Philanthropic Societies of New York, the umbrella organization that coordinated the activities of all Jewish charities in New York, the American Jewish Committee, and the later Joint Distribution Committee. While his father-in-law still dominated the firm, such activities on behalf of the Jewish community won Felix at least his grudging respect.⁹

Three other partners gave Kuhn, Loeb rather more solid underpinning. In the 1890s Paul M. Warburg, Felix's elder brother, married Nina Loeb, the half-sister of Jacob Schiff's wife, and arranged to spend approximately half his time in Germany as a partner of his own family firm, M. M. Warburg and Company, and half in New York as a Kuhn, Loeb partner, an arrangement that continued until 1914, when he became a director of the newly established Federal Reserve Board.



*Paul M. Warburg
(American Jewish Archives)*

Paul was a genuine banking intellectual. For many years he campaigned tirelessly for the establishment of an American central bank, a crusade that ultimately contributed much to the creation in 1913 of the U.S. Federal Reserve System. He was also an enthusiast for the expansion of U.S. international banking activities, particularly through the introduction of acceptance financing, the provision through the banking system of a form of credit for foreign commercial transactions. Paul hoped that ultimately New York would become a financial center that would rival London and give the British a run for their money. Unlike his rather lightweight brother, Paul Warburg won the genuine respect and affection of the formidable Jacob Schiff, and despite their difference in age the two men became close friends.¹⁰

The more flamboyant Otto H. Kahn, the cadet of a Mannheim banking family who shared an apartment with Paul Warburg in London when the two were apprentice bankers in the 1880s, also took the traditional route into the firm, marrying a partner's daughter in 1896. One of the most generous patrons of the arts in U.S. history, for

many years he was chairman of the Metropolitan Opera, which he helped to build up into a New York institution. Despite his outside interests, Kahn still had sufficient energy to become one of the firm's dominant partners, taking a particular interest in railroad financing.¹¹ The only nonfamily member of the firm was the "hardest working of the partners," Jerome J. Hanauer, who worked his way up from the position of office boy. Quiet, with few if any outside interests, Hanauer was described by his son-in-law as "of all the financiers I have ever known... the only one who was never wrong on any business question where he was willing to state a judgment."¹² He concentrated on the business of banking and making money and features little in this essay.



Otto H. Kahn
(American Jewish Archives)

While most of Kuhn, Loeb's partners were somewhat lukewarm in their Jewish allegiances, Jacob Schiff was quite different. Far more devout than his younger partners, he was a solid pillar of Reform Judaism, observing what his nephew described as "a strange mixture of orthodoxy and ritualistic liberalism he had concocted for himself."¹³ Schiff was deeply conscious of the responsibilities of his position as one of the most prominent Jews in the United States, and he felt it his duty publicly to identify himself with his co-religionists. He regularly protested against any instance that came to his attention of discrimination in hiring Jews.¹⁴ Though less devout, Schiff's son-in-law, Felix Warburg, inherited his mantle as one of the American Jewish community's leading laymen and philanthropic figures.

From the 1890s onward, Schiff was deeply concerned by the plight of foreign Jews, especially those of Russia and Eastern Europe. He and Felix Warburg directed many of their efforts to alleviating the conditions of the Jewish immigrants from Eastern Europe who in the late nineteenth century flooded into New York's lower East Side in the hundreds of thousands.¹⁵ Jacob Schiff and Felix Warburg were both important patrons of the United Hebrew Charities, the Hebrew Emigrant Aid Society, the Baron de Hirsch Fund, the Hebrew Free School Association, and the Educational Alliance, all of which attempted to aid these immigrants in adjusting to their new country.¹⁶

The Schiffs and Warburgs all took an especially close personal interest in the affairs of the Henry Street Settlement, one of the pioneers and leaders of the American settlement house movement. Lillian D. Wald, Henry Street's competent and determined head, was a friend and not merely a beneficiary of Kuhn, Loeb's partners who, on their part, greatly admired her efforts to improve the conditions of New York's poor of all faiths.¹⁷

Historians of Jewish immigration have claimed that the established and well-to-do German Jews of the United States resented the late-nineteenth-century influx of ill-educated and somewhat outlandish Russian and East European immigrants and that they feared the latter would lower the status of all American Jews, themselves included. At least in part, it is alleged, their philanthropic efforts among the new arrivals were self-serving attempts to force them to conform to American norms and to assimilate these potentially disruptive elements into American society.¹⁸ These suggestions may well have some foundation. Certainly, those organizations that the Kuhn, Loeb partners supported often attempted to "Americanize" the new immigrants, instill in them loyalty to the United States and respect for its prevailing Anglo-Saxon heritage of ideology, culture, and customs, and teach them the English language.¹⁹ Nonetheless, the practical help that these institutions gave the newly arrived East European immigrants was often valuable. Moreover, language instruction and some insight into American ways were often important assets for Jewish immigrants, particularly in an era when the special problems of ethnic minorities attracted little, if any, sympathy or consideration. It is worth noting that, although Jacob Schiff strongly advocated the dispersal of Russian-Jewish immigrants into the South and West, rather than concentrating them in overcrowded New York City, he always uncompromisingly opposed any attempts to restrict the flow of Jewish immigrants into the United States.²⁰

Schiff brought pressure to bear upon the American government to use its influence to ameliorate the suffering of Jews in other countries. As early as 1890, he and other prominent American Jews inconclusively discussed the problems of their foreign co-religionists with James E. Blaine, the Secretary of State.²¹ In the early 1900s, the anxieties of American Jewish leaders mounted steadily. The Romanian government forced its Jewish subjects to live under harsh social and economic restrictions, a policy in direct contravention of the Treaty of Berlin, which Romania had signed in 1878. The tsarist government

also became increasingly repressive: the Kishinev massacre of 1903, in which forty-seven Jews were killed and hundreds injured, was soon followed by pogroms on a much greater scale.²²

Schiff and other Jewish leaders were driven to sponsor public protest meetings, measures that they had hitherto feared might be counterproductive. They conferred with President Theodore Roosevelt and Secretaries of State John Hay and Elihu Root, demanding that the president indicate his anger over these events by sending an official message to Congress and that the United States make formal diplomatic protests to the Romanian and Russian governments. Late in 1905 Schiff even suggested that Roosevelt employ military force against Russia.²³ Particularly when reminded of the strategic importance of the Jewish vote, the Roosevelt administration was not entirely unsympathetic. In 1902 Secretary Hay sent the Romanian government an official note remonstrating against the discriminatory treatment of its Jewish subjects. Copies of this note were dispatched to all the powers who had signed the Treaty of Berlin.²⁴ In 1903 the American government offered to forward to its Russian counterpart a petition protesting against the Kishinev massacre, and in 1906 Roosevelt attempted to intercede with Russia on behalf of its Jewish subjects.²⁵ At Schiff's urging, the Roosevelt administration also prevailed upon the representatives of all the great powers gathered at the 1906 Algeiras Conference to pass a resolution demanding equality of treatment for the Jews of Morocco.²⁶

In general, however, the American government's efforts encountered only intransigence and indifference. By 1906 Roosevelt, weary of Russian snubs and his government's impotence to improve European Jewry's lot, found Schiff's repeated appeals that he take further action on the matter somewhat irritating and his suggestions that the United States should forcibly intervene in Russian domestic affairs entirely impractical.²⁷

There was one tangible way in which the American government could indicate its distaste for Russia's anti-Semitic policies. By denying entry within its borders to all Jews, even those who held American passports, Russia regularly disregarded its Commercial Treaty of 1832 with the United States.²⁸ During election campaigns Roosevelt, his successor President William Howard Taft, and their Democratic opponents all received suggestions from Schiff that they incorporate public protests against this practice into their party platforms and major speeches and policy statements. Generally they obliged, albeit with

some qualifications.²⁹ From around 1907 onward, Schiff and the recently established American Jewish Committee, whose aim was to use all feasible means to alleviate the sufferings of East European Jewry, went so far as to urge the complete abrogation of the 1832 treaty, even though some American exporters would almost certainly lose business thereby.³⁰ Roosevelt remained tactfully but encouragingly noncommittal; the less astute Taft refused outright to support the abrogation movement.³¹ (Schiff's deep annoyance over Taft's initial hostility toward abrogation, a measure that Woodrow Wilson, by contrast, publicly advocated, almost certainly played a substantial role in his 1912 support for the Democratic presidential candidate.) Following a determined campaign by American Jewish leaders and organizations, in 1911 Congress nonetheless passed resolutions unilaterally terminating the treaty, and the Taft administration then endorsed these.³² After the agreement's abrogation, Schiff continued to oppose any suggestion that it be renegotiated before the passport question should have been settled to American Jews' satisfaction.³³

Kuhn, Loeb's position as a major financial house was an equally and perhaps even more important source of leverage on Russia. Possibly the most important pre-1914 foreign issues in which Kuhn, Loeb participated were five loans to the Japanese government during and immediately after the Russo-Japanese War of 1905. Schiff's motives in handling this business were by no means purely financial. His distaste for the anti-Semitic policies of Russia's tsarist government was so intense that he refused to allow Kuhn, Loeb to participate in any Russian loans, and he begged British and European Jewish financiers to impose a similar embargo.³⁴ Schiff hoped that a Russian defeat at the hands of Japan might lead to a revolution and the installation of a liberal constitutional government, one that would cease to discriminate against Russia's five or six million Jewish subjects.³⁵ His assistance and support were instrumental in enabling Japan's special financial commissioner, Baron Takahashi Korekiyo, to overcome American and British bankers' initial lack of interest in Japanese war bonds. Kuhn, Loeb organized the New York syndicates that handled the American portions of the successive Japanese war loans, all of which were heavily oversubscribed. Moreover, Schiff was more than ready to mobilize the services of his many European contacts, especially M. M. Warburg and Company, to sell the continental issues of these securities. This, in turn, was a vital factor in persuading British financiers to handle Japanese war bonds on favorable terms.



Joint Distribution Committee (JDC). Seated from left to right are: Louis Marshall; Felix M. Warburg, of Kuhn Loeb & Co., chairman of the committee; Rabbi Aaron Teitelbaum, corresponding secretary; Mrs. F. Friedman, official stenographer; Dr. Boris D. Bogen of Cincinnati, organizer of the branch of the JDC in Holland and a director of the National Conference of Charities; Leon Saunders, president of the Independent Order of Brith Abraham; Harry Fischel, treasurer of the Central Relief Committee (CRC); Sholem Asch, noted Yiddish writer and vice chairman of the People's Relief Committee (PRC); Alexander Kahn, PRC chairman; Jacob Milch; Miss Harriet Lowenstein, a lawyer and JDC comptroller; Colonel Moses Schoenberg of St. Louis; Rabbi M. Z. Margolies, president of Agudas Habonim; Israel Friedlander of the Jewish Theological Seminary in New York; Paul Baerwald, associate treasurer of JDC and member of the firm of Lazard Freres; Julius Levy of Baltimore; Peter Wiernik, CCR chairman and editor of the Jewish Morning Journal, New York; Meyer Gilais, assistant editor of Forward, New York; Colonel Harry Cutler of Providence, chairman of the Jewish Welfare Board, U.S. army and navy; Cyrus Adler, president of Dropsie College, Philadelphia, and of the Jewish Theological Seminary, New York, and chairman of the American Jewish Relief Committee of Philadelphia; Arthur Lehman, treasurer of the committee and member of the firm of Lehman Brothers, Bankers, New York; Jacob H. Schiff, philanthropist and international banker.

Standing left to right are: Abraham Zucker of PRC; Isadore Hershfield, who visited the war zones at the outbreak of the war to establish communication between Jewish families in Europe and America; Rabbi Meyer Berlin, CRC vice president; Stanley Bero of CRC; Louis Topkis of Wilmington, Delaware; Morris Engelman, CRC financial secretary and the originator of the plan for the American Relief for the Jewish War Sufferers.
(American Jewish Archives)

Eventually \$535,000,000 of such securities, of which the United States took \$196,250,000, were floated on European and American markets; they covered more than half of Japan's total war costs and were probably a vital factor in Japan's military success.³⁶

During the First World War, Kuhn, Loeb would once again refuse to lend to Russia and, by extension, to any of the Allies. Hostility to Russia helped to reinforce the undoubted pro-German leanings of some, though not all, of Kuhn, Loeb's partners. With his long history of opposition to the tsarist regime, Jacob Schiff was naturally contemptuous when patriotism or fear of retaliation led English Jews to refuse to condemn their Russian ally's treatment of their co-religionists.³⁷ Indeed, he argued that, though deplorable, German atrocities in Belgium, which attracted so much condemnation in Western Europe and the United States, were far less appalling than the tsar's brutal persecution of the Jewish population of western Russia and Poland.³⁸ During the war, Schiff and Felix Warburg, as chairmen respectively of the finance committee of the American Jewish Relief Committee and of the Joint Distribution Committee, became heavily involved in efforts to alleviate Jewish distress due to the war, notably in Russia, Poland, and Galicia.³⁹ In these endeavors they often called upon the assistance, financial and otherwise, of German bankers, relying particularly upon Max Warburg, the elder brother of Paul and Felix and head of their family firm of M. M. Warburg and Company, which was heavily involved in financing the German war effort.⁴⁰

By summer 1915 the Allies were desperately short of U.S. dollar exchange with which to pay for the enormous amounts of American war supplies they were purchasing. With the assistance of J. P. Morgan and Company, they raised a loan of \$500 million in the United States, the first of several.⁴¹ Although several of his partners wished their firm to participate in this offering, Jacob Schiff refused to permit it. Before he would allow his firm to take any of the Allied bonds, Schiff demanded binding written assurances from the British and French governments that none of the proceeds would in any way be used to aid Russia. Lord Reading refused to give these guarantees. Schiff forthwith announced that Kuhn, Loeb would continue its existing policy of abstention from governmental financing for any belligerent nation. He stated that in principle he supported the loan but that his long-standing aversion for the tsarist government prevented his firm's participation.⁴² Among the Allies and their supporters, though, Schiff's

stand was widely regarded as proof that he favored Germany and, as it was reported he had in 1914 told a *London Times* correspondent, was "willing to help the Kaiser rather than the Allies."⁴³ To some extent this accusation was true, but Schiff's pro-German tendencies should not lead one to underestimate the strength of his continuing opposition to the Russian government. As long as the tsar sanctioned anti-Semitic policies, Schiff refused to lend money to "this most hated and inhuman of rulers."⁴⁴ A few weeks after the Anglo-French loan's flotation, Schiff apparently told the Russian cabinet, through the agency of Louis Marshall, the president of the American Jewish Committee, and Alexandre Guenzburg, a leading Russian Jew, that if the tsar would grant his Jewish subjects full civil rights, he would immediately raise \$200 million for Russia. The proposal was rejected, though knowledge of it led Germans to condemn Schiff for subordinating his German to his Jewish loyalties.⁴⁵ In view of Schiff's continuing skepticism over the possibility of changes in the tsarist government's attitude, one might plausibly wonder whether he had genuinely expected this suggestion to receive serious consideration.⁴⁶

Schiff probably found opposing the investment of American capital in Russian securities and enterprises more congenial. From early 1915 onward he condemned the notion of any such financing until Russian Jews were freed from all disabilities. In January of that year he endorsed the protests of the prominent Jewish leader Louis Marshall to President Wilson and Secretary of the Treasury William G. McAdoo against a \$25 million credit that several American banks planned to extend to Russia.⁴⁷ With Schiff's approval Paul Warburg, now a member of the Federal Reserve Board, likewise attempted, albeit unsuccessfully, to exclude acceptance credits for the Russian government from rediscount by Federal Reserve Banks, a measure that would have made such securities unappealing to American banks.⁴⁸ In late 1915 Schiff claimed to Max Warburg that he had privately dissuaded several American banks and trust companies from participating in a large Russian credit of this nature.⁴⁹ Even so, the two biggest New York financial institutions, Morgan's and the National City Bank, remained impervious to his displeasure; in 1916 they headed syndicates that floated two \$50 million loans for the Russian government, while some American banks still handled Russian acceptances.⁵⁰ Publicly and privately, Schiff roundly condemned all such transactions, denouncing Russian loans as financially unsound and moral-

ly undesirable.⁵¹ Paul Warburg, normally a keen supporter of the expansion of American foreign investments, not only disparaged this financing but also deplored American businessmen's increasing interest in other Russian enterprises. He characterized all such activities as risky and insecure, alleging that in order to obtain American funds the Russians had virtually falsified their national accounts.⁵² In any event, the Russian Revolution fulfilled Warburg's forebodings, though not, perhaps, precisely as he had anticipated. At the time, however, the Russian war loans seemed sound investments, and unlike most American offerings for the Allies they were heavily oversubscribed. One suspects that Warburg's pro-German and anti-Russian leanings may well have affected his financial judgment.

Not until March 1917, when American intervention was obviously virtually inevitable, did Kuhn, Loeb formally abandon its self-styled policies of "absolute neutrality" and abstention from "doing or participating in any financing for belligerent purposes." Publicly, the partners claimed that their policy reversal was due solely to the Russian Revolution, an event that cleansed the Allies of the taint of anti-Semitism.⁵³ This explanation was perhaps somewhat disingenuous. For Kuhn, Loeb to refrain from supporting the U.S. government at a juncture when war against Germany seemed virtually inevitable would have been uncharacteristic and, to put it mildly, impolitic. The skeptical comment of prominent banker Frank A. Vanderlip that "the revolution in Russia... at least was the very fortunate occasion for Mr. Schiff to withdraw his opposition to Allied financing" to the annoyance, he noted, of Morgan's, "who have been bearing the burden [of this business] thus far"⁵⁴ was not entirely unjustified.

Even so, one need not doubt that to committed leaders of the American Jewish community, particularly Jacob Schiff and Felix Warburg, the Russian Revolution of 1917 initially seemed to promise a long-awaited and welcome end to the oppression of Russian Jews. As so often on matters involving Jewish issues, Jacob Schiff was the most vocal of the partners. Initially he, like most American Jews, was optimistic over Russian developments, enthusiastically supporting the new Provisional Government. The delighted Jacob Schiff welcomed the revolution, which he hailed as "almost... a miracle... almost greater than the freeing of our forefathers from Egyptian slavery." He sent congratulatory telegrams to the new Russian leaders, served on a reception committee for the Russian mission that visited the United

States later that year, and gave the Provisional Government concrete support in the shape of substantial subscriptions to Russian governmental bond issues.⁵⁵ He applauded the decree of April 6, 1917, removing all existing disabilities from Jews in Russia.⁵⁶ Schiff rebutted charges that the new government was as anti-Semitic as its predecessor.⁵⁷ He urged the American government to extend financial aid to the Provisional Government to enable it "to continue in the fight against absolutism."⁵⁸ In a public statement, Schiff also called for massive private American capital investment in Russia, arguing that an "American Russian financial alliance" would be to the "benefit of both countries."⁵⁹ In April 1917 Schiff set an example of his commitment to this idea when he personally subscribed to 1,000,000 rubles of a Russian government loan.⁶⁰ At his government's request, in April 1917 Schiff also urged Russian Jews to persuade the Provisional Government, already under domestic pressure to make a separate peace with Germany, to remain in the war, warning that otherwise American financial aid might not be forthcoming.⁶¹ To him, the end of Romanov rule initially seemed "like a miracle," though he did confess to being "still a bit anxious that all may not go as smoothly as we hope, and that there may be some upheaval yet in Russia."⁶²

The Bolshevik revolution of November 1917 more than confirmed such misgivings, precipitating a swift and dramatic change in Schiff's attitude toward Russia. Far from being enthusiastic Bolshevik supporters, Kuhn, Loeb's partners viewed these radical revolutionaries with deep suspicion. To some extent the opposition of the Schiffs and Felix Warburg was muted by the need to work with whatever authorities held power in Russia to promote the Joint Distribution Committee's relief efforts there. Even so, there is no doubt that both Jacob Schiff and Otto Kahn were convinced anti-Bolsheviks who would have much preferred a restoration of the provisional Lvov or Kerensky government and did what little lay in their power to further this aim. Schiff refused to give the Bolsheviks any financial aid and in December 1917 even requested the return of the million rubles he had loaned the Russian government earlier that year, a demand the Bolsheviks simply ignored.⁶³ Schiff himself accepted the theory that the Bolsheviks were German agents and hoped that, "once freed from the Bolschevik [*sic*] German terror," Russia would "resume its march toward real democracy."⁶⁴ He believed that the United States should not make peace with Germany until the latter had given up what he believed to

be its control over Russia.⁶⁵ Allegations that the Bolsheviks were mostly of Jewish origin particularly alarmed him, coming as they did at a time when radical American Jews were already under attack for being antiwar and unpatriotic. He feared that, because several prominent Bolsheviks were Jews, both the Russian peasantry and the Americans would believe that Jews generally supported the Bolsheviks and their policies.⁶⁶ He attempted to persuade the American Jewish Committee to counter such claims through publicity.⁶⁷ Organizations such as the Hebrew Sheltering and Immigrant Aid Society constantly sent Schiff information alleging that the Bolsheviks were anti-Semitic and, while he thought some such complaints exaggerated, on the whole he believed them.⁶⁸ By contrast, both Schiff and Felix Warburg initially discounted suggestions that the White Russians, under Admiral Aleksandr Kolchak's regime in Siberia, treated Jews under their jurisdiction with equal brutality.⁶⁹

Schiff, Kahn, and Felix Warburg did not merely passively oppose the Bolsheviks but also supported strongly anti-Bolshevik organizations within the United States. Schiff was most deeply involved in such activities. In May 1917 he became an honorary adviser to the Russian Information Bureau (RIB), an agency originally established by the tsarist government in 1916 and soon afterward taken over by its provisional successor. Throughout the change of regimes this body professed the same aim: "to furnish the American public with information in regard to the industrial, commercial and cultural conditions in Russia," thereby, it hoped, promoting Russian-American goodwill and understanding.⁷⁰ After the Provisional Government's fall the RIB became a center for anti-Bolshevik propaganda, for several years propagating the belief that the Bolsheviks were tools of Germany and advocating American and Allied military intervention to overthrow the Bolsheviks and restore the provisional regime. According to Zosa Szajkowski, the RIB was "a very efficient anti-Bolshevik press agency, advocating the cause of [the White Russian leaders] Kolchak and [General Anton] Denikin, giving advice to American official and private individuals, predicting a quick end of the Soviet regime, and criticizing every possible attempt to normalize the political or economic relations between the United States and Bolshevik Russia." It was financed partly by the Provisional Government's continuing Russian embassy in Washington, but from late 1917 onward it was increasingly bankrolled by wealthy conservative Americans, among them

several leading Jews, including Schiff, Marshall, the noted economist Edwin R. Seligman, the diplomat and former United States Secretary of Commerce Oscar S. Straus, and the Zionist Stephen S. Wise. All were honorary advisers of the bureau, whose director, Arkady Joseph Sack, was himself a Russian Jew.⁷¹ The energetic Sack attempted to bring about an alliance between Kolchak's White Russian forces and leading American Jews, appealing to the former to moderate their anti-Semitism and telling the latter that reports of White Russian pogroms and other anti-Semitic atrocities were much exaggerated.⁷²

For several years Schiff and other Jewish leaders extended substantial financial support to the RIB and its weekly news-sheet, *Struggling Russia*. Indeed, Schiff described this publication as "possibly the most powerful agent in this country possessed by those who are struggling so hard to bring about in Russia the peace it and the entire World needs so greatly and which cannot be attained to the full until orderly conditions under a permanent democratic government become there established."⁷³ Schiff not only gave handsomely himself but approached other prominent American Jews, such as Julius Rosenwald, for funding on its behalf.⁷⁴ Until his death, Schiff received numerous letters and press releases from Sack, all of which he acknowledged and on which he usually commented.⁷⁵ Yet like other prominent members of the Joint Distribution Committee, the American organization that coordinated Jewish relief efforts in Europe and was chaired by his son-in-law, Felix M. Warburg, Schiff became increasingly alarmed by incontrovertible reports that Kolchak's and Denikin's White Russian forces were anti-Semitic and had committed numerous atrocities against Russian Jews. Both Schiff and Felix Warburg were initially reluctant to credit these allegations, but the evidence for them became increasingly strong.⁷⁶ In July 1919 Schiff told Sack that he had received "reliable reports... that conditions in the territories under the sway of the Omsk Government are most unsatisfactory (to use a mild expression) as far as the Jews are concerned." He cited instances in which White Russian organizations had "incite[d] the populace into atrocities against the Jewish population" and even acquiesced in murder. He suggested that Sack therefore "transmit a word of warning" to his "friends in Siberia" that such behavior would "alienate the sympathies of the American people."⁷⁷ Sack's only defense was to try to characterize the Omsk government as the least unappetizing of the available alternatives.⁷⁸

Sack's efforts reaped some success. In late July 1919 a group of conservative Jewish leaders, including Schiff, Marshall, Straus, and Wise, conferred with the Russian Metropolitan Archbishop Platon of Kherson and Odessa. According to later reports of this meeting, they assured the archbishop that the majority of American Jews strongly opposed Bolshevism, and one source alleged that they even offered to lend Kolchak \$5 million.⁷⁹ Whatever their misgivings as to the Kolchak government, many Jewish leaders were still on friendly terms with its representatives. When news of this meeting leaked out, however, it elicited a storm of protests from more radical, often Yiddish-speaking, American Jews.⁸⁰ More conservative American Jews, generally those of German origin, continued to support the White Russians. In November 1919, Schiff stated publicly: "We must aid those who battle against the forces of anarchy in Russia."⁸¹

Schiff also supported the 1918–19 Allied military intervention in Russia, an enterprise in which the United States government, in collaboration with Britain, France, and Japan, rather halfheartedly attempted to weaken and if possible overthrow the Bolshevik regime. While Woodrow Wilson's administration was far less anti-Bolshevik than the other Allies, the Bolsheviks not unnaturally regarded its activities as unfriendly.⁸² Schiff hoped that the Allied and American forces would trigger the fall of the Bolsheviks. In October 1919 he told Sack:

If we do not come to the aid of the elements in Russia who so heroically battle to subdue the forces of disorder and anarchy, who for the time have constituted themselves the Russian Government and make it possible that, instead of this, a truly democratic Government which alone can become the salvation of Russia, be established, the present regime, which cannot possibly remain permanently, will surely be followed by reactionary rule, most likely as undesirable as that of the Romanoffs was, whose autocracy brought such misery and suffering upon the Russian people.

He dismissed those who attacked the RIB as "elements, who appear to consider the existing state of anarchy and disorder in Russia a healthy condition, which they desire to become permanently established not only in Russia, but similarly all over the world."⁸³ In a November 1919

issue of *Struggling Russia*, Schiff repeated his assertion that: "We must aid those who battle against the forces of anarchy in Russia."⁸⁴

By late 1919, even Schiff and his fellows were becoming convinced of Kolchak's fierce anti-Semitism.⁸⁵ Schiff warned Sack that he had "incontrovertible documentary evidence... that the most brutal and cruel murders have been practised against the Jewish people all along the territory under the sway of the Kolchak regime and that these horrid deeds have been directly called forth through army orders." He begged Sack to do "something to counter-act this."⁸⁶ It was, however, hardly surprising that by 1920 Schiff's views on Russia were tinged with uncertainty. In February 1920 he told Sack: "The whole situation is so very complex that it is most difficult to find a proper way through it and out of it, and I can see naught but to trust to time that light may come out of darkness."⁸⁷ "All we can do," he had suggested a month earlier, "is to attentively and carefully follow events and consider from day to day what can, and should be done to better the outlook in Russia and Siberia."⁸⁸ In his opinion the Russian situation was intimately linked to the "Russian-Jewish problem" and the two would have to be settled together.⁸⁹ Meanwhile, he felt that the Bolshevik arrest of Zionist leaders in Moscow on charges of being Allied agents made it desirable that he and other leading Jews should not be publicly associated with the RIB.⁹⁰ He confessed that at times the complicated Russian situation "very considerably upset" his nerves.⁹¹ Even so, until his death in September 1920, Schiff continued to support the RIB financially, in May pledging \$5,000 of the \$21,000 needed for the continued publication of *Struggling Russia*.⁹² Soon afterward the end of Allied intervention and the Bolshevik victory in the Russian civil war meant that the RIB lost most of its financial support, whereupon it promptly collapsed.⁹³

While Schiff was probably Kuhn, Loeb's most active anti-Bolshevist, other partners also tried to combat what they perceived as the menace of Bolshevism and radicalism. In the 1920s the staunchly antiradical Felix Warburg provided funding for David Dubinsky's efforts to remove communists from the International Ladies Garment Workers Union.⁹⁴ Otto Kahn likewise found the Bolshevik revolution unsympathetic, and early in 1918 he expressed the hope that "some men may arise soon in that distracted country with the force and courage to unite the elements of order, honor and sanity against the powers of liberty run mad, which now hold sway."⁹⁵ He was one of the

founders of American Russia Relief, a strictly anti-Bolshevik relief organization.⁹⁶ In March 1919 he gave a dinner at his home, attended by, among others, Theodore Roosevelt, Cornelius Vanderbilt, Felix Warburg, and Mortimer Schiff, whose purpose was to discuss methods of dealing with Bolshevism.⁹⁷ In Kahn's case, fervent domestic anti-socialism intensified his fears of Bolshevism. He was one of those American businessmen most perturbed by what he saw as the domestic unrest and socialism that the war had provoked. He contributed to such vehemently antiradical organizations as the League for National Unity and was most insistent that the wartime government direction of business must cease immediately after the war did.⁹⁸ According to one conservative source, in 1920 Kahn, a nonobservant Jew much attracted to Roman Catholicism, even said "that it wouldn't do any harm to have a little anti-Semitic feeling get about, and take the conceit out of some of those Jews who have come over here recently and are trying to run the country."⁹⁹ At this time Kahn frequently spoke out publicly against all radical and socialist activities, helping to whip up public opinion to the frenzy known as the "Red Scare" of 1919, and he contributed financially to several antiradical organizations.¹⁰⁰

Kahn, the American Warburg brothers, their German siblings, and Dr. Karl Melchior, another partner in M. M. Warburg and Company, all tried to argue that if the Allies did not treat Germany leniently and extend financial aid to Europe, Bolshevism might well win control of all of Europe, particularly Germany.¹⁰¹ After the First World War, particularly during the 1920s, Paul Warburg, now chairman of the International Acceptance Bank, and his former partners in Kuhn, Loeb were among those American bankers most committed to American participation in efforts to revive Europe's devastated economy and restore financial and political stability. They called for the reduction or cancellation of reparations and war debts, took part in the Dawes Loan and other loans intended to facilitate European economic recovery, and extended numerous credits for the purchase of American goods, particularly favoring German-based enterprises. In these endeavors they often worked closely with M. M. Warburg and Company as well as other European banks.¹⁰²

Yet by the 1920s, when Kuhn, Loeb's efforts to revive the European economy were at their height, the partners' fears of the spread of communism had largely dissipated. By 1922 Kahn felt that Bolshevism no longer appreciably threatened Eastern and Central Europe.¹⁰³ By the

mid-1920s he and the Warburgs were even taking a certain relaxed interest in developments in the Soviet Union.¹⁰⁴ Kahn went so far as to sponsor the 1922–23 American tours of the Moscow Art Theatre, defending the actors against charges that they were communist spies or agents.¹⁰⁵ Unlike many American businessmen, Kahn and Paul Warburg came to support the eventual resumption of trade relations with Russia, whose granaries might, they hoped, contribute to Europe's recovery.¹⁰⁶ Between 1921 and 1922 Kahn switched from opposing American trade with the Soviets to supporting the opening of commercial, though not diplomatic, relations with them. By 1932 he was "the only individual financier of world prominence" to be a member of the American-Russian Chamber of Commerce, which by 1926 likewise favored resumption of trade relations between the two countries and by 1933 supported the reopening of diplomatic relations.¹⁰⁷ Kahn's atypical posture may have owed something to the fact that, unlike J. P. Morgan and Company and other New York banks, which had lent heavily to the Russian government during the First World War, Kuhn, Loeb's exposure to defaulted Soviet loans was limited.¹⁰⁸

Meanwhile, Felix Warburg, whose principal interest after the First World War was not European reconstruction but the relief of world Jewry, went further even than his brother or his partner. In 1924 the Joint Distribution Committee, of which he was chairman, negotiated a pact with the Soviet government under whose terms an initial 500 Russian bourgeois Jews, who could no longer practice their old trades under Soviet rule, were resettled as farmers in the Crimea. The JDC's support for this project, known as Agro-Joint, was at least partially due to the passage in the United States of the 1924 Reed-Johnson Immigration Act, which severely curtailed further potential Russian Jewish immigration to the United States. *Faute de mieux*, American Jewish leaders were therefore forced to negotiate with the Soviet authorities; it seems possible that they had at least tacit State Department approval and perhaps encouragement in this enterprise, which could provide American officials at least some information on conditions within the Soviet Union. Approximately half of Agro-Joint's funding, \$5,000,000, came from the millionaire Julius Rosenwald, head of Sears Roebuck; and the Rockefeller Foundation gave \$500,000. Felix Warburg munificently donated \$1,000,000, while the less affluent Paul contributed \$50,000. Although estimates vary

considerably, perhaps 125,000 Russian Jews were relocated to agricultural settlements in the region during the 1920s and 1930s, even though from the mid-1930s onward the project experienced substantial difficulties with and harassment from Soviet authorities and ended tragically in 1941–42, when Adolf Hitler invaded the area.¹⁰⁹

Agro-Joint's American Jewish sponsors were aware that even at the scheme's peak Soviet treatment of their co-religionists left much to be desired. Yet, when asked to comment on Soviet persecution of Jewish rabbis, Felix Warburg stated that, deplorable as he found such behavior, it must be remembered that through Agro-Joint the Soviet government was also helping Russian Jews to regain their economic independence.¹¹⁰ Warburg went further and tried to bring about a Soviet-American rapprochement, unsuccessfully encouraging the Soviet leader Alexei Rykov to cease anti-American propaganda and pay the Kerensky government's debts to the United States.¹¹¹ By 1929 he favored recognition of the Soviet government on the pragmatic grounds that it had "lasted, in different forms, for over twelve years" and that, from his discussions with Soviet leaders, it seemed likely to evolve in the direction of capitalism.¹¹² By 1933 Warburg even hoped that a syndicate of American banks might be able to set up an "outpost" in Berlin, utilizing their frozen German credits and collateral to acquire the name and expertise of the two private German banking firms of M. M. Warburg and Company and the *Handelsgesellschaft*. He blithely hoped that the new institution's American character would protect it from "the harassing [*sic*] and hindering influences of the Hitler Government," thus attracting a large German and Jewish clientele, and that it would also concentrate on the Russian business that recent American recognition of the Soviet Union had opened to American bankers.¹¹³

Overall, it is hard to argue either that the practical and ideological desire to combat Bolshevism was the strongest reason impelling Kuhn, Loeb's partners to support an expanded American international role in Europe, or that the firm's members were dedicated friends of the Soviet government. One can argue far more plausibly that the ties that bound Kuhn, Loeb's partners to Europe, particularly their links, both institutional and personal, with Germany, were important in leading them to advocate American loans to Europe and in some cases American membership in the League of Nations, as well as disarmament, the World Court, and the cancellation of reparations and war debts. Kuhn, Loeb's gradual rapprochement with the Soviet govern-

ment probably owed much to the partners' realistic appreciation that the regime, however little they approved of it, was unlikely to collapse in the near future, and to a perception shared by many other prominent Americans that under the New Economic Policy Lenin and Stalin were moving in the direction of capitalism. In addition, the partners' Jewish roots and the eagerness of at least the Warburgs to establish Jewish agricultural settlements helped to reconcile them to a regime they had once vehemently opposed.

When one surveys the dealings of Kuhn, Loeb's partners with both the tsarist regime and its Soviet successor, and even the White Russians, one is struck by their inability to exert anything but the most marginal leverage on either government. Despite the radical change of ideology, over forty years the relationship between Kuhn, Loeb and the Russian government was one in which much remained remarkably unchanged. In pronounced contrast to the vehement rhetoric common at the time as to the pernicious influence that Jewish international bankers enjoyed, one finds that when dealing with autocratic powers mere financiers, however well connected, found themselves relatively powerless.

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NOTES

1. See, e.g., Zosa Szajkowski, *Jews, Wars, and Communism*, 4 vols. (New York: Ktav, 1972–77), 1:290, 379–80; 2:7, 64, 154; Ron Chernow, *The Warburgs: The 20th-Century Odyssey of a Remarkable Jewish Family* (New York: Random House, 1993), 267–76.

2. Peter G. Filene, *Americans and the Soviet Experiment, 1917–1933* (Cambridge: Harvard University Press, 1967), 33; George F. Kennan, *Russia Leaves the War* (Princeton: Princeton University Press, 1956), 412–20, 427–28, 455–56; idem, *The Decision to Intervene* (Princeton: Princeton University Press, 1958), 9–10, 110–11; Betty Miller Unterberger, *America's Siberian Expedition, 1918–1920* (Durham, N.C.: Duke University Press, 1956), 10–11.

3. Szajkowski, *Jews, Wars, and Communism*, 1: 277–79; 2:154.

4. *Ibid.*, 2: 7, 74, 154, 157, 161, 167.

5. See Arno J. Mayer, *Politics and Diplomacy of Peacemaking: Containment and*

Counter-Revolution at Versailles (London: Weidenfeld and Nicolson, 1968); N. Gordon Levin, Jr., *Woodrow Wilson and World Politics: America's Response to War and Revolution* (New York: Oxford University Press, 1968).

6. Vincent P. Carosso, *Investment Banking in America: A History* (Cambridge: Harvard University Press, 1970), 92.

7. The major source on Schiff is still the official biography, Cyrus Adler, *Jacob H. Schiff: His Life and Letters*, 2 vols. (Garden City, N.Y.: Doubleday, Doran, 1928), commissioned by the family a few years after his death and written by a close friend and associate of its subject. See also idem, *Jacob Henry Schiff. A Biographical Sketch* (New York: American Jewish Committee, 1921); Frieda Schiff Warburg, *Reminiscences of a Long Life* (n.p., 1956), esp. 51–63; Bertie C. Forbes, *Men Who Are Making America* (New York: B. C. Forbes Publishing Co., 1917), 328–55; Stephen Birmingham, "Our Crowd": *The Great Jewish Families of New York* (New York: Harper and Row, 1967), 154–211. On Schiff's involvement in the diplomacy of international Jewry, see esp. Gary Dean Best, *To Free a People: American Jewish Leaders and the Jewish Problem in Eastern Europe, 1890–1914* (Westport, Conn.: Greenwood Press, 1982).

8. On Mortimer Schiff, see Adler, *Jacob H. Schiff*, 1:16–17; F. S. Warburg, *Reminiscences*, 73–76, 82–84, 137; Birmingham, "Our Crowd," 187; Jeffrey Potter, *Men, Money & Magic: The Story of Dorothy Schiff* (New York: Coward, Cann and Geoghegan, 1976), 22–25, 40; *New York Times*, June 5, 1931.

9. The most extensive work on Felix Warburg and his brothers is Chernow, *The Warburgs*. See also Cyrus Adler, "Felix M. Warburg," *American Jewish Yearbook* 40 (1938–39): 23–40; Felix M. Warburg, "Under the Seven Stars," Biographies File, Jacob Rader Marcus Center of the American Jewish Archives, Cincinnati, Ohio (hereafter cited as AJA); F. S. Warburg, *Reminiscences*, esp. 87–117; Max M. Warburg, *Aus Meinen Aufzeichnungen* (n.p., 1952), 7–8; James P. Warburg, *The Long Road Home: The Autobiography of a Maverick* (Garden City, N.Y.: Doubleday, 1964), 11; Birmingham, "Our Crowd," 190–99; David Farrer, *The Warburgs: The Story of a Family* (New York: Stein and Day, 1975), 63–70, 93–108.

10. Chernow, *The Warburgs*, esp. chaps. 7, 10; Paul M. Warburg, "Memorandum," November 20, 1925, Reel 694, Jacob H. Schiff Microfilms, AJA; J. Warburg, *Long Road Home*, 7–8, 11, 15–18; M. Warburg, *Aufzeichnungen*, 7; Lewis L. Strauss, *Men and Decisions* (Garden City, N.Y.: Doubleday, 1962), 84; Forbes, *Men Who Are Making America*, 398–405; Eduard Rosenbaum, "M. M. Warburg & Co. Merchant Bankers of Hamburg: A Survey of the First 140 years, 1798 to 1938," *Yearbook of the Leo Baeck Institute* 7 (1962): 57–62, 85–92. The deep affection and respect that developed between Paul Warburg and Jacob Schiff are apparent from their surviving correspondence, such as that in the Paul M. Warburg File, Box 441, Jacob H. Schiff Papers, AJA.

11. The only biographies are the somewhat adulatory work commissioned by the family: Mary Jane Matz, *The Many Lives of Otto Kahn* (New York: Macmillan, 1963), and the rather superficial John Kobler, *Otto the Magnificent: The Life of Otto Kahn* (New York: Charles Scribner's Sons, 1988). See also "Otto Kahn: A Man of Steel and Velvet," *New York Times*, August 7, 1910; *ibid.*, March 30, 1934; Forbes, *Men Who Are Making America*, 214–23; "Search-Light," *Times Exposures* (New York: Boni and Liveright, 1926), 13–20; *The Mirrors of Wall Street* (New York: G. Putnam's Sons, 1935), 165–77; Adler, *Jacob H. Schiff*, 1:16; Birmingham, "Our Crowd," 200–202, 303–12.

12. Strauss, *Men and Decisions*, 84; proof of article on Hanauer, April 2, 1928, Box 28, Lewis L. Strauss Papers, Herbert Hoover Presidential Library, West Branch, Iowa;

New York Times, September 4, 1938.

13. J. Warburg, *Long Road Home*, 10–11; Adler, *Jacob H. Schiff*, 2: 44–47.
14. Adler, *Jacob H. Schiff*, 1: 362–65, 2: 48.
15. Oscar Handlin, *Adventure in Freedom: Three Hundred Years of Jewish Life in America* (New York: McGraw Hill, 1954), 80–108; Moses Rischin, *The Promised City: New York's Jews, 1870–1914* (Cambridge: Harvard University Press, 1962), 19–33.
16. Adler, *Jacob H. Schiff*, 1: 392–96; idem, "Felix M. Warburg," 25; Handlin, *Adventure in Freedom*, 147–52; Rischin, *Promised City*, 98–104.
17. F. M. Warburg, "Under the Seven Stars," 16–17; Adler, *Jacob H. Schiff*, 1: 382–92; Handlin, *Adventure in Freedom*, 26; Rischin, *Promised City*, 206–09; Lillian D. Wald, *The House on Henry Street* (New York: Henry Holt, 1915).
18. Handlin, *Adventure in Freedom*, 143–47; Rischin, *Promised City*, 95–98.
19. Handlin, *Adventure in Freedom*, 156–57; Rischin, *Promised City*, 98–103.
20. *New York Times*, December 13, 29, 1906, May 27, 1907, June 27, July 19, 1909, January 17, 24, 31, 1910, January 23, 1911; Schiff to Woodrow Wilson, January 15, 29, 1915, File 292, Series 4, Woodrow Wilson Papers, Manuscripts Division, Library of Congress, Washington, D.C.; Adler, *Jacob H. Schiff*, 2: 75–114; Gary Dean Best, "Jacob H. Schiff's Galveston Movement: An Experiment in Immigrant Deflection, 1907–1914," *American Jewish Archives* 30 (April 1978): 43–79; idem, *To Free a People*, 141–65; Zosa Szajowski, "Paul Nathan, Lucien Wolf, Jacob H. Schiff and the Jewish Revolutionary Movements in Eastern Europe (1903–1917)," *Jewish Social Studies* 29 (January 1967): 22–26; Rischin, *Promised City*, 54.
21. Best, *To Free a People*, 23–24; Adler, *Jacob H. Schiff*, 2: 114–15.
22. Best, *To Free a People*, 42–45, 65, 114–15; idem, "The Jewish 'Center of Gravity' and Secretary Hay's Roumanian Notes," *American Jewish Archives* 32 (April 1980): 24–25; Adler, *Jacob H. Schiff*, 2: 152–55.
23. Best, *To Free a People*, 45–90, 114–40; idem, "Jewish 'Center of Gravity,'" 25–34; Adler, *Jacob H. Schiff*, 2: 117–19, 136–40.
24. Best, *To Free a People*, 50–60; idem, "Jewish 'Center of Gravity,'" 28–33; Adler, *Jacob H. Schiff*, 2: 153–54.
25. Best, *To Free A People*, 72–87, 123–31; Adler, *Jacob H. Schiff*, 2: 118–219.
26. Adler, *Jacob H. Schiff*, 2: 156–59.
27. Theodore Roosevelt to Schiff, December 14, 1905, June 18, July 26, 1906, Series 2, Theodore Roosevelt Papers, Manuscripts Division, Library of Congress; Best, *To Free a People*, 120–21, 128–31; Judith S. Goldstein, *The Politics of Ethnic Pressure: The American Jewish Committee Fight Against Immigration Restriction, 1906–1917* (New York: Garland, 1990), 44–51; Adler, *Jacob H. Schiff*, 2: 138–39.
28. Best, *To Free a People*, 10–12; Naomi Cohen, *Not Free to Desist: The American Jewish Committee, 1906–1966* (Philadelphia: Jewish Publication Society of America, 1972), 55–56; Goldstein, *Politics of Ethnic Pressure*, 14–20, 139–41; Adler, *Jacob H. Schiff*, 2: 144–45.
29. Schiff to Roosevelt, July 31, August 7, 1904, Series 1, Roosevelt Papers; Roosevelt to Schiff, August 5, 1904, Series 2, *ibid.*; Schiff to William Howard Taft, July 20, 24, August 3, 1908, Series 3, William Howard Taft Papers, Manuscripts Division, Library of Congress; Taft to Schiff, July 21, 31, 1908, Series 8, *ibid.*; Best, *To Free a People*, 74–75, 101–03, 171–72; Cohen, *Not Free to Desist*, 57; Goldstein, *Politics of Ethnic Pressure*, 43; Adler, *Jacob H. Schiff*, 2: 145–47.
30. Best, *To Free a People*, 169–84; Cohen, *Not Free to Desist*, 57–69; Goldstein,

Politics of Ethnic Pressure, 142–46; Adler, *Jacob H. Schiff*, 2: 147–49.

31. Best, *To Free a People*, 194–98; Cohen, *Not Free to Desist*, 69–78; Goldstein, *Politics of Ethnic Pressure*, 146–62; Adler, *Jacob H. Schiff*, 2: 150–52.

32. Schiff to Wilson, March 25, 1915, Wilson to Schiff, April 1, 1915, Series 2, Wilson Papers; Best, *To Free a People*, 198–200, 208; Cohen, *Not Free to Desist*, 78–80; Goldstein, *Politics of Ethnic Pressure*, 162–83.

33. Schiff to Joseph Tumulty, April 11, 1915, File 2772, Series 4, Wilson Papers.

34. Adler, *Jacob H. Schiff*, 2: 122–28, 133, 142–43; Szajkowski, "Paul Nathan, Lucien Wolf, Jacob Schiff" part 2, 77; Best, *To Free a People*, 94, 111, 127; idem, "Financing a Foreign War: Jacob H. Schiff and Japan, 1904–05," *American Jewish Historical Quarterly* 61 (June 1972): 314–15; C. C. Aronsfeld, "Jewish Bankers and the Tsar," *Jewish Social Studies* 35 (April 1973): 101–03.

35. Best, *To Free a People*, 93–94; idem, "Financing a Foreign War," 315; Adler, *Jacob H. Schiff*, 2: 117–22.

36. Adler, *Jacob H. Schiff*, 1: 212–32; *New York Times*, September 18, 1905; Best, *To Free a People*, 94–98; idem, "Financing a Foreign War," 313–24; idem, "Jacob Schiff's Early Interest in Japan," *American Jewish History* 69 (March 1980): 355–59; Aronsfeld, "Jewish Bankers and the Tsar," 102; Carosso, *Investment Banking*, 81; Kuhn, Loeb and Company, *A Century of Investment Banking* (n.p., 1967), 17; M. Warburg, *Aufzeichnungen*, 19–22; Rosenbaum, *M. M. Warburg & Co.*, 101–03; Alfred Vagts, "M. M. Warburg & Co.: Ein Bankhaus in der deutschen Weltpolitik 1905–1933," *Sozial- und Wirtschaftsgeschichte* 45 (September 1958): 298–307.

37. Schiff to Harry Schneiderman, January 21, 1916, Box 449, Schiff Papers; Szajkowski, *Jews, Wars, and Communism*, 1: 13.

38. Schiff to Herman Bernstein, February 16, June 8, 1915, Box 442, Schiff Papers; Schiff to D. Soberheim, November 24, 1915, Box 446, *ibid.*

39. See the extensive correspondence relating to the American Jewish Relief Committee and the Joint Distribution Committee during the war years, files of which are scattered throughout the Schiff Papers for this period and likewise through those of the same time in the Felix M. Warburg Papers, AJA. See also Adler, *Jacob H. Schiff*, 2: 287–93; idem, "Felix M. Warburg," 29–31; Oscar Handlin, *A Continuing Task. The American Jewish Joint Distribution Committee 1914–1964* (New York: Random House, 1964), 19–32; Cohen, *Not Free to Desist*, 84–87; Best, *To Free a People*, 208–09; Joseph C. Hyman, "Twenty-Five Years of American Aid to Jews Overseas: A Record of the Joint Distribution Committee," *American Jewish Yearbook* 41 (1939–40): 140–48; Zosa Szajkowski, "Jewish Relief in Eastern Europe 1914–1917," *Yearbook of the Leo Baeck Institute* 10 (1965): 32–41; Joseph Rappaport, "Jewish Immigrants and World War I: A Study of American Press Reactions" (Ph.D. diss., Columbia University, 1961), 237–44.

40. See the correspondence between Schiff and Max Warburg in Box 440, Schiff Papers, and Box 171a, Felix Warburg Papers.

41. On the financing and supplies the Morgan firm handled for the Allies during the First World War, see "Memorandum Relative to Financing by J. P. Morgan & Co. during the World War," n.d., File 213–7, Thomas W. Lamont Papers, Baker Library, Harvard Business School, Cambridge, Mass.; Kathleen Burk, *Britain, America and the Sineews of War, 1914–1918* (Boston: Allen and Unwin, 1985), chaps. 1–5; idem, *Morgan Grenfell 1838–1988: The Biography of a Merchant Bank* (Oxford: Oxford University Press, 1989), 103–34; Ron Chernow, *The House of Morgan: An American Banking Dynasty and the Rise of Modern Finance* (New York: Atlantic Monthly Press, 1990), chap. 10.

42. *New York Times*, September 23, 29, October 2, 1915; *Commercial and Financial Chronicle* 101(October 2, 1915): 1054; Adler, *Jacob H. Schiff*, 2:250–53; Matz, *Many Lives of Otto Kahn*, 170–71; Best, *To Free a People*, 209.

43. Quoted in Matz, *Many Lives of Otto Kahn*, 187; see also 171; Adler, *Jacob H. Schiff*, 2: 253; Szajkowski, *Jews, Wars, and Communism*, 1: 20–21.

44. Quotation from Schiff to William D. Guthrie, October 6, 1915, Box 443, Schiff Papers; see also Schiff to Oswald Garrison Villard, February 5, 1915, Box 446, *ibid.*; Adler, *Jacob H. Schiff*, 2: 250–53; Best, *To Free a People*, 250–53.

45. Louis Marshall to Alexandre Guenzburg, October 23, 1915, quoted in Szajkowski, *Jews, Wars, and Communism*, 1: 17–18.

46. See, e.g., Schiff to G. Wilenkin, September 23, 1914, Box 441, Schiff Papers; Schiff to Herman Bernstein, March 5, 1915, Box 442, *ibid.*; Best, *To Free a People*, 208. One should, however, note that Schiff appears to have believed that whether by revolution or evolution is not clear, the war would “bring about the removal of the pale of settlement and other Jewish disabilities.” Schiff to Cyrus L. Sulzberger, October 13, 1915, Box 444, Schiff Papers.

47. Marshall to Schiff, January 14, 1915, Marshall to Wilson, January 14, 1915, Marshall to McAdoo, January 14, 1915, Schiff to Marshall, January 15, 1915, Box 444, Schiff Papers.

48. Warburg to Schiff, February 13, 1915, Schiff to Warburg, February 15, 1915, Box 440, *ibid.*; P. Warburg, “History of the Development of the Acceptance Regulation,” October 5, 1915, 10–12, Box 12, Paul M. Warburg Papers, Yale University Library, New Haven, Conn.

49. Schiff to Max M. Warburg, November 23, 1915, Reel 695, Schiff Microfilms.

50. *Commercial and Financial Chronicle* 102 (June 17, 1916): 2211–12; *ibid.*, 103 (November 25, 1916): 1934; Carosso, *Investment Banking*, 216.

51. Schiff to George R. Hilty, March 2, 1916, Schiff to Leonard Haas, March 6, 1916, Box 453, Schiff Papers; Schiff to Marshall, June 21, 22, 1916, Box 452, *ibid.*; Schiff to R. Blank, June 6, 1916, Schiff to Cyrus Adler, June 23, 1916, Box 449, *ibid.*; *New York Times*, November 26, 1915, February 29, 1916; Best, *To Free a People*, 210–11.

52. Warburg to Benjamin Strong, July 31, August 9, September 1, 1915, in U.S. Cong., 2d sess., *Hearings Before the Committee Investigating the Munitions Industry*, pt. 40 (Washington, D.C.: Government Printing Office, 1934–36) 30: 9587, 9082; Charles S. Hamlin, diary, vol. 4, November 25, 1916, Charles S. Hamlin Papers, Manuscripts Division, Library of Congress.

53. Mortimer L. Schiff to Jacob H. Schiff, March 21, 1917, Jacob Schiff to Mortimer Schiff, March 22, 1917, both in Adler, *Jacob H. Schiff*, 2: 254; Mortimer Schiff to Jacob Schiff, March 22, 1917, Box 455, Schiff Papers. Quotation from Kuhn, Loeb to Jacques de Neufville, August 30, 1916; *Investigating the Munitions Industry*, 28: 8968.

54. Frank A. Vanderlip to James Stillman, March 23, 1917, Box 7, Series B–1, Frank A. Vanderlip Papers, Columbia University Library, New York City.

55. Quotation from Schiff to Philip Schiff, April 6, 1917, Box 461, Schiff Papers; see also A. J. Sack, cablegram to Petrograd, April 13, 1917, Schiff to Count Ilya Tolstoy, May 9, 1917, Schiff to Jacques Seligmann, May 17, 1917, *ibid.*; Schiff to Paul Milyukov, March 19, 1917, Milyukov to Schiff, April 8, 1917, Box 462, *ibid.*; Schiff to David Lubin, April 25, 1917, Schiff to D. G. Lyon, April 26, 1917, Box 458, *ibid.*; material in Russia File, Box 468, *ibid.*; *New York Times*, April 18, 24, 26, May 10, 13, 1917; Adler, *Jacob H. Schiff*, 2: 254–58; Best, *To Free a People*, 214–16.

56. Adler, Jacob H. Schiff, 2: 256–57; on general American Jewish sentiment toward the early Russian Revolution, see Szajkowski, *Jews, Wars, and Communism*, 1: 208–17.
57. Schiff to Alfred A. Knopf, June 12, 1917, Box 458, Schiff Papers.
58. Schiff to Charles A. Howland, April 23, 1917, Box 457, *ibid.*; A. J. Sack to Petrograd, April 13, 1917, Box 461, *ibid.*
59. Schiff to Charles A. Howland, April 23, 1917, Box 457, *ibid.*
60. Schiff to Boris Kamenka, April 23, 1917, Box 468, Schiff Papers; Adler, *Jacob H. Schiff*, 2: 256–57.
61. Schiff to Kamenka, April 15, 1917, quoted in Szajkowski, *Jews, Wars, and Communism*, 1: 553, n. 20.
62. Schiff to D. G. Lyon, April 26, 1917, Box 458, Schiff Papers.
63. Schiff to Kamenka, December 27, 1917, January 18, 1918, Kuhn, Loeb to Banque de Commerce de l'Azoff Don, January 18, 1918, Kamenka to Schiff, September 19, 1918, Box 467, Schiff Papers; Schiff to Sack, May 6, 1920, Box 470, *ibid.*
64. Schiff to Sack, October 11, 1918, Box 468, *ibid.*
65. Schiff to Lord Swaythling, September 30, 1918, Box 469, *ibid.*
66. Schiff to Marshall, August 19, 1918, Box 467, *ibid.*; Schiff to Julius Rosenwald, June 3, 1920, Box 470, *ibid.*
67. Schiff to Marshall, September 30, 1918, Box 469, *ibid.*
68. See, e.g., Samuel Mason to Marshall, June 10, 1918, Box 467, *ibid.*; Mason to Schiff, November 25, 1918, Schiff to Mason, November 26, 1918, Box 465, *ibid.*
69. Schiff to Sack, October 17, 1919, Box 187, Felix Warburg Papers.
70. E. B. Schatsky to Schiff, April 30, 1917, Schiff to Schatsky, May 1, 3, 1917, Box 461, Schiff Papers.
71. Szajkowski, *Jews, War, and Communism*, 2: 194–95; 3: 28–31; Joan Hoff Wilson, *Ideology and Economics: U.S. Relations with the Soviet Union, 1918–1933* (Columbia: University of Missouri Press, 1974), 63–64; Kennan, *Decision to Intervene*, 322–23. Other American businessmen and public figures who served as honorary advisers to the RIB included Theodore Roosevelt; Edward N. Hurley, chairman of the U.S. Shipping Board; Nicholas Murray Butler, president of Columbia University; Lawrence F. Abbott, editor of the *Outlook*; Charles A. Coffin of General Electric; Darwin Kingsley, president of the New York Life Insurance Company; Samuel McRoberts, executive manager of the National City Bank; Charles H. Sabin, president of the Guaranty Trust Company. The RIB was closely associated with the New York–based Russian–American Chamber of Commerce.
72. Szajkowski, *Jews, Wars, and Communism*, 2: 195.
73. Schiff to Sack, October 6, 1919, Box 187, Felix Warburg Papers.
74. Schiff to Rosenwald, June 3, 1920, Box 470, Schiff Papers.
75. See the A. J. Sack Files, Boxes 461, 468, and 470, in Schiff Papers, and Box 187, Felix Warburg Papers.
76. Szajkowski, *Jews, Wars, and Communism*, 3: 30–31, 53–54.
77. Schiff to Sack, July 7, 11, 1919, Box 187, Felix Warburg Papers.
78. Sack to Schiff, July 16, 1919, *ibid.*
79. Szajkowski, *Jews, Wars, and Communism*, 3: 31–32.
80. *Ibid.*, 32–33.
81. Quoted in *ibid.*, 193.
82. Accounts of this episode are given in Kennan, *Decision to Intervene*;

Unterberger, *America's Siberian Expedition*.

83. Schiff to Sack, October 6, 1919, Box 187, Felix Warburg Papers.
84. Quoted in Szajkowski, *Jews, Wars, and Communism*, 3: 193.
85. *Ibid.*, 32–33, 97–98.
86. Schiff to Sack, December 4, 1919, Box 187, Felix Warburg Papers.
87. Schiff to Sack, February 7, 1920, Box 470, Schiff Papers.
88. Schiff to Sack, January 26, 1920, *ibid.*
89. Schiff to Sack, January 12, 1920, *ibid.*
90. Schiff to Sack, May 19, 1920, *ibid.*
91. Schiff to Sack, February 7, 1920, *ibid.*
92. Schiff to Sack, May 6, 1920, Sack to Schiff, May 7, 1920, *ibid.*
93. Szajkowski, *Jews, Wars, and Communism*, 2: 195.
94. Chernow, *The Warburgs*, 290.
95. Kahn to Gregory Wilenkin, January 16, 1918, Box 92, Otto H. Kahn Papers, Firestone Library, Princeton University, Princeton, N.J.
96. Szajkowski, *Jews, Wars, and Communism*, 2: 331, n. 25.
97. *Ibid.*, 193.
98. For Kahn's fear of Bolshevism and radicalism in the United States at this time, see Kahn to M. G. Gunsberg, October 17, 1917, Box 79, Kahn Papers; to William T. Hornaday, November 23, 1917, to M. E. Hutchinson, October 10, 1917, Box 80, *ibid.*; to Charles W. Ames, April 2, 1918, to F. G. R. Gordon, November 22, 1918, Box 100, *ibid.*; to John T. Milliken, December 19, 1918, Box 103, *ibid.*; to B. Perrin, November 15, 1918, to Allen Walker, August 8, October 7, 14, 1918, Box 110, *ibid.*; Matz, *Many Lives of Otto Kahn*, 192. For his views on governmental direction of the economy, see Kahn to F. C. Bray, December 20, 1917, Box 73, to Joseph de Grott, April 10, 1917, Box 76, *ibid.*; to Louis Brandeis, August 12, 1918, Box 95, to James Dunning, December 5, 1918, to A. C. Murphy, January 25, 1918, Box 103, to American Telephone and Telegraph Company and similar letters he sent to other large corporations, February 13, 1918, Box 105, all in Kahn Papers; Kahn, "The Menace of Paternalism," September 27, 1918, in *Reflections of a Financier: A Study of Economic and Other Problems* (London: Hodder and Stoughton, 1921), 146–83.
99. Ralph M. Easley to Samuel Gompers, September 16, 1920, quoted in Szajkowski, *Jews, Wars, and Communism*, 1: 219.
100. Kahn to A. H. Alden, December 29, 1919, Box 111; to Jacob D. Cox, May 20, 1919, to Grosvenor Clarkson, November 29, 1919, to L. T. Crabtree, April 11, 1919, to W. A. Curtis, January 15, December 1, 1919, all in Box 114; to George W. Harris, April 11, 1919, to Archibald Hopkins, February 24, March 10, July 1, 1919, Box 118; to Leigh H. Irvine, October 9, 1919, Box 119; Warren G. Harding to Kahn, February 21, 25, 1919, Kahn to Harding, February 24, 1919, Box 122; Kahn to Francis R. Welsh, October 31, November 1, December 28, 1918, January 2, February 5, October 29, 1919, Box 128; to Eric Broberg, September 10, 15, 1920, Box 140, Kahn Papers.
101. Kahn, *Reflections*, 338–41; *idem*, "The Resumption of Trade Relations with Germany," November 11, 1919, 3–6, Kahn Papers; *idem*, "Impressions from a Journey in Europe," July 1920, 11–12, *ibid.*; Paul M. Warburg, "Europe at the Crossroads," *Political Science Quarterly* 9 (June 1920): 602–03; report by Thomas W. Lamont of a conversation with Max M. Warburg at Senlis, in Lamont, diary, April 10, 1919, File 164–20, Lamont Papers; Lamont, "Memorandum as to meeting at Chateau Villette today (April 16, 1919)," with Max Warburg, enclosing memorandum written by

Warburg, File 171–27, *ibid.*; Mason to Paul Warburg, a telegram repeating a telegram received from Max M. Warburg, April 15, 1919, Box 10, Paul M. Warburg Papers; Max M. Warburg, “The German Problem,” n.d., but probably 1920, Box 17, *ibid.*; Rosenbaum, M. M. Warburg & Co., 124; Mayer, *Politics and Diplomacy of Peacemaking*, 91–98; Klaus M. Schwabe, *Woodrow Wilson, Revolutionary Germany, and Peacemaking, 1918–1919: Missionary Diplomacy and the Realities of Power* (Chapel Hill: University of North Carolina Press, 1985), 195, 200–202, 209, 251–52, 256, 308–12, 357–60, 404.

102. Chernow, *The Warburgs*, 273–75; J. Warburg, *Long Road Home*, 166–67; Rosenbaum, M. M. Warburg & Co., 126–27, 131, 135–38; Priscilla Roberts, “The American ‘Eastern Establishment’ and World War I: The Emergence of a Foreign Policy Tradition” (Ph.D. diss., Cambridge University, 1981), 530–36. On Europe’s economic recovery of the 1920s, and the role American financiers generally played therein, see Peter H. Buckingham, *International Normalcy: The Open Door Peace with the former Central Powers, 1921–29* (Wilmington, Del.: Scholarly Resources, 1983); Josephine Young Case and Everett Needham Case, *Owen D. Young and American Enterprise: A Biography* (Boston: Godine, 1982), 272–314, 434–54; Chernow, *House of Morgan*, 270–359; Stephen V. O. Clarke, *Central Bank Cooperation 1924–1931* (New York: Federal Reserve Bank of New York, 1967); *idem*, *The Reconstruction of the International Monetary System: The Attempts of 1922 and 1933* (Princeton: Princeton University Press, 1973); Frank Costigliola, *Awkward Dominion: American Political, Economic, and Cultural Relations with Europe, 1919–1933* (Ithaca, N.Y.: Cornell University Press, 1984), 140–66; Michael J. Hogan, *Informal Entente: The Private Structure of Cooperation in Anglo-American Diplomacy 1918–1928* (Columbia: University of Missouri Press, 1977), chaps. 1–5; Edward M. Lamont, *The Ambassador from Wall Street: The Story of Thomas W. Lamont, J. P. Morgan’s Chief Executive* (Lanham, Md.: University Press of America, 1994), 174, 189–90, 201–12, 254–62; Melvyn P. Leffler, *The Elusive Quest: America’s Pursuit of European Stability and French Security, 1919–1933* (Chapel Hill: University of North Carolina Press, 1979), chaps. 2–5; William C. McNeil, *American Money and the Weimar Republic: Economics and Politics on the Eve of the Great Depression* (New York: Columbia University Press, 1986); Richard Hemmig Meyer, *Bankers’ Diplomacy: Monetary Stabilization in the Twenties* (New York: Columbia University Press, 1970); Neal Pease, *Poland, the United States and the Stabilization of Europe 1919–1933* (Oxford: Oxford University Press, 1986); Stephen A. Schuker, *The End of French Predominance in Europe: The Financial Crisis of 1924 and the Adoption of the Dawes Plan* (Chapel Hill: University of North Carolina Press, 1976); Dan P. Silverman, *Reconstructing Europe after the Great War* (Cambridge, Mass.: Harvard University Press, 1982); essays by Michael J. Hogan and John M. Carroll in *U.S. Diplomats in Europe, 1919–1941*, ed. Kenneth Paul Jones (Santa Barbara: ABC-Clio, 1983), 5–24, 43–62.

103. Kahn to Sir Philip Lloyd-Graeme, August 31, 1922, Box 179, Kahn Papers.

104. Kahn to Baron Michael Peter, January 17, 1921, Box 161; to Alton B. Parker, January 24, 1921, Box 59; to Alexander J. Sack, December 12, 1921, Box 185; “Mr. Otto H. Kahn’s statement at luncheon on January 21st 1922 in Reply to Rabbi Silverman,” Box 178; all in *ibid.*; Otto Kahn, *Of Many Things: Being Reflections and Impressions on International and Domestic Topics and the Arts* (New York: Boni and Liveright, 1926), 337–39; Paul M. Warburg, *The Federal Reserve System: Its Origins and Growth: Reflections and Recollections*, 2 vols. (New York, 1930), 2: 751–52.

105. Kobler, *Otto the Magnificent*, 134–35.

106. Kahn to Sack, December 12, 1921, Box 185; to Graham A. Laing, April 17, 1922, to Lloyd-Graeme, August 31, 1922, Box 179, all in Kahn Papers; Kahn, *Of Many Things*, 337–39; Warburg, "Barking Up the Wrong Tree," 751–52; P. Warburg, *Federal Reserve System*, 2: 751–52, 793–94.

107. Kahn to Peter, January 17, 1921, Box 161; to Parker, January 31, 1921, Box 159, both in Kahn Papers; Wilson, *Ideology and Economics*, 88.

108. Wilson, *Ideology and Economics*, 86–88.

109. James Rosen, *After Three Years: The Progress of the Jewish Farm Colonies in Russia* (New York: United Jewish Campaign, 1927), 1–24; James N. Rosenberg, *Painter's Self-Portrait* (New York: Crown, 1958), 51–53; Jerome C. Rosenthal, "Dealing with the Devil: Louis Marshall and the Partnership Between the Joint Distribution Committee and Soviet Russia," *American Jewish Archives* 39 (April 1987): 1–22; Yehuda Bauer, *My Brother's Keeper: A History of the American Jewish Joint Distribution Committee 1929–1939* (Philadelphia: Jewish Publication Society of America, 1974), 57–104; Chernow, *The Warburgs*, 289–96; Szajkowski, *Jews, Wars, and Communism*, 1: 426–29; 4: 114–77.

110. Bauer, *My Brother's Keeper*, 102.

111. James Becker's report of Warburg's interview with Rykov, May 20, 1927, Box 249, Felix Warburg Papers; Chernow, *The Warburgs*, 294–95.

112. Felix M. Warburg to John B. Trevor, January 4, 1929, Box 252, Felix Warburg Papers.

113. Warburg, memorandum, December 19, 1933, Box 303, *ibid.*