

Carl Ferdinand von Stumm-Halberg, Address to his Employees (c. 1889)

Abstract

Carl Ferdinand von Stumm-Halberg (1836–1901), a steel magnate and Free Conservative member of the Reichstag, was one of imperial Germany’s most influential industrial leaders. In the following excerpts from selected speeches to his workers (c. 1889), he adamantly opposes the formation of labor unions, insisting upon his own entrepreneurial right to exert patriarchal authority over his employees—even in private affairs—in order to maintain Christian values and civic order.

Source

[...] I believe all of us will show in the future, just as we have until now, that in the “Kingdom of Stumm,” as our opponents mockingly call our community, only one will rule supreme, and that is the will of His Majesty, the King of Prussia. [...] Wherever we look, authority is being upheld, as need be, through penalties against those who fail to submit to the necessary authority. I don’t even want to mention the army in this context. It is often said that there is no parallel between businesses and the army. I maintain the opposite. [...] In both cases, discipline is an unavoidable prerequisite for success. [...] If a manufacturing enterprise is to flourish, it must be organized in a military, not parliamentary, way. [...] Just as the military class is comprised of all members of the army, all the way from the field marshal down to the youngest recruit, and all take the field against a common enemy when their king calls them to arms, so the members of the Neunkirch Works stand united as one man when it comes to battling competition as well as the dark forces of revolution. If we emerge victorious, it benefits all of us; if we succumb, we will all suffer, and you will certainly bear the brunt of it. To achieve victory, the strict maintenance of discipline is just as essential for us as for the army. In our case, as in the other, that discipline is not only compatible with loyal camaraderie, it constitutes its very foundation.

[...]

Ending the employers’ authority [...] appears all the more dangerous to me on account of the fact that it will, in the long run, not remain limited to those classes in question at the moment. Once the worker has toppled the employer’s authority, he will not submit to it any longer but will simply laugh if the employer wants to punish him. [...] Afterwards, authority in other areas, in state and church, will quickly follow course. [...] If this happens, authority will be destroyed across the board, in all lines of business, [...] in which case it will only be a matter of time before authority is eroded in the place where it is most essential: the army. [...]

For my part, I would not continue as your leader for one more moment if I were forced to trade my personal relationship with each one of you for negotiations with a workers’ organization under external leadership. [...] Such a relationship, like that to a foreign power, would be unthinkable, simply on account of my sense of moral duty and Christian convictions. [...] Should this ever turn out otherwise; and should I indeed be prevented from monitoring and improving the individual worker’s conduct—outside of the company as well—then I would not stay at the helm of the business for one more day. For in that case I would no longer be able to fulfill the obligations dictated by my conscience before God and my fellow men. In my opinion, any employer who is indifferent towards his employees’ behavior outside of the company neglects his most important duties. [...] I could [...] name a range of [...] activities engaged in by workers outside of the workplace—activities in which it is the absolute duty of

any employer motivated by a sense of moral responsibility to intervene, as opposed to taking up the comfortable position of saying: Whatever the worker does outside the company is immaterial to me; I am only interested in the employee's performance at work. [...] I am not stating all of this in order to imply some accomplishment on my part, for I am merely doing my duty as a human, as a Christian, and as head of the great Neunkirch workers' family. [...] I believe I can say in good conscience that I am not being outpaced by any of my fellow employers in terms of social institutions, at least not in my efforts to provide, to the best of my ability, for your material and spiritual well-being and to confirm practical Christianity, for which I feel responsible before God. In this way, I hope to make sure that you will remain unsusceptible to the temptations of Social Democrats and other false prophets far beyond my own lifetime—that is the best welfare service I can grant and leave behind to you. Do remain firmly anchored in the old, unshakable loyalty to our sublime monarch, do remain steadfast in your Christian love of your neighbor and your true fear of God, in whatever confession to which you may belong, and you will, in all probability, also do well in future. [...]

All masters and workers shall conduct themselves outside of work in a way that gives honor to the company of Stumm Brothers; they ought to realize that their employer keeps an eye on their private lives at all times. [...]

With respect to the ban on marriages, I have [...] noticed that my work regulations give just as little mention to a ban on marriage as to one on litigation and complaints. The only requirement is: The employee shall give notice of his or her intentions, so that I am in a position—when I deem it necessary—to avert unnecessary complaints or prevent foolish marriages. It should be understood that in some cases I will go as far to say: [...] I consider this marriage completely irresponsible. This will apply, for example, if someone 18 or 19 years old, who is sickly and not even fully grown, who has a small income and no savings, wants to marry a girl who has not saved anything either, so that surely an unhappy union, in which the children cannot not be fed, is to be expected. Of course, in such cases I will say: If you don't follow my advice, I will terminate employment, obviously with notice. [...] If semi-mature youths, who are not yet earning an adequate income, enter marriage prematurely and produce children, they will not be able to feed and raise them and they will lose the necessary energy and zest to carry out their work.

The necessary correlate to such regulations is also obvious: If employees have entered a marriage and are unable to feed their children through no fault of their own, then I feel responsible on my part to support them—in other words, to draw the necessary conclusions from my system and say: If you meet my requirements and follow my advice, I will, accordingly, stand by you. One thing is connected to the other. If, on the other hand, I were to allow my workers to enter into marriages in the most careless manner, to ruin themselves downright, then no one could demand that I stand by them; otherwise I would be rewarding imprudence, and I am not willing to do that, for I would not see myself as fulfilling a moral duty in this way.

If I were to create extensive consumer cooperatives, the middle class of craftsmen and retailers in our town would be nothing short of annihilated, and you would suffer direct harm, for many of your children and relatives could be active as independent business persons—perhaps even yourselves, on account of increasing age and growing savings. [...] For this reason, I have always preferred granting additional allowances in case of rising food prices instead of founding consumer cooperatives, which would accomplish the same for you, only without a personal burden on my part. Nevertheless, I am definitely not giving you over blindly to the capriciousness of the commercial handicraft enterprise; and if the latter ever abused its position towards to you, I would not hesitate for a moment to introduce the consumer cooperative, a necessary evil in that case. [...]

An essential weapon used by scientific and pseudo-Christian socialism to support Social Democracy is the legend of a fourth estate that supposedly has to protect itself against “capital” in general. No one

acknowledges more readily than I that the paid laborer ought to be protected against exploitation, which is, after all, possible. [...] This tendency, however, to degrade you to a fourth estate constitutes an outright insult to the entire working population. Today workers are absolutely equal to any other category of citizen before the law, and I will never accept that the worker is cut from any other cloth, or has a lesser worth, than the *Kommerzienrat*^[1] or the minister. Of course, I'll be the last one to deny that there is a lot of poverty and misery among workers, as I am trying every day to alleviate such problems wherever they appear in your midst. This is not characteristic of the so-called fourth estate, however; for many farmers and artisans, even some members of the so-called educated classes, fare much worse than most factory workers. This is precisely because capital, by way of its increase in Germany during the last decades, has been able to provide much better for factory workers than in the past. [...] What is completely incomprehensible to me is how the learned gentlemen are actually fabricating the fourth estate. There are numerous intermediate stages between me and the lowest day laborer: the director, the works manager, the works engineer, the master, the foreman—and I would really like to know where the third estate ends and the fourth estate begins in this scheme! No, my friends, we all belong to the same estate; it is the old, honorable estate of the hammer mill, and I have always and everywhere proudly professed my commitment to this estate. [...]

The disastrous efforts to organize workers against their employers, and under the leadership of people who lack any knowledge of the circumstances, such as wage levels, working hours, etc., are also based on the fiction of a fourth estate that exists in opposition to property. For me, one of my most difficult responsibilities is carefully considering whether one worker is positioned at the proper wage level with respect to the other. And there is no one among you—not any workers' committee, which I would otherwise very much like to consult—who is capable of taking this task off my shoulders. How much less, therefore, this would apply to persons who lack in-depth knowledge of the company and the working conditions. Now the theory goes as follows: The individual worker has no power on his own, thus he has to join forces with his comrades. This bit of reasoning, however, does not account for the fact that it contradicts a second major theorem, whereby the employer is always the stronger economic power. So if workers organize against employers, the latter will be forced, of necessity, to organize against workers and will thus indeed be able to create serious disadvantages for the workers. "There's nothing like doing it yourself"—that's any capable worker's principle; it's the one that will also get him farthest with his employer. By contrast, banding together in militant organizations, which always fall under the control of alien agitators sooner or later, will destroy his independence and put him into conflict with his employer, which will in turn destroy the very sort of personal relationship that constitutes the best guarantee of the worker's welfare. [...]

NOTES

[1] *Kommerzienrat* was an honorary title given to distinguished businessmen and financiers—trans.

Source: Compiled from speeches given by Stumm to his workers (1889–1895) and published in Fritz Hellweg, *Carl Ferdinand Freiherr von Stumm-Halberg*. Heidelberg-Saarbrücken: Westmark-Verl., 1936, pp. 289ff.; reprinted in Ernst Schraepler, ed., *Quellen zur Geschichte der sozialen Frage in Deutschland. 1871 bis zur Gegenwart*, 3rd rev. ed. Göttingen and Zurich: Muster-Schmidt, 1996, pp. 104–8.

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