

Schweizer Chemieunternehmen im «Dritten Reich»

Swiss Chemical Enterprises in the «Third Reich»

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Summary

The paper examines the links between the Swiss chemical industry and the Third Reich. It focuses primarily on four companies domiciled in Basel: J. R. Geigy AG (Geigy), Gesellschaft für Chemische Industrie in Basel AG (Ciba), F. Hoffmann-La Roche & Co. AG (Roche) and Chemische Fabrik form. Sandoz AG (Sandoz). These companies were the only major non-German dye- and pharmaceutical-producing companies to own factories and operate in National Socialist Germany between 1933 and 1945, as well as in wartime occupied Poland. The study examines the issues of National Socialist racial policy, arms manufacture and the wartime production process, forced labour and financial transfer. It focuses especially on the question of the companies' awareness about the Third Reich, their control of their German subsidiaries, and their scope for action.

Awareness about the Third Reich

The chemical firms' parent companies in Switzerland possessed a high level of detailed knowledge about the political and economic situation in Nazi Germany. They were kept comprehensively informed about the Third Reich through intensive correspondence with their branches, the travels of their senior employees and regular contact with the German and Swiss authorities and companies. They incorporated their knowledge of the economic and political context into their economic planning and used it as a basis for decision-making.

Market development and the war economy

After 1934, Geigy was in a position to supply dyes of German origin from its German-based Grenzach factory for use by the Party and for official purposes. By 1939, Geigy's turnover in Germany increased to a record of SFr. 10.3 million. After the outbreak of war, Geigy's German business changed substantially, with the sales of dyes declining dramatically. By contrast, sales of synthetic tanning agents, textile auxiliary materials and, after 1943, the insecticide DDT became increasingly important.

Ciba's factory at Pabianice (PCI) in Poland produced dyes, pharmaceuticals and to a lesser degree chemicals. From 1942, its pharmaceuticals turnover overtook sales of dyes and chemicals, with a large percentage of the products being supplied to the Ciba subsidiary in Berlin. In 1942, with sales reaching 7.6 million reichsmarks, PCI achieved its highest turnover during the war.

Between 1939 and 1943, sales by the German Roche branch increased from 8.8 to 22.3 million reichsmarks. Roche Berlin held a special position in the Vitamin C and opiates business, which were important in the war economy. These products were supplied in large quantities to public bodies, particularly to the Wehrmacht. As the holder of the patents for synthetic ascorbic acid manufacture, Roche controlled the German Vitamin C market. Among German opiate manufacturers, Roche took fourth place with a production share of around 15%.

During the war, all German production plants of the companies studied were classified as important for the war economy («W-Betriebe»). Alongside the Wehrmacht, SS medical units also bought Ciba, Roche and Sandoz medicines. The Second World War greatly increased

demand for pharmaceuticals. In contrast, the manufacture of dyes was classified by the German war economy as non-essential for the war effort, and therefore declined in significance.

Geigy Grenzach, PCI and Roche Berlin achieved substantial profits at various times throughout the 1930s, but the situation changed after the outbreak of war. Roche Berlin reported profits until the end of 1944, PCI reported losses in the years 1939 and 1943, and Geigy Grenzach reported losses after 1943. Of great importance were the licence fees paid and the profits made by Switzerland from goods supplied to German companies. However, the commitment of firms to the Third Reich cannot be explained by short-term profit expectations alone. A key concern for the chemical companies was to safeguard their German investments over the longer term.

Control

The Swiss companies studied had highly effective networks in the Third Reich. Geigy maintained particularly good relations with Claus Ungewitter, the Reich Commissioner for Chemicals and Head of the Reich Office for Chemicals. He valued the Swiss chemical companies as a counterweight to the quasi-monopoly achieved by IG Farben. Roche had good contacts with the Wehrmacht, partly in the field of scientific research. CIBA successfully sought help from the German authorities when, after the occupation of Poland, IG Farben AG tried to prevent the integration of the CIBA subsidiary PCI, which was located in «Warthegau», into the German chemicals market.

A key feature of all the companies studied is that during the Third Reich, they acted with self-confidence and were often able to assert their interests successfully. In this respect, the fact that the companies were Swiss-owned seldom proved to be a disadvantage. Within the framework laid down by Nazi economic policy, the Swiss management of the companies was able to maintain substantial control over personnel policy, production processes and finances.

Scope for action

It is clear particularly from their response to National Socialist racial policy, that the individual companies interpreted the existing scope for action in different ways.

In February 1934, Geigy lodged a sworn declaration with the Nazi Party guaranteeing the «Aryan» origin of its shareholders in order to obtain a «certificate of entitlement» to supply dyes to be used for Party and official purposes. In summer 1933, the Ciba branch in Berlin replaced its Jewish Board of Directors and Supervisory Board members with «Aryan» Germans. In a similar move as early as April 1933, Sandoz replaced Nobel Prize laureate Richard Willstätter, the Jewish Chairman of the Supervisory Board of its German company, with an «Aryan» businessman. However, it was not until 1937-1938, when the Nazi regime massively intensified its anti-Semitic practices and regulations, that Roche Berlin removed its Jewish Supervisory Board members and employees in order to continue to operate as a «non-Jewish» company in the German market. In 1940, Roche Warsaw employed young non-Jewish Poles on a pro forma basis in order to prevent them from being sent to Germany as forced labourers.

Geigy was the only company studied which participated in the «Aryanisation» of a Jewish company. Through the purchase of various pharmaceutical processes from the Vienna company Syngala GmbH in 1938, Geigy planned to diversify into the field of medicines. When Geigy refused to make the contractually agreed licence payments to the former owner of the Syngala processes after 1939, a legal dispute ensued.

Between 1943 and 1945, at least 33 Dutch and French forced labourers were deployed at the Geigy plant in Grenzach. The camp commandant mistreated one forced labourer; two Dutch forced labourers were temporarily despatched to a «labour re-education» camp. At the Roche plant in Grenzach, at least 61 prisoners-of-war and 150 foreign forced labourers were deployed between 1940 and 1945; they came from the Ukraine, Slovenia, the Netherlands and France, as well as other countries.

Decision-makers and business logic

The companies' personnel policy indicates that in addition to business logic, decision-makers' ethical attitudes played a part in shaping corporate action in Nazi Germany and occupied Poland. Even so, the Swiss chemical companies continued trying to increase their turnover in Germany even after 1933, launching new products and tapping into a new customer base among the National Socialist authorities and Nazi Party organisations. Although the Swiss companies' decision-makers represented a wide range of political views, their corporate actions generally conformed in practical terms with the interests of the Nazi regime.

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