

[H-Diplo Review Essay 502- Johnston on Press, Blood and Diamonds: Germany's Imperial Ambitions in Africa](#)

Discussion published by christopher ball on Tuesday, November 29, 2022

H-Diplo REVIEW ESSAY 502

30 November 2022

Steven Press, *Blood and Diamonds: Germany's Imperial Ambitions in Africa* (Cambridge: Harvard University Press, 2021). ISBN 9780674916494

<https://hdiplo.org/to/E502>

Editor: Diane Labrosse | Commissioning Editor: Frank Gerits | Production Editor: Christopher Ball

Review by Jean-Michel Johnston, University of Cambridge

The infamous 'blood and iron' speech pronounced by Chancellor Otto von Bismarck in 1862, as Steven Press highlights, has provided inspiration for numerous explanations of Germany's rise to power in the late nineteenth and early twentieth centuries. Previous symbolic pairings of 'coal and iron,' 'paper and iron,' 'gold and iron,' or 'rye and iron,' however, evoked the sources of Germany's domestic transformation as a primarily continental empire. With 'blood and diamonds,' Press evokes instead the marriage of wealth and coercion that drove the country's imperialist expansion overseas. The title encapsulates his proposed answer to the apparent paradox of German colonialism: the violent and stubborn pursuit of control over colonies that were widely believed to be economically inconsequential. As his beautifully crafted account of the rise and fall of the diamond industry in Southwest Africa reveals, there was in fact considerable money to be made in parts of the *Kaiserreich's* overseas territories, by combining local exertions of power with international flows of people, goods, and capital. The strength of Press's research lies in revealing how such linkages integrated Germany and its empire into the machinery of globalization at the turn of the twentieth century.

Over the past two decades, historians have opened up numerous avenues of inquiry into the nature of German imperialism. No longer understood primarily as an outgrowth of domestic social conflicts, the *Kaiserreich's* pursuit of a 'place under the sun' has been resituated in a broader context of European

imperial expansion.^[1] As in Britain and France, 'fantasies' of colonization, ideologies of 'civilization,' a political culture of power and domination, and the promise of economic opportunities fueled

Germany's pursuit of territorial control overseas.^[2] Yet, whilst late nineteenth-century Germany's

status as an industrial powerhouse on the European continent has long been recognized, unlike that of its neighbors, the broader empire's place in the contemporary process of economic globalization tends to be minimized. The working assumption, as Press highlights, is that "colonial economics existed in a linear relationship between metropole and colony" (4), and that this relationship was essentially unprofitable. *Blood and Diamonds* powerfully challenges this assumption by illuminating the wider, sometimes circuitous channels through which a particularly lucrative and exploitative mineral industry operated.

This book therefore applies an economic lens to the picture of German imperialism, one that allows the full extent of the diamond industry to come into view, "from discovery to consumption" (5). To a certain extent, Press thereby builds upon the growing trend of histories which investigate the mechanisms of globalization through the perspective of individual commodities, exemplified by Sven

[3] Beckert's *Empire of Cotton*.³ But this lens comes with a crucial filter: diamonds were, and remain, a luxury; and as such, the mechanism of their production and distribution was peculiar. Whatever the actual, widespread availability of diamonds, supply could not always be perceived to match demand, for fear that this luxury status would be lost. Spotlighting an oft-overlooked transatlantic connection in Germany's imperial network, Press shows that the majority of this demand came from the United States during this period, where the market for 'exclusive' engagement rings expanded under the watchful eye of the industry's giants. Maintaining the prestige of diamonds in the face of expanding consumption, meanwhile, was itself dependent upon the regulatory and coercive practices of (in this case) German imperial rule. The explanatory force of Press's argument thus derives from the feedback mechanism that connected the domestic pursuit of profit, the overseas expression of power, and the emergence of a globalized economy.

The workings of this coercive economic mechanism are revealed as the reader progresses through the book's carefully elaborated structure. The two opening chapters, "Rulers" and "Riches," run almost in parallel, and establish the groundwork for Press's argument. We are first introduced to Southwest Africa and its place in the German overseas empire from the 1880s to the early 1900s, and then to the global diamond industry which was dominated at the time by British-controlled South Africa and the De Beers enterprise. The 'protectorate' initially established by the German state over the lands fraudulently acquired by the imperialist adventurer Adolf Lüderitz was soon transferred to the Colonial Corporation, a consortium led by key individuals in business and banking. From the outset, the example of South Africa's booming diamond and gold industry fueled the Corporation's hopes of finding mineral wealth in the region, although such expectations conflicted with alternative visions of Southwest as a settler colony supported by agriculture. Both potential projects stalled, hampered by a lack of natural resources, but their pursuit led to repeated incursions onto the territory of the indigenous Herero and Nama peoples, and ultimately their brutal, genocidal repression under General Lothar von Trotha.

In this context, the appointment in 1906 of the banker Bernhard Dernburg as head of a new Colonial Office appeared to mark a 'capitalist turn' in the state's approach to the colony—it triggered the mechanism whose consequences are explored in the following, core chapters of the book. The confirmation of diamond discoveries in Southwest Africa in 1908 led to a rush which transformed Lüderitz Bay, as soldiers were shipped out and infrastructure and migrants poured in. The promise of wealth created a tense relationship between settlers, the Corporation, and the De Beers company

across the border, all of who sought to benefit from the seemingly limitless supply of diamonds. The solution was the creation of a 'Forbidden Zone' of exclusive access for the Colonial Corporation, and of a state-sanction cartel run by a 'Regie,' which managed every stage of production, from the mining to the selling of diamonds. With this arrangement, 'German' diamonds could penetrate a growing market in the United States in a regulated manner, without upsetting the delicate balance of increasing demand for a product whose supply had to appear relatively limited.

The industry's expansion was supported by a number of intermediary forces and arrangements. The entire process rested, at its source, upon the labor of the Ovambo people in Southwest Africa, who were 'contracted' to extract the diamonds, working in atrocious conditions, often deprived of water and basic necessities. Control of production itself relied upon a tacit arrangement between the German state and the Corporation, neither encroaching too far onto the other's sphere of influence—by allowing labor abuses to go unchallenged, for instance. When it came to the finishing of the raw diamonds, the Regie tapped into an existing center of expertise in Antwerp, through which its products were processed, before moving on to the US, where the market for engagement rings was expanding. The boom in Southwest Africa's diamond industry was simultaneously buoyed by a speculative bubble in Germany itself, a kind of second 'founding fever' which meant that Germany "had arrived as a colonial power" (139). While Press's lens remains sharply focused on the diamond industry in the Southwest, his analysis thus leads the reader to Germany, Europe, the United States—and back again.

This cog in the machinery of Germany's colonial enterprise generated friction as it turned. The initial shift towards the production of diamonds for a global market alienated conservative elites and members of the Pan-German Association who had hoped to see Southwest develop into an agricultural colony. They denounced the profit-driven enterprise as 'un-German' and decried the influx of foreign migrants to the colony that was 'diluting' its ethnic composition—fears which, Press argues, contributed to the introduction of the *jus sanguinis* citizenship law in 1913. Dernburg himself, and the purportedly Jewish network of capitalists around him, also quickly became the target of anti-Semitic attacks. Elsewhere on the political spectrum, the supply-chain's reliance upon Antwerp as a hub of expertise was criticized for bypassing homegrown diamond-finishing industries in towns such as Hanau, whilst Centre Party leader Matthias Erzberger used the transformation of Southwest as fuel for his critique of big business. Speculation in the industry, which had initially been tolerated as it kept capital 'inside' Germany, was eventually denounced, and the taxation of stock dividends proposed as a means of avoiding further duties on imports or land inheritance. All in all, it seems, the transformation of Southwest Africa heightened the tensions surrounding the forward march of capitalism in Germany itself.

Much of the tension contained in this mechanism was released when the speculative bubble around the diamond business burst and Dernburg resigned in 1910. As Press states, hopes were raised that his departure would "undo the inequity of capitalism exposed in and around Erzberger's campaign" (193). In fact, it removed the linchpin in the closed system controlled by the Regie and opened it up to greater participation, whether by parliamentary commissions, settlers in Southwest, or the Germans' great rival in the industry, De Beers. Subsequent attempts at Anglo-German collaboration in this particular business did not prevent the outbreak of World War I, which severed the connection between the diamond fields of Southwest Africa, Germany, Europe, and the United States. Wealth and coercion continued to characterize business and government in the region, but their alliance in

the name of German imperialism had been dissolved.

Press thus never loses sight of the multiple levels at which the diamond industry operated: from the brutal exploitation of Ovambo workers in Southwest Africa to the advertising campaigns which promoted the market for engagement rings in the US. Germany and its empire nonetheless remain front and center of the analysis, and every step of the way he subtly reintegrates his account into the broader historiography. It is striking how far back some of these historiographical connections reach. In the description of Southwest as a screen onto which competing German visions of modernization were projected, for instance, we find echoes of Eckart Kehr's reflections, a century ago, on the conflicting attitudes of conservative aristocrats and the business-minded bourgeoisie towards South

Africa at the turn of the twentieth century.^[4] As Press demonstrates, however, in the case of the Southwest such conflicts were also a response to the "miniature industrial revolution" (107) that was taking place in Germany's own colony.

The long-standing question of Germany's economic 'backwardness,' meanwhile, is similarly illuminated in a new way. As in Germany itself, a government-sanctioned cartel was created around the diamond industry, allowing its leaders to bypass competition and integrate pre-existing centers of expertise, including abroad. But Press also provides a fresh twist on the concept, alluding to a kind of 'cartel' of sovereignty that also existed between the imperial state and the Colonial Corporation in Southwest Africa—monopolies of power, too, can rely upon a division of labor. These are just two examples of the ways in which Press's account effectively revives the "relatively moribund field of colonial economics" (9), reconnecting a new field of inquiry to its historiographical roots.^[5] It provides a much-needed sense of process to the narrative of German imperial expansion, drawing upon the strengths of economic history.

Of course, the diamond industry of Southwest Africa remained one cog in a complex mechanism of national, imperial, and global transformation at the turn of the twentieth century. The core of Press's account is the period 1890-1914, and the connections he draws to earlier and later developments are suggested, rather than established. His challenge to the assumption of a "linear relationship between metropole and colony" works particularly well where the diamond industry is fully plugged into contemporary networks of global exchange. A different approach might be necessary when considering how the "challenges of globalization," which were meticulously examined by Cornelius

Torp, influenced Bismarck's earlier "colonial turn" in the 1880s.^[6] Further research might also consider how the rotation of the diamond-encrusted cog at the heart of Germany's empire helped to turn others. Press suggests, for instance, that Dernburg's resignation removed a key advocate of peace from the corridors of power in Berlin, but whether and how this, or the diamond industry, might actually have affected Germany's 'flight forward' into war is less clear. Moreover, Press offers a convincing answer to the question of *why* Germany pursued colonial expansion so vigorously and violently, but it is not clear that the same underlying mechanism continued into the 1930s and beyond.

In exposing the backward and forward linkages of one key component of Germany's imperial expansion, Press's work is an exemplary illustration of the material connections between local, imperial, and global developments. It is to be hoped that others will build on such an approach to

Citation: christopher ball. *H-Diplo Review Essay 502- Johnston on Press, Blood and Diamonds: Germany's Imperial Ambitions in Africa*. H-Diplo. 11-29-2022.

<https://networks.h-net.org/node/28443/discussions/11718166/h-diplo-review-essay-502-johnston-press-blood-and-diamonds>

Licensed under a Creative Commons Attribution-Noncommercial-No Derivative Works 3.0 United States License.

consider how the broader economic machinery of German imperialism functioned. In the meantime, through the rigor, subtlety, and elegance of his work, Press has produced one of the most thought-provoking recent books in this field.

Jean-Michel Johnston is Lecturer in Modern European History at Fitzwilliam College, University of Cambridge. His most recent publication is *Networks of Modernity: Germany in the Age of the Telegraph, 1830-1880* (Oxford, 2021), and he is now working on three projects: a history of the communications revolution across Western Europe; an investigation into the role of infrastructure in the collapse of the German Empire; and a history of the Armenian diaspora in nineteenth-century Europe.

[1] — See Sara Friedrichsmeyer, Sara Lennox, and Suzanne Zantop, eds., *The Imperialist Imagination: German Colonialism and its Legacy* (Ann Arbor: University of Michigan Press, 1998); Sara Pugach, David Pizzo, and Adam A. Blackler, eds., *After the Imperialist Imagination: Two Decades of Research on Global Germany and its Legacies* (New York: Peter Lang, 2020); Bradley Naranch and Geoff Eley, eds., *German Colonialism in a Global Age* (Durham; Duke University Press, 2014).

[2] — A reference to Suzanne Zantop's path-breaking work, *Colonial Fantasies: Conquest, Family, and Nation in Pre-Colonial Germany, 1770-1870* (Durham: Duke University Press, 1997).

[3] — Sven Beckert, *Empire of Cotton: A New History of Global Capitalism* (London: Allen Lane, 2014).

[4] — Eckart Kehr, "Englandhaß und Weltpolitik," in *Der Primat der Innenpolitik*, ed. Hans-Ulrich Wehler (Berlin: Walter de Gruyter & Co., 1965), pp. 149-75.

[5] — The question of German 'backwardness' has a long tradition in the historiography, reaching back to the nineteenth century. One of its most famous formulations was provided by Alexander Gerschenkron, in his 1952 essay "Economic Backwardness in Historical Perspective," reprinted in *Economic Backwardness in Historical Perspective: A Book of Essays* (New York: Frederick A. Praeger, 1962).

[6]
— Cornelius Torp, *Die Herausforderung der Globalisierung: Wirtschaft und Politik in Deutschland, 1860-1914* (Göttingen: Vandenhoeck & Ruprecht, 2005).