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**The Nonferrous “Octopus” in the Metal Trades in
Australia and the United States:
Metallgesellschaft and the Reaction to German
Dominance in Metal Trades during World War I**

Introduction

Conscientious businessmen involved in international trade in the early twentieth century should not have been surprised when government officials in both the United States and Australia realized during World War I that German firms dominated various sectors of the countries' economies. German entrepreneurs had taken advantage of the absence of regulations regarding foreign involvement in local economies and entered niche markets such as chemicals, pharmaceuticals, and metal trades where there was little local competition. Few American or Australian workers were concerned that the company that employed them was a subsidiary of a corporation headquartered in the German Empire. During World War I, however, Americans and Australians experienced, created or had created for them, a fear of all things German. As governments passed legislation that limited the activities of German immigrants living in either country, there was a “sudden”

awareness of the extent of German dominance over business in their midst.

Our study focuses on German metal traders, examines how they had established their businesses, analyzes how they were treated by Americans and Australians during the Great War, and explores the long-term impact. Our study reveals that although both countries confiscated property held by German immigrants, required immigrants from the Central Powers to register with authorities, excluded them from sensitive areas, interned those suspected of being dangerous, Australian measures were more severe in both the short and long-term. Proportionately in economic and demographic terms, Australians confiscated more property and sold it to Australian or British businessmen than did Americans in the United States. Australia also revoked naturalized citizenship and deported German businessmen. By contrast, Americans were more likely to briefly hold German-owned businesses in trust to then turn over these businesses to Americans, including naturalized citizens who had proven their loyalty to the United States during the war. And none of the naturalized businessmen were deported.

One reason for this variance is the drafting of legislation, the *Trading with the Enemy Act*. It may have had the same title and intent in both countries, but enforcement affected groups of people differently. Australians interned and then deported many German immigrants, including naturalized citizens, whereas Americans tried to focus only on immigrants who had not yet become citizens and allegedly posed a serious threat. Another reason was the differences in leadership in the respective countries. William “Billy” Hughes, the Australian Prime Minister, was aggressively anti-German and more pro-British than American President Woodrow Wilson or the American Alien Property Custodian (APC), A. Mitchell Palmer. For example, Wilson’s policy distinguished the German people from the autocratic and militaristic government of Germany. Palmer enforced the *Trading with the Enemy Act* to benefit the American economy. While he confiscated property directly owned by foreigners, and transferred patents to American hands, he also believed in property rights for American citizens, including naturalized citizens.¹

Other factors included the intensity of the anti-German sentiment and the length of direct involvement in the war. Anti-German sentiment had been festering much longer in Australia and thousands of Australian men had given their lives before the United States entered the conflict. These factors contributed to the harsher treatment of German metal traders in Australia when compared to the experience by German traders in the United States. Anti-German sentiment in the United States did not result in universal harassment of German Americans; instead, it varied state by state and repression occurred often at the local rather than the federal level.²

Historians from both countries have made significant contributions

to scholarship on World War I. How both countries addressed Germany's control of non-ferrous metals – copper, lead, and zinc – in wartime is part of that work.³ While there are differences in how each country navigated Germany's dominance, there are also many similarities. We argue that historians have largely ignored these similarities and the connections between the two countries. It is relatively easy for historians to trace how and what American and Australian governments did to remove German control of American and Australia's non-ferrous metal industries during wartime. They passed laws, prosecuted offenders, and confiscated property. What is more challenging is to identify possible links to similar actions in both countries, and perhaps most challenging, to see how these actions were secondary to a larger purpose.

History of Metallgesellschaft and other German Firms

Germany's economy boomed in the late nineteenth and early twentieth centuries, and by 1913, it was challenging Great Britain's share of world trade. As German businesses looked for investment overseas, they became major investors in Central and South America along with Australia.⁴ Australia, which had become a federated nation in 1901, also pursued overseas investment to drive its economy. By 1914, 477 multinational companies operated in Australia, of which 25 were German and more than 350 from the United Kingdom.⁵ Ville and Merrett argue that while “Mining and finance absorbed three quarters of private borrowing from Britain between 1865 and 1914,” German investment in Australia, especially in base metals, also increased.⁶

Several trading companies dominated the movement of commodities in world trade and foreign direct investments. This was not unlike companies of centuries earlier, including the famed Dutch East India Company. At its most basic, these trading companies functioned as intermediaries to link buyers and sellers. They brokered, resold, or both and usually owned “assets in more than one country and often became involved in business activities beyond trade.”⁷ One of these trading companies was Metallgesellschaft, headquartered in Frankfurt, Germany.

In 1860, the three sons of British-born Ralph Merton – Henry, Emile and Zachary – founded Henry R. Merton & Company in London. Rudolf Zunz, a manager with Henry Merton & Co., was one of the founding members of the London Metal Exchange where this British owned company could freely purchase and sell stocks from other companies within the British empire. They also turned the business into one of the most successful non-ferrous trading companies because they understood that copper mines in the Harz Mountain region in north central Germany could no longer supply the needs

of Germany's rapidly developing electric and munitions industries. Acquiring and trading across Europe and the Atlantic Ocean was simply sound business. Ralph Merton, who had married the daughter of German metal trader, Philipp Abraham Cohen, moved to Frankfurt and managed his father-in-law's company. His fourth son, Wilhelm, was involved in both companies. He understood that technological developments, such as changes in copper-refining and expansion of electricity, would require massive amounts of non-ferrous metals. It was under his intellectual guidance that the company grew.⁸

In 1881, the Merton family turned one of its companies, Philipp Abraham Cohen & Co., into a joint-stock company, called Metallgesellschaft, and maintained a "joint business venture" with Henry R. Merton & Company in London by each purchasing stock from the other and sharing dividends.⁹ Working with two other German owned metal trading companies - Aron Hirsch und Sohn of Halberstadt and Beer, Sondheimer & Company of Frankfurt - Metallgesellschaft became the "German metal triumvirate" that controlled the purchase of non-ferrous ores - copper, zinc, lead, nickel, and molybdenum - by eliminating "nearly all competition." By buying large surplus in metals at low prices, controlling smelting and refining processes through long-term contracts, and then withholding large quantities from the market, this vertically integrated syndicate also manipulated prices. These three trading companies owned smelting and refining companies in Germany that needed ore and they supplied 80 percent of Europe's zinc market. Although there were more than 550 non-ferrous trading companies in Germany in 1913, these three were the most powerful.¹⁰ These concerns also had competitive advantages owing to knowledge of the market, well-established trade routes, and technological expertise. They could offer long-term contracts beneficial to extractors and provided essential services to both sellers and buyers.¹¹ Delaney has noted that Wilhelm Merton used long-term contracts with producers and consumers to create the "octopus" empire of Metallgesellschaft. Merton also founded a research institution and a commercial banking division, thus connecting trade with the latest technological knowledge and the ability to finance new projects.¹²

The extent to which the German government held influence over these three privately owned companies is unknown, although British and American authorities suggested that the government must have been behind their ability to control the market. It is more likely that these wealthy individuals held political sway over members of the Reichstag during a time when many German owned companies combined into concentrated corporations or cartels to "minimize competition" and to build "capacity to plan investment on a long-term basis." Creation of such large corporations or cartels was legal under German law, but their expansion into the United States would soon

encounter opposition and during the war, antitrust legislation could become the pretext to regulate these German businesses.¹³

Merton also understood that the United States was becoming the world's largest supplier of raw materials to western Europe. As the triumvirate branched out internationally, its leaders had to decide on an approach to compete with American companies while trading in the US. They could appoint American agents or representatives with ties to the German company or they could establish legally independent joint stock companies with founders of Metallgesellschaft holding majority of shares. Metallgesellschaft and its associates took the latter approach in the United States. Merton decided to establish two subsidiaries in the United States – the American Smelting & Refining Company and the American Metal Company (AMCo) in 1887. AMCo had headquarters in New York City under the management of German-born Jacob Langeloth and Berthold Hochschild.¹⁴

During the 1890s, AMCo strengthened Metallgesellschaft's foothold in the American metal industry by signing contracts and bargaining with burgeoning mines and refiners, such as Phelps Dodge mines in Arizona and Balbach Smelting and Refining Company in Perth Amboy, New Jersey. AMCo then sold most of their metal products and commodities directly to European manufacturing clients. In addition to signing contracts with American companies, AMCo also established relationships with Canadian, Mexican and South American producers of nonferrous metals, bought and sold metals on the open market, as well as contracted with various mines, smelters, and refineries in the US, Canada, Mexico, and South American to take their output. Thus, on the eve of the Great War, AMCo supplied a large customer base in Germany, primarily brass and copper manufacturers such as Heddenheimer Kupferwerke in Frankfurt that needed ore.¹⁵

Ten years after Metallgesellschaft established AMCo, Aron Hirsch und Sohn founded its own branch in the United States - L. Vogelstein & Co. in 1907 - with headquarters in New York City led by Ludwig Vogelstein in partnership with Ernest G. Hothorn. It focused on trading metals for import and export, particularly importing copper ore to the US. Vogelstein remained a co-partner with Hirsch until 1916 when he bought out Hothorn, established the independent firm, L. Vogelstein & Co., Inc., and transferred all assets from Germany to the American company.¹⁶ This approach to “Americanize” the company would influence how its property would be treated during the war.

Beer, Sondheimer & Co. set up a branch office in New York City in 1906 - Beer, Sondheimer & Co., American Agency. It was run by Benno Elkan and Otto Frohnknecht.¹⁷ It dealt primarily in zinc and in 1907 acquired controlling interest in National Zinc, Company in Bartelsville, Oklahoma.

In 1908 it acquired El Cobre Copper Mine in Santiago, Cuba and organized the Norfolk Smelting Company in West Norfolk, Virginia where ore from El Cobre was processed. As it expanded, the company also applied for several patents related to mineral separation processes.¹⁸

This approach to running a business was not that different from vertically and horizontally integrated monopolies during the late 1800s, including Standard Oil and US Steel. The major difference was its foreign character. American metal producers like Amalgamated Copper Mining Company (headed by Henry H. Rogers and William Rockefeller of Standard Oil) did not want to deal with traders like Metallgesellschaft. They wanted to sell directly to European manufacturers, but could not establish control or effective competition through monopolies because the Sherman Anti-Trust Act (1890) limited their abilities and thus could not overcome the influence of the German cartel. Consequently, AMCo, by 1911, remained the primary seller for mid-sized mining companies like Old Dominion, Shannon, Granby Copper, and East Butte Mining Company, and it was the “exclusive dealer” for Balbach Smelting & Refining and Nichols Copper Company.¹⁹ When war broke out in Europe in 1914, this dynamic quickly changed.

Metallgesellschaft in Australia

In 1905, Metallgesellschaft and Beer, Sondheimer & Company signed a joint-account agreement to purchase Australian copper ore. This arrangement eventually included Aron Hirsch and all three acted as a “buying combination” by signing long-term purchasing contracts with individual mining companies. By 1914 many Australian companies had a contract with one of these German-owned firms and the ore purchased was such that no single company would have been able to handle the resources needed for this commitment.²⁰ While company owners wanted more money for the ore, they were unable to achieve that because the Germans controlled the refining process (i.e. Australians did not have the capacity or technology to efficiently refine the ore).²¹

German investment in and/or ownership of Australian base metal resources was widely known before World War I. More than known, it was welcomed! Four examples illustrate this knowledge. In May 1898, *Zeehan and Dundas Herald* in Tasmania congratulated the Deutsche Bank’s “progressive policy” and being “indebted to (its) establishment of the Tasmanian Smelting Company.”²² In February 1899, a prominent Adelaide metals broker acting for Aron Hirsch und Sohn, secured the entire output of the South Australian Wallaroo and Moonta Mines’ output of refined copper for three years.²³ In 1907, the Mount Morgan Gold Mining Company, one of the world’s largest

mines, announced the establishment of its refinery, the Electrolytic Refining & Smelting Company to process its copper ores with Aron Hirsch und Sohn owning 30 percent. And by 1913, Metallgesellschaft, through its local subsidiary, the Australian Metal Company, controlled lead and zinc output from Broken Hill mines in western New South Wales, one of the largest lead mines in Australia.²⁴ Metallgesellschaft, Aron Hirsch und Sohn, together with Beer Sondheimer were well known locally as "The Trio."²⁵

Were Australians aware of this German dominance in metal trades? In Volume XI of *The Official History of Australia in the War of 1914-1918*, Sir Ernest Scott notes that Hughes was made aware of German control when given a copy of Professor Robert Liefmann's 1913 article in *Weltwirtschaftliches Archiv*.²⁶ Liefmann argued that Frankfurt-based metal had secured effective control of the international base metal market largely through Metallgesellschaft. Whatever concerns or thoughts Hughes had about this German control, he did little if anything, about it. If Hughes was concerned about German dominance before the war, he gave no indication. He made no public comments prior to 1914 and as Australia's Attorney General, he did not introduce legislation in parliament to limit German control. If he had private reservations about the extent of German investment in and ownership of mines and smelters, neither his diaries, notebooks nor recollections by friends, colleagues or family can provide confirmation.²⁷ We know, however, that Hughes had detailed knowledge of Liefmann's analysis because he drew heavily on the work, repeating several words from it in several speeches in July 1915.²⁸

Readers might ask: why learn about German traders in Australia? We argue that legislation passed in the United Kingdom and Australia that aimed to eliminate the German dominance contributed to or influenced actions in the United States three years later.

The impact of the Great War: Anti-German Legislation, Britain and Australia

German immigration to Australia can be traced to the First Fleet of 1788 and from 1838 large numbers of Prussian immigrants, many religious refugees began arriving in South Australia.²⁹ As in other wars, it was not unusual that belligerent countries realized that persons of enemy nationality or residence owned real estate and personal property within their borders. Both Australia and the United States, experienced a growing anti-German sentiment during the Great War and reacted by limiting the business activities of foreigners who could support the enemy. While legislation appears very similar, enforcement differed.

Britain and Australia experienced widespread loathing of all things German, in part driven by a popular press that published many unsubstantiated allegations of German spy and sabotage activities. Britain reacted by passing the *Trading with the Enemy Amendment Act* in September 1914. The act authorized a Controller to take on the position of receiver or manager of any company identified as enemy owned. An additional amendment to the Act in January 1916 gave the controller additional power as a “liquidator, including the power to pay debts, distribute assets, etc.” The Board of Trade also received the power “whenever it appeared that the business of any person, firm or company was by reason of its enemy nationality or the nationality of its members being carried on wholly or mainly for the benefit of or was under the control of enemy subjects, to prohibit or wind up such business.”³⁰ The Board of Trade used this power to close “hundreds of enemy companies and business enterprises” and to sell “large quantities of German-owned property ... at auction.” One historian noted, it “eliminated any remaining German businesses in Britain, from butcher and bakers to the London branches of the Deutsche Bank and Dresdner Bank.”³¹

This legislation saw Henry R. Merton & Company of London being transformed into Henry Gardner and Company, which continued to do business in the UK but under British ownership and control.³² In 1918, the British parliament aimed to eliminate German influence even further by passing an act requiring all persons engaged in nonferrous metal industry to obtain a license from the Board of Trade. This was an attempt to further diminish German influence and forced Merton Metallurgical Co. Ltd to “go into liquidation.” Richard Merton, however, remained connected to the successor, British Metal Corporation, after the war.³³ Since Metallgesellschaft’s industrial holdings were not that significant in England, the loss of physical property there was less painful than it would be in Australia and in the United States.

That was not the only approach to limiting the potentially dangerous impact of enemy aliens living in the United Kingdom. On August 5, 1914, Parliament also passed the *Aliens Restriction Act* calling for the arrest and internment of German men of military age (17-42 years old) or those who posed an immediate threat and demanding the closure of German language newspapers. When rioters attacked Germans after the sinking of the *Lusitania*, Prime Minister Asquith called for the internment of enemy aliens in part to protect them from rioters but also called for women, children, and men over 55 to be repatriated to Germany.³⁴ This set precedent for actions taken in Australia.³⁵

When examining the response of Australian government and evaluating the factors underpinning the response, it is clear that Hughes³⁶ wanted

more than the mere elimination of a commercial competitor – he wanted to restate the supremacy of the British Empire in its Australian Dominion. Conventional narrative argues that Hughes lifted the veil of economic reality about German control of the nation's non-ferrous metals ONLY with the outbreak of war.³⁷ Another assertion suggests that Hughes "invented" the specter of the "metal octopus." But it is also important to understand how each strategy fed into and reinforced each other. It is not just the individual strategy that matters – it is their collective value.

Hughes knew through Liefmann's article the extent of German involvement in the metal trades. Even more alarming for him and others in the Australian government, if Germany won the war, was the prospect of its control continuing and even expanding. Within this context and concern, the war became for Hughes an opportunistic political moment to defeat German metal firms economically and increase Australia's economic power.

With war prompting his "new found knowledge" about German companies in Australia, Hughes developed five inter-connected strategies to eliminate their control – 1) legislation, 2) the setting up of the Australian Metal Exchange, 3) developing networks with prominent mining business people and financiers, 4) developing an "enemy within" campaign to advantage the other goals, and 5) understanding that Australia alone could not win this economic fight and seeing the strength of international co-operation.

Hughes set about the first part of his plan – legislation.³⁸ On 15 October 1914, Hughes introduced the *Trading with the Enemy Bill* and 13 days later, he introduced the *War Precautions Bill 1914*, saying it was legislation "that the present circumstances call for." The "present circumstances" included potential threats in Australia by those perceived as being sympathetic to Germany's cause. It made trade with Germany illegal retrospective to 4 August 1914, the date of the outbreak of the war. Hughes said: "...there are in our midst companies that masquerade under the guise of Australian companies, but are controlled and influenced very largely by enemy subjects, existing and carrying on their operations ... for the benefit of enemy subjects."³⁹

Hughes, however, had more than those companies and individuals who traded with Germany in his sights. The legislation gave the federal government unprecedented powers to "restrict civil liberties," censor the press, and limit freedom of speech. German-Australians became increasingly concerned about government surveillance.⁴⁰

Hughes followed the United Kingdom parliament which had passed its *Trading with the Enemy Act 1914* in September. Other legislation followed – the *Crimes Act 1915* (adding "to defraud the Commonwealth" as a criminal offense), the *Unlawful Associations Act 1917* (outlawing socialist groups such as the Industrial Workers of the World and making membership of such

organizations illegal), the *Defense Act 1917* as well as various amendments to the *Trading with the Enemy* and *War Precautions Acts*.⁴¹

Hughes justified this legislation by referring to Metallgesellschaft as “the metal octopus.” His use of this phrase was deliberate and reinforced widely held views in Australia about race and whiteness similar to a cartoon published in 1886 entitled “The Mongolian Octopus – His Grip on Australia.”⁴² Hughes drew on a deep-seated xenophobia, knowing that describing German firms as a “metal octopus” would have resonance with this earlier anti-Chinese drawing.

Hughes second approach was the establishment of the Australian Metal Exchange. Metallgesellschaft had organized the sale of raw and refined ores through its local subsidiary agency known as the Australian Metal Company (AMC). There were similar agencies in America – such as AMCo. Hughes understood the efficiency of this arrangement and terminated the AMC and substituted the Australian Metal Exchange (AME).⁴³ Most importantly for Hughes, the AME controlled the export of metals by not only requiring registration of contracts with the exchange but also being able to refuse contracts with German traders. The AME quickly and efficiently marketed Australian metals within the British Empire.⁴⁴

Hughes third strategy was networking. He understood that although Australian companies extracted metals, the German companies controlled the smelting and refining process. Hughes also understood that captains of industry, such as W. S. Robinson and W. L. Baillieu, in particular the former’s connection to Herbert Hoover, were well placed with their international connections to help create business links that transformed the metals industry to exclude German companies.⁴⁵ With a functioning AME, German contracts were terminated and the most powerful and influential group of Australian companies dealing in base metals – the Collins House group – acquired controlling interests in Port Pirie lead smelter and Electrolytic Refining & Smelting copper refinery at Port Kembla. With Hughes’ political acumen and the collective business resources of Robinson, Baillieu and others, the Broken Hill mines were under Australian control by the end of 1915 and the British Ministry of Munitions became their primary customer.⁴⁶

Hughes’ fourth approach was to define German businessmen as the “enemy within.” At the outbreak of war, there were at least 38,000 German-born Australians and many more of German descent. German nationals were the largest non-British ethnic group in Australia.⁴⁷ Initial goodwill quickly turned into anti-German hysteria when newspapers published stories critical of German Australians and reported on German companies in Australia, the formation of Anti-German Leagues and refusals by workers to work with German Australians. In January 1915, the German Club in Broken Hill,

was burned to the ground. In separate cases involving German Australians, a Sydney bakery owned by Otto Pfafflin was bombed in 1916, and a year later, "Bangoola," the Sydney residence of Paul Schreiterer was bombed and destroyed.⁴⁸ No arrests were made.

As Martin Crotty writes:

The use of the German language was progressively banned throughout Australia, German schools, newspapers and clubs were closed, German place names were changed, and Germans were prevented from voting or for standing for public office, in effect a removal of one of the most basic rights of citizenship – the right to participate in democratic politics. They were also excluded from owning shares, selling land or operating companies.⁴⁹

This hysteria transformed German Australians from citizens to people treated as criminals as the war progressed. Sir Ernest Scott later wrote that "All Germans and persons of German origin were looked upon with suspicion."⁵⁰ For example, the aforementioned Schreiterer had taken an oath of neutrality ten days after the declaration of war and was not a naturalized Australian. Consequently, authorities considered him an "enemy alien" and subjected him to intense surveillance which continued long after the end of the war.⁵¹

In 1918, Parliament passed the British Nationality and Status of Aliens Act that limited citizenship to loyal people and authorized the denaturalization of disloyal persons. In Australia, Hughes used the legislation to finally remove German interests from the empire as he believed that naturalization was a disguise "to infiltrate Australia's economy in the interest of the German government." As a result of legislation and anti-German sentiment, German-Australians lost their civil rights, properties and jobs, were "attacked by enraged street mobs," were "interned without trial" and "repatriated," or deported,⁵² "without a chance to protest or to state their case and prove their loyalty."⁵³ Losing British or Australian citizenship assured "that there was no possibility of the person ever returning."⁵⁴

Hughes' fifth strategy relied on international cooperation. While it is clear that Australia and the United Kingdom discussed Trading with the Enemy legislation, and in Australia's case, openly copied large parts of the English work, it is not clear if British or Australian and American authorities discussed their Trading with the Enemy legislation. However, what is clear is the cooperation between Australia and America on forms of "the other." The *War Precautions Act* afforded the government powers to look at not only so-called "enemy aliens" but any individual and/or groups loosely fitting the

definition of a dissident. And here we see Australian and American authorities openly cooperating.

The legislation required a surveillance network with information used for domestic purposes. Hughes established the Counter Espionage Bureau in 1915 and the Commonwealth Police in 1917 both of which liaised with Military Intelligence agencies in each state.⁵⁵ With the International Workers of the World (IWW) allegedly threatening Australia's economy, Australian governments worked with American officials to deport IWW members and to share information about their activities.⁵⁶

While outside the scope of this article, it is clear that Australian and American surveillance apparatus became vital after the war in addressing the so-called "Red Scare." What is important is that the origins of these responses begin largely in part in response to Germany's base metal control.

The Impact of the Great War: Anti-German Legislation, Metal Traders United States

As war was raging in Europe, the American economy and society were being impacted, despite efforts to remain neutral. One focus by the Wilson administration was to expand the American economy through international trade. But the country lacked adequate shipping vessels. The *Ship Registry Act* (1914) brought hundreds of foreign-built ships to American registry. Opening of the Panama Canal in 1914 also offered better access to Latin American markets. During the Neutrality Period, however, British and French opposition denied the United States the opportunity to purchase German ships stranded in American, Central, or South American harbors. Complicating American expansion into the international economy was that Great Britain controlled the majority of the Atlantic trade. At the Paris Economic Conference in 1916, Britain announced plans for an exclusive economic union in a postwar world and later in the year lengthened its list of American companies blocked from trade. This created a problem for the US. It wanted to expand trade and economy and be a partner in world trade, and recognize that Germany, even if defeated, should have a participatory role, but the Paris conference committed to an exclusionary postwar world. Partly in retaliation to the British, but also informed by the need to be prepared for possible war and fear of trade isolation, American businessmen supported the Shipping Act of 1916 that established a shipping board to buy, own, and operate a commercial fleet. In other words, American businessmen, including naturalized citizens of foreign birth, traditionally insistent on as few regulations as possible, now accepted the greatly expanded power of the federal government to promote foreign trade and provide an economic stimulus.⁵⁷

At the same time, anti-immigrant sentiment was also rising, especially since the arrival of non-traditional migrants from southern and eastern Europe in the 1890s, but no particular ethnic group was excluded from coming to the United States prior to 1914. During the 1916 presidential election, however, all the candidates expressed their opposition to the hyphenated American, who in the candidates' opinions help dual identities and were not one hundred percent American.⁵⁸ When the US entered the war in April 1917, this anti-hyphen sentiment focused specifically on German Americans who still spoke German, heard German sermons, and read German language newspapers. German Americans were the second largest ethnic group in the United States and proportion wise – the second generation represented over 11 percent of the American population – represented a larger potential threat than in Australia.⁵⁹ Laws, including the Trading-with-the-Enemy Act (1917),⁶⁰ required that foreign language newspapers file with authorities translations of any article related to the war and the country's war effort. Publishers who did not abide by the regulation, lost second class franking privileges and closed down. Individuals, who expressed their personal opinions in opposition to the government or the country's involvement in the war, could experience harassment, loss of employment, tarring and feathering, or being charged under the *Espionage Act* or the *Sedition Act*. German immigrants who were not yet naturalized citizens, had to register with authorities as enemy aliens, could not own firearms or use wireless communication devices. They had to stay out of restricted zones and be at least one-half miles away from any government buildings, forts, arsenals, airports, naval vessels and munitions factories. If caught expressing thoughts in opposition to the American government, or conducting acts that could be interpreted as aiding the enemy, could be sent to internment camps.⁶¹

US Attorney General Thomas Gregory and Secretary of War Newton Baker did not think it was necessary or feasible to intern all registered enemy aliens. After all, the US could denaturalize residents if there was real evidence of disloyalty or if a person became a citizen under fraudulent circumstances, according to the US Naturalization Law of 1906. But in contrast to Australia where naturalized Germans were included in the definition of enemy aliens, the US did not do so.⁶²

The United States interned 2,062 of the 254,038 registered male enemy aliens from Germany, or .8 percent. Men of wealth and economic or political influence had American supporters or attorneys who forced the Department of Justice to provide real evidence and legal procedures before internment. Consequently, the majority of those interned for more than 10 months were labor activists, socialists, radicals, and members of the Industrial Workers of the World. Of those who were still in the camps in early 1919, over 40

percent were released and given the opportunity to remain in the United States. A nearly equal percentage took advantage of the offer to be repatriated to Germany.⁶³ In other words, internment did not automatically result in deportation.

Although legislation aimed to regulate the lives of German Americans who had lived in the United States for generations or who had recently become naturalized citizens, the enforcement of legislation varied by locality. One reason is that German speakers born in the United States were assimilated, were more American than German, and were not seen as a threatening group. When individuals expressed disloyal thoughts, then the existing laws were used to address these individuals.⁶⁴ German immigrants who conducted business in the US also had a much more tolerant experience than their counterparts in Australia.

Once the war began in Europe, it brought about a debt reversal from the United States owing European bankers billions of dollars, to the Allies owing money to the United States as massive amounts of goods crossed the Atlantic.⁶⁵ The United States had been one of the world's greatest debtor nations despite immense industrial production and exports outnumbering imports. Foreign investments in traded securities and direct investments by multinational enterprises exceeded US investments abroad. According to Mira Wilkins, German investments in the US on July 1, 1914, amounted to 575 million US dollars in portfolio investments (stocks, bonds) and 525 million US dollars in direct investments (business ownership, affiliates, subsidiaries, branches).⁶⁶ In the metal trades, American producers sent 70 percent of their copper to Europe, of which about one-third had gone to Germany through the assistance of the subsidiaries that Metallgesellschaft had set up in the US. Great Britain had experienced exhaustion of domestic ore by 1914 as demand continued to increase owing to technological and military advancements and had to import non-ferrous metals, including from the United States through AMCo.⁶⁷

To mitigate the shortages, the UK declared metals connected to munitions and arms, especially copper, "absolute contraband" and placed a blockade on the trade with rest of Europe, even though Secretary of State William Jennings Bryan protested this interference with the American economy. Now, AMCo could no longer ship directly to Germany because most American trade was "rerouted to London." Instead, German owned firms initially redirected their trade through Scandinavian countries with the approval of Secretary of State Bryan. American producers and managers of AMCo, then redirected their focus to American producers of war materials, including Frankford Arsenal, Cleveland Metal Products Company, and American Brass Company. As profits soared during the American neutrality period, the owners aimed to

protect and preserve their own business in the US, not the parent company in Germany.⁶⁸ In other words, their business loyalty was with the United States.

When the United States declared war on Germany in April 1917, it established the Emergency Fleet Corporation that "confiscated several hundred thousand tons of German shipping in American ports" and permanently transferred them into American ownership.⁶⁹ Members of Congress also "followed in the footsteps of the British" by passing the Trading-with-the-Enemy Act on October 6, 1917.⁷⁰ This legislation not only shared the name of the British law but also followed a similar structure. The Act gave the president the authority to regulate or prohibit any trade between the United States with the enemy or ally of the enemy, or between residents in the United States and the enemy country. To fulfill that task, the Act created the office of the Alien Property Custodian (APC), similar to the British Custodian of Enemy Property. The APC had the power to appropriate, or confiscate and hold in trust until the war ended, property belonging to the enemy, be it a corporation or person living in the United States or living abroad. President Wilson appointed A. Mitchell Palmer as the custodian, who, according to historian David Kennedy, had no problem selling "unfriendly" or "large scale German corporate investments in major industries," such as chemicals, textiles, or metals, prior to hostilities ending. Palmer argued that such assets should be "separated from their former owners forever" and thus completely eradicate German enterprises and thoroughly Americanize them.⁷¹ Complicating this task was the physical location of incorporation. If a business was incorporated in the United States, it was considered an American company or corporation even if stockholders were of foreign birth. Thus, only the shares, not the business itself, could be confiscated or taken over.⁷²

Palmer received the appointment to the APC because he had been active in Woodrow Wilson's presidential campaign. According to Stanley Coben who wrote the only existing biography of Palmer, the APC was a political "enigma." As a member of the House of Representatives, the Pennsylvanian had been a champion of child labor legislation, protection of workers, women's rights, advocate for lowering protective tariffs, and a supporter of free trade. However, as the APC and later as the Attorney General, he violated civil liberties, refused to intervene in strikes because he viewed them as a worldwide communist conspiracy, and suggested pardons for convicted violators of the *Espionage Act*. As a devout Quaker, he had been opposed to American participation in the European conflict, but his patriotism came into question when an article in the *New York World* suggested that he had supplied information to German agents about President Wilson's intentions toward Germany after the sinking of the *Lusitania*. Perhaps that incident may have inspired him to act more harshly toward German businessmen to

erase any public doubt about his own patriotism. As Coben suggests, Palmer became “one of the most aggressive belligerents” on the home front during American participation in the Great War.⁷³ Another historian suggested that “Palmer unleashed a veritable crusade against German economic influence” in the United States.⁷⁴ Perhaps political ambitions also played a role.

Palmer selected as the head of the APC's Bureau of Investigation Francis P. Garvin, son of Irish immigrants and ardent antagonist of Germans. Both Palmer and Garvin “shared an aversion to certain types of foreigners” and “a feeling that dangerous internal enemies were plotting against the country.” They viewed the extent of German investments in the US economy as evidence of a conspiracy by a “great industrial and commercial army which Germany planted here with hostile intent.” They believed that American style of capitalism was under foreign attack. Consequently, when Palmer presented his first report to Congress in early 1918, he successfully urged the legislators to give him the power to “Americanize” foreign owned companies by selling them, rather than holding them in trust in perpetuity.⁷⁵ The custodian initially targeted German nationals living in the United States but then extended the search to American-born women who were married to German or Austrian citizens because under the principle of coverture her property was her husband's, and according to the 1907 Naturalization Law she had also taken on her husband's citizenship. By the end of the conflict, the custodian had confiscated, placed in trust, and sold German or Austrian- owned property worth an estimated \$700 million.⁷⁶

The activities of the APC revealed to Congress and the American public the extent to which German businesses had entered the American economy, most notably in the chemical and metal industries, but also in manufacturing of machines, transportation, textiles, and communication technology.⁷⁷ Palmer asserted in his final report in 1919 that although the “German metal combine controlled the metal markets of Europe and Australia – especially in zinc and lead – it is not the fact that they controlled the metal market of the United States.” Their “influence here was potent” but not strong enough to influence production or prices. He was confident that disbanding some German-owned metal firms and by “Americanizing others,” that the “German influences in our metal market have been completely eliminated.”⁷⁸ Another amendment to the *Trading with the Enemy Act* on November 4, 1918, allowed the APC to sell patents that German individuals or companies held in the US. The sale of these approximate 4,500 patents to Americans contributed to American innovations that had been previously stifled and boosted the chemical and medicinal industries.⁷⁹ In other words, the legislation and the APC's activities used the war crisis for long-term American advantage.

Palmer justified his actions by arguing that the Metallgesellschaft triumvirate posed "a standing menace to the security of our domestic metal industry" and possessed an "obvious potential power for evil." He viewed them as "outposts of German commercial aggression" that were "gradually spreading into Mexico and South America, which are legitimate fields for our own commercial development" and thus "have been a menace to this country."⁸⁰ Palmer saw the war as an opportunity for American companies to grow and become internationally influential, especially in the western hemisphere.

Palmer, however, could do little with companies like Vogelstein because its owner had been a naturalized citizen since 1903 and the company had separated from the German held Hirsch concern in 1916. It was thus a legitimate American owned enterprise. After the passage of the *Trading with the Enemy Act*, the APC nevertheless took over and held in trust all 50,000 shares of Vogelstein and set up a unique relationship. The company would remain in trust for up to five years and the Custodian would appoint twenty of the twenty-three trustees. Vogelstein committed himself to no longer trade with Germans but trade only with Americans. Vogelstein would also pay to the Custodian any profits owed to Hirsch after account reconciliation 6 months after peace. While Vogelstein still owned his company, the Custodian's interests were also represented on the Board of Directors.⁸¹

In contrast to Vogelstein, Palmer viewed Elkan and Frohnknecht of Beer, Sondheimer & Co. with more suspicion because "they were late converts to citizenship." Their naturalization ceremonies had taken place in 1917 and Palmer viewed this action as "a war measure."⁸² Perhaps the war contributed to the decision to take the final step toward naturalization, but one must also take into consideration that it usually took at least one year between applying for first papers to becoming a naturalized citizen. Elkan, who arrived in 1906, filed his Declaration of Intent in February 1915 and became a citizen within two years. Frohnknecht declared his intent on August 4, 1914, petitioned for naturalization on October 10, 1916, and took the oath on February 6, 1917.⁸³ While the timing may have been suspicious to Palmer, the numbers of applications for citizenship did rise markedly during the American neutrality period.

It is difficult to know what level of foresight Elkan and Frohnknecht had and to what degree that shaped their decisions to become naturalized citizens, but Palmer asserted that they had created Beer, Sondheimer Company, Inc. in 1915 for the simple purpose of evading any potential belligerent rights by the United States should it enter the war against Germany. He saw such action as attempting to avoid prosecution, thus justifying the takeover of the firm.⁸⁴ The APC held in trust all of Beer, Sondheimer Company throughout

the war. By 1920, the APC's office was in the process of liquidating all of Beer Sondheimer, including its subsidiaries National Zinc Company, Norfolk Smelting Company, and Cuba Copper Leasing Company. Once all aspects of the company had been sold, the company was dissolved and Elkan and Frohnknecht gave up legal challenges.⁸⁵

Dealing with American Metal Company was more complex. AMCo, "officered by Americans who have shaped the policy of that powerful organization," cooperated with authorities, but this did not prevent temporary takeover of its stock.⁸⁶ American citizens held 18,620 of the 70,000 shares and the Board of Directors were all Americans, including several naturalized citizens. These Americans in control of the company immediately and "heartily" cooperated with the custodian upon passage with the Trading-with-the-Enemy Act and eliminated all German influence. This friendly cooperative relationship resulted in the custodian appointing only 5 of the 15 members of the board of directors to "represent him in the conduct of the affairs of the corporation." The APC sold \$6 million of shares to only American members of the syndicate, including the naturalized Berthold Hochschild, one of the founders of the company, and Carl M. Loeb, also a naturalized citizen and formerly of Metallgesellschaft, who had been AMCo's president in 1917, when the APC placed the company into trust.⁸⁷ After shares held by H. R. Merton were confiscated, AMCo became an independent company managed by German-born but naturalized American citizens.

Postwar Strategies

The anti-German hysteria which dominated the war years abated after 1919. German investment slowly returned, German immigration resumed, internees were released and governments keen to identify "the other" as a political strategy turned to other groups such as the Industrial Workers of the World, Irish "revolutionaires" and Communists.⁸⁸

Sales of German owned properties in the US accelerated after 1918, first under APC A. Mitchell Palmer, then his successor Francis Garvin, but "German business leaders regrouped and formulated their postwar strategies." Garvin had been the head of the APC's Bureau of Investigation and fervently believed that "Germans should never be permitted to resume their prewar importance in American industry." But Congress had also amended the *Trading-with-the-Enemy Act* in 1919 and 1920 to allow affected US citizens, including naturalized, to sue the APC.⁸⁹

In 1921, Thomas W. Miller, became the new APC; he was critical of Palmer and Garvin's activities. He decided that 30,368 APC trusts valued at \$10,000 or less should be returned to their owners. These small amounts

made no difference in the US economy nor gave Germans an entry into the economy. Patents, however, were not returned to their former owners; they remained in American hands.⁹⁰

AMCo, under Loeb's leadership, remained an American owned business run by the friends of the Merton family and reestablished its trade relationship with Metallgesellschaft. In 1923, Metallgesellschaft established another subsidiary American Lurgs Corporation. Ludwig Vogelstein of Vogelstein & Co., also part of the Hochschild syndicate, merged his company with the "American" AMCo. Thus these naturalized citizens maintained their wealth and dominance in ferrous metal industry.⁹¹ Evidently, American government leaders like APC Miller had no problem selling German properties to naturalized citizens of German birth who had demonstrated loyalty to their adopted country during the war. It is, however, unclear whether these men were passionate Americans or whether their patriotism was based on economic benefit.

Long-term Impact on the Men and Companies

While the impact of World War I had a more far reaching impact on the lives of German immigrants in Australia, the mistakes of the past were nevertheless recognized. On September 26, 1999, the Australian Governor-General, Sir William Deane, apologized to German-Australians. Addressing the inaugural Australian Conference on Lutheran Education, he said:

The tragic, and often shameful, discrimination against Australians of German origin fostered during the world wars had many consequences. No doubt, some of you carry the emotional scars of injustice during those times as part of your backgrounds or family histories. Let me as Governor-General say to all who do how profoundly sorry I am that such things happened in our country.⁹²

In the United States, individuals like Benno Elkan remained in the country, did not suffer economically, according to the US Census continued to buy and sell metals, was elected a member of the National Metal Exchange, and received an invitation to serve on the non-ferrous metal industry advising committee by the Army-Navy Munitions Board.⁹³

Otto Frohnknecht was remembered as the chairman of the board of International Minerals and Metals Corporation in 1968 when he passed away at the age of 82. He had also founded the National Multiple Sclerosis Society with a large gift to honor his late daughter who had suffered from the disease.⁹⁴ By 1925, both Elkan and Frohnknecht had built a new company,

International Minerals and Metals Corporation, a zinc trading company.⁹⁵

In similar fashion, Berthold Hochschild continued work in the metal trades and served as “a director of the Miami Copper Co.; the Granby Consolidated Mining, Smelting – Power Company; and the Chino Copper Company.”⁹⁶

When Ludwig Vogelstein passed away in 1934, obituaries praised his contributions to the American economy, his activities in Jewish religious organizations, and his philanthropy. Although born in Pilsen, Czechoslovakia (then part of the Austro-Hungarian Empire), he allegedly “understood and appreciated the best values of American life” and “his knowledge of metals soon won him recognition as a foremost authority in that industry.”⁹⁷

AMCo corporation survived because it continued to secure non-ferrous ore, ore concentrate and scrap through their foreign offices in Mexico, Peru, and Chile in a market that demanded ore for war production. It also continued wire production by smaller manufacturers who had no government contracts. Thus, AMCo’s two principle refining clients, Nichols Copper Co. and Balbach Smelting & Refining also remained open.⁹⁸

Complaints by American metal producers about unfair business practices by Europeans through such factors as cartels, finally received the attention of legislators and resulted in the passage of the *Webb-Pomerene Act* of 1918. It authorized small companies with low trade volume “to cooperate” and distribute “overhead charges over their combined foreign sales” to reduce costs “to a reasonable figure.” Entrepreneurs also created the US Copper Export Association in December 1918 for the purpose of stabilizing prices and to eliminate middlemen.⁹⁹

Conclusion

Comparative studies can help us understand the varying degrees of anti-German sentiment and treatment during conflicts, such as World War I. Even though legislation like the Trading-with-the-Enemy Act was first implemented in Great Britain and quickly adopted in Australia, its doubleganger law in the United States was not as impactful as it was in the United Kingdom. Length of participation in the war and number of casualties may have contributed to a stronger sense of punishment for Germans, including German businessmen, for Britons and Australians. By contrast, the United States was a latecomer to the conflict, did not experience the horrendous casualty numbers, and physically contributed to the defeat of the German military. In addition, the strong affinity with the concept of private property and its protection from government seizure without due process may have also limited American zeal to confiscate the possessions of naturalized American citizens.

The experience of German-Australians was worse than the treatment

of German-Americans for a variety of reasons. The drafting of legislation, although similar in intent, affected groups of people differently. Australians, for example, attempted to intern and then deport all German immigrants, including naturalized citizens, whereas Americans tried to focus only on immigrants who had not yet become citizens or who posed a serious threat. There were no attempts to denaturalize citizens of German birth in the US. Indeed, naturalized citizens of German or Austrian birth had legal protections when it came to confiscated property, including the use of the legal system to regain possession. The process usually involved the separation of property from German ownership and establishment of independent American-owned businesses run by naturalized citizens.

It is also necessary to look at differences in leadership in the respective countries. The Prime Minister of Australia was much more anti-German and pro-British than the American President or the American Alien Property Custodian. Wilson had run on an anti-hyphen platform in 1916 when it was electorally advantageous to attack the "other" or hyphenated, but he also made clear in his speeches to the American people that the war was not against the German people but their autocratic and militaristic government. Palmer, who had presidential ambitions during a time when everyone had to appear patriotic, harshly enforced the Trading-with-the-Enemy Act because he aimed for the legislation to benefit the American economy and American businessmen. While he confiscated property directly owned by foreigners, and unscrupulously transferred patents to American hands, he also believed in the sanctity of property rights for American citizens. Thus, the office of the APC worked with naturalized citizens, especially if they had or were willing to establish independent companies in the US.

The intensity of the anti-German sentiment also played a role. Both countries experienced paranoia fueled by persistent press propaganda. Outrageous and inaccurate media coverage offered no apologies after the war. And the 'suspicions' levelled at the 'other' continued and in Australia still continue to this day. In the US, many German immigrants and German Americans fell into line with conformity demands, such as not speaking German in public and keeping their personal thoughts to themselves, and survived the war with several aspects of their German culture preserved. They were already more American than German and the war only accelerated their acculturation further.¹⁰⁰

Length of direct involvement in the war, including casualty numbers, also deepened willingness to confiscate property from, intern, and deport residents of German or Austrian birth. Australia, as a member of the Commonwealth, was in the war since 1914 and had sacrificed hundreds of thousands of men in battles such as Gallipoli well before the United States entered the conflict in April 1917. Thus, the anti-German sentiment had been festering much longer

in Australia than in the United States. The combinations of these factors contributed to the harsher treatment of German metal traders in Australia when compared to the experience of German traders in the United States.

This study is significant because it not only focuses on the differences in the treatment of German immigrants, the confiscation of their property, and their internment during the war crisis, but is also addresses many of the similarities. Defining immigrants as “enemy aliens,” as a serious threat to the survival of the country, justified their surveillance, restrictions of their basic civil rights, and confiscation of their property. We can only speculate whether the United States would have denaturalized citizens of German birth and deported them, as Australia did, if the war had lasted longer, casualties would have reached millions, and the anti-German sentiment had intensified. Perhaps similar comparative studies of the German experience in other countries could shed further light. What is also of interest, is the cooperation between the United Kingdom, including Australia, and the United States in regard to drafting legislation that not only dealt with the war emergency itself, but also with the perceived enemy or “other” within, despite America’s long-standing tradition of not becoming involved in European affairs.

This study is but a beginning. Our historians’ guess is that the response by American and Australian governments to German dominance of non-ferrous metals markets was a prelude to and/or provided the opportunity for serious surveillance of and legal proceedings involving another group of ‘others’ – political dissidents, Communists and those who did not adhere to the tenets of Team America and Team Australia. Put simply, what we have found is that after World War I, the reactions of both governments to ‘others’ was too similar to be happenstance. Governments developed techniques, political positions and legal mechanisms that did not disappear at war’s end. They simply moved to other targets.

Notes

1. David M. Kennedy, *Over Here: The First World War and American Society* (New York: Oxford University Press, 1980), 12, 24. Stanley Coben, A. Mitchell Palmer: Politician (New York: Columbia University Press, 1963), 67.

2. For reassessment of intensity in anti-German sentiment see Walter Kamphoefner, “The German-American Experience in World War I: A Centennial Assessment,” *Yearbook of German-American Studies* 49 (2014): 3-30; and Walter Kamphoefner, “The German-American Experience in World War I: A Reassessment,” in *Rootedness and Acculturation: Experiences from German Immigrant Communities in the USA, 1883-1918*, ed. Tristan Coignard and Pierre-Yves Modicom (Bielefeld: Transcript Verlag, 2024), 87-107.

3. See, for example, Simon Ball, “The German Octopus: The British Metal Corporation and the Next War, 1914-1939,” *Enterprise & Society* 5, no. 3 (September 2004): 455-456. Adam Hochschild, *American Midnight: The Great War, a Violent Peace, and Democracy’s Forgotten Crisis* (New York: Harper Collins, 2022).

4. Erik Grimmer-Solem, *Learning Empire: Globalization and the German Quest for World Status, 1875-1919* (Cambridge: Cambridge University Press, 2029), 310-311. Steven Press, "Buying Sovereignty: German 'Weltpolitik' and Private Enterprise, 1884-1914," *Central European History* 55, no. 1 (March 2022): 15-33. A. G. Kenwood, A. L. Loughheed and Michael Graff, *The Growth of the International Economy, 1820-1990*, 3rd ed. (London: Routledge, 1992), figure 1(a), 27.

5. Simon Ville and David T. Merrett, "Investing in a Wealthy Resource-Based Colonial Economy: Internationals Business in Australia before World War One," *Business History Review* 94, no. 2 (Summer 2020): 321-346.

6. Simon Ville and David T. Merrett, *International Business in Australia before World War One* (London: Palgrave Macmillan, 2024), 27.

7. Geoffrey Jones, "Multinational Trading Companies in History and Theory," in *The Multinational Traders*, ed. Geoffrey Jones (London: Routledge, 1998), 2.

8. Nathan Delaney, "Copper Capitalism: The Making of a Transatlantic Market in Metals, 1870-1930" (Ph. Diss, Case Western Reserve University, 2018), 41, 71. Ball, "The German Octopus," 455-456.

9. Delaney, "Copper Capitalism," 1, 37, 53-54. Jones, "Multinational Trading Companies," 8. Ball, "The German Octopus," 456.

10. Susan Becker, "The German Metal Traders before 1914," in *The Multinational Traders*, ed. Geoffrey Jones (London: Routledge, 1998), 66. Robert V. Turrell and Jean Jacques Van-Helten, "The Investment Group: The Missing Link in British Overseas Expansion before 1914?" *Economic History Review* 40, no. 2 (May 1987): 271-272. United States Alien Property Custodian, *Report of All Proceedings under the Trading with the Enemy Act during 1918 and to Feb. 15, 1919* (Washington, DC: Government Printing Office, 1919), 65, 70.

11. Becker, "German Metal Traders," 78-79.

12. Delaney, 118-141.

13. David Blackbourn, *History of Germany 1780-1918: The Long Nineteenth Century*, 2nd ed. (Malden, MA: Blackwell Publishing, 2003), 243-244.

14. Becker, "German Metal Traders," 70-71, 77; Delaney, 82; APC Report, 68. Berthold Hochschild, one of the founders of American Metal Company and eventually its president and chairman, was born in Dieblis (Biblis)-on-the-Rhine, in the Grand Duchy of Hessen, now Germany, in 1860. He came to the United States in 1885 and became a naturalized citizen in 1908. "Berthold Hochschild," obituary, *New York Times*, January 25, 1928. U.S. State and Federal Naturalization Records, 1794-1943, Southern District, New York, Roll 0075, Petition 2363, NARA.

15. APC Report, 73-83. Becker, "German Metal Traders," 78-79. Delaney, 83.

16. APC report 85, 86, 97. Becker, "German Metal Traders," 71. Vogelstein, born in Pilsen, the Czech region within the Austro-Hungarian empire, arrived in the United States in 1896, applied for his first papers, or intent to become an American citizen, in 1898 and was naturalized five years later. Although of foreign birth, "he understood and appreciated the best values of American life," and served in several religious and charitable organizations, including the Union of American Hebrew Congregations and the Federation for the Support of Jewish Philanthropic Societies. "Obituaries: Ludwig Vogelstein," *Daily News* (New York City), September 24, 1934; "His Activities Praised," *New York Times*, September 24, 1934. U.S. Index to Petitions for Naturalization filed in New York City, 1792-1989, Vol. 219, Record 41, May 14, 1903, NARA.

17. Benno Elkan, born in 1876 in Frankfurt, Germany, came to the US in June 1906 and was naturalized in July 1917. U.S. State and Federal Naturalization Records, 1794-1943, Southern District, New York, roll 0146, petition 37024, NARA. Otto Frohnknecht, born

in 1886 in Frankfurt, Germany, arrived in the US in June 1906, filed his intent to become a citizen on August 4, 1914 and took the oath on February 6, 1917. U.S. State and Federal Naturalization Records, 1794-1943, Southern District, New York, roll 0142, Declaration of Intention No. 29313, and Petition 20139, NARA.

18. APC Report, 88-92. Becker, "German Metal Traders," 70.
19. Delaney, 144-146, 149.
20. Becker, "German Metal Traders," 71, 78.
21. Ball, "The German Octopus," 457.
22. Zeehan and Dundas Herald, 14 May 1898, 2.
23. The Critic, 18 February 1899, 18.
24. F. Carrigan, "The Imperial Struggle for Control of the Broken Hill Base-Metal Industry, 1914-1915," in *Essays in the Political Economy of Australian Capitalism*, Vol. 5, ed. E. L. Wheelwright and Ken Buckley (Sydney: Australian and New Zealand Book Company, 1983), 164-186
25. See "Australian Lead and Zinc Production," *The Mining Magazine*, 13 (August 1915): 107.
26. Robert Liefmann, "Die internationale Organisation des Frankfurter Metallhandels," *Weltwirtschaftliches Archiv* 1 (1913): 108-122.
27. See Hughes personal papers, National Library of Australia (MS1528) and National Archives of Australia (CP290).
28. "The Day" – And After, War Speeches of the Rt. Hon. W. M. Hughes, arranged by Keith A. Murdoch (London: Cassell & Company, 1916).
29. See Gordon Young, "Early German Settlement in South Australia," *Australian Journal of Historical Archaeology*, 3 (1985): 43-55.
30. France, Italy, Hungary, Bulgaria, Romania and Germany passed similar legislation that authorized the supervision and in some cases confiscation of enemy owned property. James W. Garner, "Treatment of Enemy Aliens," *American Journal of International Law* 12, no. 4 (October 1918): 744, 746, 747, 753, 768.
31. Garner, "Treatment of Enemy Aliens," 746. Panikos Panayi, *Prisoners of Britain: German Civilian and Combatant Internees during the First World War* (Manchester, UK: Manchester University Press, 2012), 2.
32. Delaney, 158. Wilkins, 18. Nicholas Mulder, "The Trading with the Enemy Acts in the Age of Expropriation, 1914-49," *Journal of Global History* 15 (2020): 84.
33. Edward J. Cocks and Bernhardt Walters, *A History of the Zinc Smelting Industry in Britain* (London: George G. Harrap, 1968), 19, 46, 189.
34. Panayi, *Prisoners of Britain*, 47, 51. Panikos Panayi, "Dominant Societies and Minorities in the Two World Wars," in *Minorities in Wartime: National and Racial Groupings in Europe, North America and Australia during the Two World Wars*, ed. Panikos Panayi (London: Bloomsbury, 1993), 6, 15.
35. Australia was in a unique political situation within the United Kingdom during World War I. It had entered Federation status in 1901 through the union of the six provinces into the Commonwealth of Australia but it was not yet truly independent at that point. Additional diplomatic, executive, and legislative autonomy came through the 1923 Imperial Conference, the 1926 Balfour Declaration, and the 1931 Statue of Westminster. It is unclear at this point whether the Parliament in Canberra could refuse legislation passed by Parliament in London. Deborah Gare, "Dating Australia's Independence: National Sovereignty and the 1986 Australia Acts," *Australian Historical Studies* 113 (1999): 251, 253.
36. Hughes served three terms as Federal Attorney-General: 13 November 1908-2 June 1909, 29 April 1910-24 June 1913, and 17 September 1914-9 February 1915. He served as

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Prime Minister 1915-1923. "Biography of Hughes the RT. Hon. William (Billy) Morris, CH," Parliamentary Handbook, Parliamentary Library, Parliament of Australia.

37. See W. S. Robinson, *If I Remember Rightly: The Memoirs of W. S. Robinson*, ed. Geoffrey Blainey (Melbourne: F. W. Cheshire Publishing, 1967).

38. Catherine Bond, *Law in War: Freedom and Restrictions in Australia during the Great War* (Sydney: New South Publishing, 2020).

39. Commonwealth Parliamentary Debates, 28 October 1914, 369, and 26 November 1914, 1127.

40. Joan Beaumont, "The Politics of a Divided Society," in *Australia's War 1914-1918*, ed. Joan Beaumont (Sydney: Routledge 1995), 38; Ernest Scott, *Official History of Australia in the War of 1914-1918 – Volume XI. Australia During the War*, 2nd edition (Brisbane: University of Queensland Press, 1989), 64.

41. Gerhard Fischer, *Enemy Aliens: Internment and the Homefront Experience in Australia 1914-1920* (Brisbane: University of Queensland Press, 1989), 72.

42. See "Mongolian Octopus – His Grip on Australia," *The Bulletin* (1886), National Museum of Australian, <https://www.nma.gov.au/defining-moments/resources/the-bulletin>.

43. Kalgoorlie Miner, 18 October 1915, 4.

44. Peter Yule, "Providence has indeed been good to us': The Collins House Group in the First World War," 8, <https://apebh2014.wordpress.com/wp-content/uploads/2013/04/yule2.pdf>.

45. See W. S. Robinson, *If I Remember Rightly*; and Peter Yule, *William Lawrence Baillieu: Founder of Australia's Greatest Business Empire* (Melbourne: Hardie Grant, 2012).

46. Yule, "Providence has indeed been good to us'," 8-12; and Peter Richardson, "The Origins and Development of the Collins House Group, 1915-1951," *Australian Economic History Review* 27, no. 1 (1987): 3-29.

47. People born in Germany were the largest ethnic group in Australia in the Australian Census 1911. There were 38,353 or 1.025% of the total population of 4.4 million people. See Commonwealth Year Book of Australia, 1912, 121, [https://www.ausstats.abs.gov.au/ausstats/free.nsf/0/ED453454A83D1B58CA257AEE0013637B/\\$File/13010_1901_1911%20section%204.pdf](https://www.ausstats.abs.gov.au/ausstats/free.nsf/0/ED453454A83D1B58CA257AEE0013637B/$File/13010_1901_1911%20section%204.pdf).

48. The Age, 14 January 1915, 9; "Supposed Bomb. Explosion at Mosman. Shop Wrecked," *Sydney Morning Herald*, 29 February 1916, 10; <https://mhns.wa.au/stories/ww1/bombing-bangoola/>.

49. Martin Crotty, "Anti-German Hysteria," *Social Conflict and Control, Protest and Repression (Australia), 1914-1918*, International Encyclopedia of the First World War <https://encyclopedia.1914-1918-online.net/article/social-conflict-and-control-protest-and-repression-australia/>.

50. *Official History of Australia in the War of 1914-1918*, vol XI, Australia during the War, 106.

51. National Archives of Australia: Special Intelligence Bureau, New South Wales, ST 1233/1, Investigation Files, "N" Series, N45339, Paul Schreiterer (Box 158), 1915-1932.

52. A comprehensive list of all German traders interned or deported is beyond the scope of this essay, but a sampling includes the following prominent businessmen were each interned: Franz Wallach and Walter Schmidt of the Australian Metal Company (subsidiary of a German company) in Melbourne; Oskar Plate of the Norddeutscher Lloyd Steamship Company in Sydney; Edmund Resch, the Sydney brewer (who had been in Australia for 50 years); Carl Zoeller, a successful and popular member of the Brisbane German-Australian community and importer and maker of medical and surgical equipment; Frederick Monzel, publisher and printer of the *Queenslander Herald*. "The First World War: Internment," German

Australia, accessed August 26, 2025, <https://www.germanaustralia.com/e/internment.htm>. Also, Hugo Muecke, chairman of BHP, Australia's largest company, was systemically vilified and subsequently interned. "Hugo Carl Emil Muecke," Australian Dictionary of Biography, accessed August 26, 2025, <https://adb.anu.edu.au/biography/muecke-hugo-carl-emil-7674>.

53. Gerhard Fischer, "Fighting the War at Home: The Campaign against Enemy Aliens in Australia during the First World War," in *Minorities in Wartime: National and Racial Groupings in Europe, North America, and Australia during the Two World Wars*, ed. Panikos Panayi (London: Bloomsbury, 1993), 281-86.

54. Panayi, "Dominant Societies and Minorities," 7. See Scott, *Official History of Australia in the War*, 105-144 and Fischer, *Enemy Aliens: Internment and the Homefront Experience in Australia*, for a more expansive overview of anti-German policies between 1914-1918.

55. See Frank Cain, *The Origins of Political Surveillance in Australia* (Sydney: Angus & Robertson, 1983); and Ian Turner, *Industrial Labour and Politics: The Dynamics of the Labour Movement in Eastern Australia, 1900-1921* (Canberra: Australian National University Press, 1965).

56. National Archives of Australia, A432, International Industrial Workers (IIW) and Industrial Workers of the World (IWW) and B741 IWW (Industrial Workers of the World) in Melbourne.

57. Kennedy, *Over Here*, 299-305. Mira Wilkins, *The History of Foreign Investment in the United States 1914-1945* (Cambridge, Mass: Harvard University Press, 2004), 45.

58. John Higham, *Strangers in the Land: Patterns of American Nativism, 1860-1925*, 2nd ed. (New Brunswick, NJ: Rutgers University Press, 1988), 175-193. Frederick C. Luebke, *Bonds of Loyalty: German-Americans and World War I* (DeKalb: Northern Illinois University Press, 1974), 84. Petra DeWitt, *Degrees of Allegiance: Harassment and Loyalty in Missouri's German-American Community during World War I* (Athens: Ohio University Press, 2012), 34-36, 44-48.

59. German Americans were the second largest ethnic group after the British. The 1910 census revealed 2.5% of the population hailing from Germany, while in 1920 that had declined to 1.6 percent. If one added children born to German immigrants, then the numbers rose to 11.2 percent and 8.3 percent, respectively. DeWitt, *Degrees of Allegiance*, 12.

60. 50 USC, Chapter 53 <https://uscode.house.gov/view.xhtml?path=/prelim@title50/chapter53&edition=prelim>.

61. DeWitt, *Degrees of Allegiance*, 56, 61-63, 97, 104. Walter Kamphoefner, *Germans in America: A Concise History* (Lanham, MD: Rowman & Littlefield, 2021), 243-261. For a study of internment camps, see Jörg Nagler, *National Minoritäten im Krieg: Feindliche Ausländer und die amerikanische Heimatfront während des Ersten Weltkriegs* (Hamburg, Germany: Hamburger Edition HIS Verlagsges. mbH, 2000).

62. Jörg Nagler, "Victims of the Home Front: Enemy Aliens in the United States during the First World War," in *Minorities in Wartime: National and Racial Groupings in Europe, North America and Australia during the Two World Wars*, ed. Panikos Panayi (London: Bloomsbury, 1993), 197. 199, 201-203, 208-209.

63. Nagler, "Victims of the Home Front," 211-215. Nagler, *Nationale Minoritäten*, 539-540, 640.

64. Kamphoefner, *Germans in America*, 252-256.

65. Kennedy, *Over Here*, 306.

66. Mira Wilkins, *The History of Foreign Investment in the United States 1914-1945* (Cambridge, Mass: Harvard University Press, 2004), 9. Multiply by 30.67 to calculate in 2024 dollars <https://www.amortization.org/inflation/amount.php?year=1914&amount=1>.

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67. Becker, "German Metal Traders," 67
68. Delaney, 152-54. Wilkins, 17, 30-32.
69. Kennedy, Over Here, 311. Wilkins, 46.
70. Delaney, 158.
71. Kennedy, Over Here, 311; APC Report, 14; Mulder, "The Trading with the Enemy Acts," 87.
72. C. H. Hand, Jr., "The Trading with the Enemy Act," *Columbia Law Review* 19, no. 2 (April 1919): 118-121.
73. Stanley Coben, A. Mitchell Palmer: Politician (New York: Columbia University Press, 1963), 15-20, 45-50, 62-67, 84-88, 119-122.
74. Mulder, "The Trading with the Enemy Acts," 87.
75. Coben, A. Mitchell Palmer, 130, 135-137.
76. Nancy F. Cott, "Marriage and Women's Citizenship in the United States, 1830-1934," *American Historical Review* 103, no. 5 (December 1998): 1461-64. Mulder, "The Trading with the Enemy Acts," 88.
77. APC Report, 23, 63.
78. APC Report, 63.
79. Kennedy, Over Here, 312-313. For transfer of German drug or chemical patents see for example, Dale Cooper, "The Licensing of German Drug Patents Confiscated during World War I: Federal and Private Efforts to Maintain Control, Promote Production, and Protect Public Health," *Pharmacy in History* 54, no. 1 (January 2012): 3-32; and Kathryn Steen, "Patents, Patriotism, and 'Skilled in the Art': USA v. The Chemical Foundation, Inc., 1923-1926," *Isis* 92, no. 1 (March 2001): 91-122.
80. APC Report, 92-93.
81. APC Report 97-100.
82. APC Report, 92.
83. U.S. State and Federal Naturalization Records, Southern District, New York, roll 0146, petition 37024, NARA; U.S. State and Federal Naturalization Records, 1794-1943, Southern District, New York, Roll 0142, Declaration of Intention No. 29313, and Petition 20139, NARA.
84. APC report 97.
85. APC Report, 97, 99.
86. APC report 97.
87. APC Report 98, 100. Wilkins, 113. "American Metal Co. under American Trustees," *New York Tribune*, December 17, 1918. "The American Metal Company, Ltd.," *New York Tribune*, November 12, 1919. Hochschild, who had arrived in 1885, first petitioned for citizenship in 1903 and became naturalized in 1908. U.S. State and Federal Naturalization Records, Southern District, New York, Roll 75,, Petition 2363, NARA. He died in 1928. "Berthold Hochschild," obituary, *New York Times*, January 25, 1928. Carl Morris Loeb was born in 1875 in Frankfurt, Germany. In chain migration fashion, he came to the United States in 1893 to work with his older brother who was employed at AMCo. He became a naturalized citizen in 1898. E Stack, "Carl Morris Loeb," *Immigrant Entrepreneurship*, German Historical Institute, accessed June 15, 2023, <https://www.immigrantentrepreneurship.org/entries/carl-morris-loeb/>. The 1920 Census suggests naturalization in 1897. Fourteenth Census of the United States, 1920-Population, New York, New York City, Manhattan, District 0665, sheet 1 B.
88. See Ian Turner, *Industrial Labour and Politics. The Labour Movement in Eastern Australia, 1900-1921* (Canberra: Australian National University, 1963).
89. Wilkins, 112.

90. Wilkins, 113.
91. Wilkins, 114.
92. G Fischer, "German Experience in Australia during WW1: Damaged Road to Multiculturalism," <https://theconversation.com/german-experience-in-australia-during-ww1-damaged-road-to-multiculturalism-38594>
93. Elkan, Benno, "Wholesale Merchant, Metals," Fourteenth Census of the United States: 1920-Population, Mamaroneck, New York, Sheet 7 A; Elkan, Benno, "Merchant Metals," Fifteenth Census of the United States, 1930-Population, Larchmont, New York, sheet 2 A. "Benno Elkan," New York Daily News, January 7, 1961. "Young Renamed Zinc Institute Head; Other Officers and Directors Chosen," Joplin Globe, April 30, 1941; "Bilharz is Named to ANMB Committee," Joplin Sun Globe, April 27, 1947.
94. "Otto Frohnknecht of Metals Concern," New York Times, November 7, 1968.
95. "Explains How the Slab Zinc and Lead Quotations are Compiled," Joplin Globe, August 9, 1925.
96. "Berthold Hochschild," obituary, New York Times, January 25, 1928.
97. "Ludwig Vogelstein" obituary, Daily News (New York), September 24, 1934; "His Activities Praised," New York Times, September 24, 1934.
98. Delaney, 165.
99. Delaney, 166-69.
100. For recent studies on the impact of World War I on the survival of German culture in the United States, see Christina A. Ziegler-McPherson, *The Great Disappearing Act: Germans in New York City, 1880-1930* (New Brunswick: Rutgers University Press, 2022); Richard N. Juliani, *Philadelphia's Germans: From Colonial Settlers to Enemy Aliens* (Lanham, MD: Lexington Books, 2021); Kamphoefner, *Germans in America*; and DeWitt, *Degrees of Allegiance*.