

**Presentation event held by The Historical Association of Deutsche Bank:  
“Women, a key factor in the 21<sup>st</sup> century – an historical snapshot”**

held on May 26, 2004, 5 p.m. Taunusanlage 12, E2, 60325 Frankfurt am Main

**Professor Lothar Gall:**

**Women in banking - an historical snapshot**

In early 1928, the monthly magazine for the company workers of Deutsche Bank published an exceedingly warm, two-columned piece on the Bank's oldest female employee: Karoline Behlau had been working at Deutsche Bank, founded in 1870, two years before she started, since October 1, 1872, in other words, for 55 years. The article places particular emphasis on the fact that, with the exception of the former Director, Consul Hermann Wallich and the Chairman of the Supervisory Board, Privy Councillor Steinthal, she was the only person to have experienced the development of Deutsche Bank nearly right from the start. After all, there was a lot she could tell: Georg Siemens, the first Spokesman of the Board was the "nicest", Consul Wallich was sometimes "hard to please" and Director Mankiewitz "still owed her a duster, seeing as he wanted to dust certain objects himself", continued the article.<sup>1</sup>

Thus, mention is made of the "levels" of the various individuals caught up in the development of Deutsche Bank: the lady in question was not a member of the management, never mind the upper levels like the three gentlemen she referred to: Mother Behlau was a charlady.

In those days, it was difficult for women to gain a foothold in a bank. The banking profession remained dominated by the male sex right up to the mid-1920s. In 1878, there were only four female apprentices in the entire banking sector in Germany. Bank apprentices were required to have completed a higher school education, which, as a result of traditional upbringing prior to World War I, was something only few girls had acquired. The prevailing notion at the time was that women should "focus their future thoughts on getting married and not on the unsteady and unsatisfying world of work".<sup>2</sup>

In principle, banks had no objection to employing women. General bank manuals published between 1908 and 1924 contained the advice: "women cannot and shall not be held back". Indeed, women would even be "useful for most positions in banks –

except for managerial positions". Protesters against women working in banks, in contrast, drew quite different conclusions: women were apparently quite unsuited to a career in banking due to the abstract nature of the work and the female "soul; so unique and different from that of the male".<sup>3</sup>

As a result, it was mostly men - at least until 1918 – who had a lifetime post as a bank employee or *Bankbeamter*. They belonged to a social group of employees which was created as the incorporated banks emerged in the 1870s, subsequently developing into large banks: bank employees or *Bankbeamten* as they were generally referred to. Within the multi-class group of white-collar employees, it was mainly the *Bankbeamten* who considered themselves the elite. In 1929, the journalist Siegfried Kracauer described his notion of the profession as a "group of men who considered themselves superior to all other social classes", going on to say, "at least among bank employees, there is a widely held view that the apogee of employee creation is the bank employee. This belief can be traced back to the roots of the industry, is certainly connected to the banker's intimate dealings with money and is confirmed for all to see in the princely Renaissance-style palaces that are bank buildings."

The "old school" bankers were particularly vehement in trying to prevent women from invading their profession. A comment from one male banker in Berlin in 1914 on his female colleagues working: "the practice of hiring womenfolk by local big banks is highly objectionable". Among the arguments against women in the labour force were claims that the office air was bad for their health, they couldn't work as hard as men, lacked the necessary intelligence and drive and that they were merely a cheap form of labour undercutting their wage levels. Besides these far-fetched notions, some male colleagues even lodged bizarre complaints about "the frightful scent of violets" in the office. And in 1927, in the *Deutsche Bank employees' club*, or canteen, which was primarily there to "provide employees with cheap and substantial midday and evening meals", food was still being served in areas segregated according to rank and gender. There was one dining room for senior employees; two for employees, one for women and another for industrial employees.

Female workers also encountered opposition from bankers' associations, including the *Verein der Bankbeamten*, founded in 1890, and the German Association of Bank Employees (*Deutsche Bankbeamten-Verein*). Founded in 1894, this most influential association did not accept any female members until 1919 – quite the norm in

many of the larger employee associations founded since the 1880s. Even in 1915, the German Association of Bank Employees considered the employment of women to be superfluous and made the following statement in its official newsletter: “in the interest of our profession, we will always support the view that the employment of women in banks is to be discouraged at all costs, and it can only be in the best interests of the banks themselves to leave the running of their business to men, instead of organizing the bank like some kind of department store”.

The emerging big bank business led to a substantial increase in bank employees from the 1890s. As the jobs became more varied, in addition to qualified bank employees, banks were able to employ an ever-growing number of unqualified people or, for some areas, cheap labour which they trained on the job. In addition to applicants without a higher education and bank training, women now represented the new group of employees in banks and elsewhere in the world of work. One main reason behind this was the typewriter, which was introduced into offices in the early 1900s, providing numerous women – apparently because of their nimble fingers – positions as typists. The invention of the telephone, which found increasing use from the 1890s onwards, also created jobs: telephone calls had to be put through manually and it was predominantly women who were to be found at the switchboards. Other women found work as clerks, dealing with all kinds of office work, or as book-keepers.

However, according to a survey conducted in 1912 by the German Association of Bank Employees, only 2,408 women were employed by banks and financiers. Half of them carried out bank work; the other half were unskilled labour.<sup>4</sup> It was not until a substantial number of bank employees joined up to serve in the First World War that vacancies came about – as they did in most sectors of the German economy. As these could no longer be filled by male workers, banks were forced to engage women in larger numbers. “Only by the utmost exertion by the remaining staff and managers was it physically feasible to conduct the Bank’s business properly. A number of female clerks have joined our staff”, Deutsche Bank wrote in its 1914 Annual Report.

Although the number of women working in banks rose, the increase still lagged behind other sectors.<sup>5</sup> Banks were a lot less open to the idea of having women in their ranks than other branches of industry. Among the Berlin-based big banks, Deutsche Bank was particularly resistant to this movement: “as you know, the Head Office of Deutsche Bank does not employ ladies”, was the way Carl Michalowsky, the Board Member responsible for personnel matters, responded to a request from a member of

the Reichstag to look into the possibility of finding an “suitable employment” for a young lady in October 1910. Neither could he offer her any other job as, “there are no positions available in the Bank's branch offices which would be commensurate with her fine educational background”. So, while it was clear that Deutsche Bank made a distinction between positions at its Head Office and branches, and the Head Office had yet to employ any ladies, it would seem that *Disconto-Gesellschaft*, Deutsche Bank's then main competitor, had a less restrictive policy. In any event, Michalowsky reported that he had “approached in confidence the Board of Directors at *Disconto-Gesellschaft*, which has ladies in its employ”; nevertheless, they had replied that they already had more applications than vacancies available.<sup>6</sup> It was only in 1913 that Deutsche Bank engaged its first female employee in the Archive/Library Department. Among the wider banking circle, only the *Bank für Handel und Industrie*, which became part of Dresdner Bank in 1931, had female workers in its employ. From the First World War onwards, roughly 200 women worked in a number of its bank departments.

Moreover, in the period of high inflation from 1920 to 1924, an increasing number of women began to work in banks as requirements for office workers grew: the total number of female bank employees in Germany increased from around 13,000 in 1919 to approximately 90,000 at the end of 1923; this represented respectively a rise of 10% and 27% in all bank employees.<sup>7</sup> However, the majority of women worked as unskilled staff on office machines, and in 1924, as part of a rationalization process which saw a large number of job cuts – even among male bank employees – their employment contracts were terminated. In 1925, the number of female bank employees had shrunk from the above-mentioned 90,000 to approximately 25,000, now at 20%. Compared to 4.8% in 1907, this represented an increase of more than 15%.

While women's salaries in banks before the First World War were between 20% and even 50% lower than those of their male counterparts, the first *Reich* collective agreement, dated 1920, served to place them on an equal footing, at least officially. Nevertheless, bank employees could be classified according to three tariff groups with differing salary levels according to education and years of service. Owing to the fact that women often had little education, female bank employees now found themselves predominantly grouped in the lower-paid tariff groups. They were also worse off as far as the wide range of allowances was concerned.<sup>8</sup> However, there was, “naturally”, not even one woman among the 1,245 directors, authorized representatives and other executives working at Deutsche Bank in 1927.

The global economic crisis between 1929 and 1932 increased unemployment rates among employees considerably, affecting significantly more women than men. This is when the outcry surrounding the employment of married women, and what was pejoratively called the "double earnings" phenomenon, which had been simmering since the mid-1920s, reached its peak. An example of this dates back to 1926, when a lady working on the switchboard of *Süddeutsche Disconto-Gesellschaft* in Mannheim (this became part of Deutsche Bank in 1929) and planning to marry was summoned to the Personnel Department. She was asked "how she envisaged continuing her job as a telephonist in our Bank while simultaneously being the wife of a well-positioned businessman, adding that she would then be considered by the works council as a "double earner". She explained, however, that she had no intention of keeping her job and would give notice as of the end of the year.<sup>9</sup> So it was that in 1925, a testimonial for Hermine O. stated: "she is leaving [...] our employ as, for social reasons, it is the policy of Deutsche Bank to replace female staff after their marriage with unmarried women".

The National Socialists jumped on the bandwagon of rampant resentment towards female employment and propagated the confinement of a woman's role to home, family and children. Marriage loans were set up to support this, on condition that the wife gave up her job. Karl Ernst Sippell, the then Personnel Director of Deutsche Bank, spoke at a company meeting in 1933 of vacancies which had arisen due to a number of female employees having returned to the hearth and kitchen: "fortunately, there is a healthy turnover of females, who provide for constant fluctuation either through marriage or returning to their parental house."<sup>10</sup> At the same time, a leading article on personnel policy published in the Deutsche Bank staff magazine in July 1933 stated: "there can be no doubt that there are tasks in the banking business for which women are particularly suited". To exaggerate the point: typewriters need a female hand. If not only because men are so reluctant to befriend it. And at this point, we should certainly once more sing the praises of a good female secretary."<sup>11</sup>

However, the women who remained in the Bank were covered by the National Socialists' duty to provide care. The Deutsche Bank staff magazine mentioned above contained a report in August 1934 with the heading "A shorthand typist's sedative", on a young woman who was brought to hospital in Scotland with a stomach complaint. Some 107 paperclips were found during the subsequent operation on her stomach; the young woman had swallowed them over a longer period. When asked why she had

endangered her life in this way, the typist in question said she had swallowed the paperclips to calm her nerves every time she had had trouble with her boss.

Franz Hertel, the Nazi Party *Betriebszellenobmann* (works cell official), who was very powerful in Deutsche Bank, attacked Maximilian Müller-Jabusch, the Bank's press relations officer, in no uncertain terms and protested strongly against the report's lack of tact: the "Act on the Regulation of National Labour" protected the honour of every German worker, right down to the "last" member of the workforce; therefore also the professional honour of shorthand typists! An article of this ilk was just the very thing to reawaken some of the workforce's feelings of inferiority, against which the National Socialists were proudly and justifiably fighting.<sup>12</sup>

From 1936 onwards, the Nazi government attempted to satisfy the growing need for labour, also for skilled staff, through the employment of women. This is how the conditions for a marriage loan were changed in 1937 to allow married women to work. The employment of all women - married or not - was again promoted vigorously by the State during the Second World War. This furthered the influx of women to office work. For example, at Deutsche Bank, the number of female staff rose from around 2,200 at the end of 1934 to approximately 3,400 at the end of 1940; this amounted respectively to 14.4% and 17.6% of all the Bank's employees.

The views on the employment of women changed completely after the Second World War and even more so in the wake of the women's liberation movement. As early as 1956, 45 of every 100 tariff workers employed in the private banking sector in the German Federal Republic were women; today, women make up the half or more than the half of all staff working in banks. However, it would still take some time before women could rise through the ranks in banking. For this reason, Deutsche Bank initiated a campaign entitled "Women in Management Positions" in 1973/74: "a career in banking should not remain the preserve of men", proclaimed many advertisements. The outcome: every third trainee – the Bank's future high potential staff – in 1974 was a woman. In parallel, the Bank launched a range of "ladies' seminars" to train women for management positions.<sup>13</sup>

In an interview in 1975, Hermann J. Abs, the long-term Spokesman of the Board of Managing Directors and Chairman of the Supervisory Board of Deutsche Bank stated: "Deutsche Bank has always attempted to disregard the prejudices that exist against women, even in the filling of higher offices. At our bank, many higher positions have already been filled by women." In responding to the question if he considered the

growing influence of women even in top business positions to be valuable, Abs said, “in my earlier statements, I mentioned the need in business for creative or intuitive talents. Don't women possess these attributes more than men?”<sup>14</sup>

The Association of German Banks reported in September 2003 that the number of “women in management positions is advancing slowly but steadily”. It referred to the latest surveys carried out in the private banking industry, indicating that the number of women in executive positions had risen by 2.6% to 12,100. By contrast, the number of men in corresponding positions had fallen by 1.5% to 42,630.

An analysis of the careers of German big bank executives between 1980 to 2000, which was published at the end of 2001, provided the following picture: fluctuation in top management had risen; the number of "lateral" hires" was growing; international experience was increasingly required and yet: "by contrast, one particular phenomenon has (thus far) persisted: there are no women on management boards.”

However, the one exception to this was Ellen Ruth Schneider-Lenné, who was a member of the Board of Managing Directors of Deutsche Bank from 1988 until her death in 1996. She was the first and for that matter, only woman to be appointed to the Board of Managing Directors of a German big bank.

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<sup>1</sup> Unsere älteste Mitarbeiterin (Our oldest employee), in: Monatshefte für die Beamten der Deutschen Bank (monthly magazine for the company officers of Deutsche Bank), January 1928, page 13

<sup>2</sup> Günter Ashauer/Horst Liefeith/Klaus Weiser, *Berufsbildung in der deutschen Kreditwirtschaft*, Mainz 1983, page 26 et seq.

<sup>3</sup> Ebenda, page 27

<sup>4</sup> Cf. Stillich, *Strukturveränderungen*, page 44.

<sup>5</sup> Lövinson, *Frauenarbeit*, page 9, maintains that the number of women employed in the banking industry rose from 0.76% in 1875 to 4.66% in 1907. Schulz, *Die weiblichen Angestellten*, page 185, states that the number of women employed in the economy as a whole amounted to 5.5% in 1882 and 12.4% in 1907.

<sup>6</sup> Lothar Gall et al., *Die Deutsche Bank 1870-1995*, Munich 1995, page 124

<sup>7</sup> As more detailed statistics are not available, there is no other option but to rely on the estimates in Lövinson, *Frauenarbeit*, page 16.

<sup>8</sup> Lövinson, *Frauenarbeit*, page 54 et seq.

<sup>9</sup> Memo from Personnel Department of *Süddeutsche Disconto-Gesellschaft* dated August 24, 1926; HADB P33/W45

<sup>10</sup> Harold James, *The Nazi Dictatorship and the Deutsche Bank*, Cambridge University Press, page 50

<sup>11</sup> Monthly magazine for the company officers of Deutsche Bank and *Disconto-Gesellschaft*, July/August 1933, page 50

<sup>12</sup> “Schwibbogen”, company magazine of DD-Bank, Issue 17, 1934, page 15

<sup>13</sup> Forum, Magazine for Deutsche Bank, October 2003, page 29

<sup>14</sup> Esprit, German society magazine, No. 12, December 1975 (HADB, V1/5251)