

Bank and History

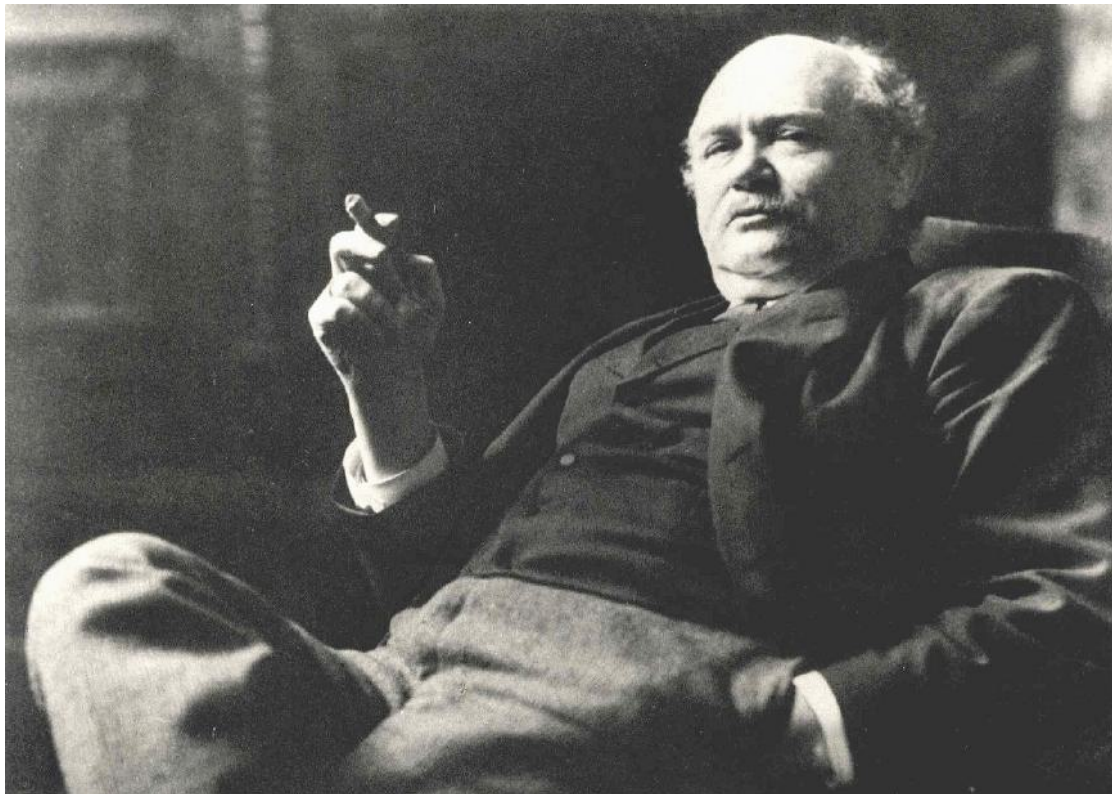
Historical Review

Historical Association
of Deutsche Bank



No. 54

October 2026



Georg von Siemens: the bank's first CEO

Georg von Siemens died on 23 October 1901, just a few days after his 62nd birthday. For three decades he was Deutsche Bank's first-ever 'boss' after the institution was founded in 1870. A total financial novice when he took on his new role, but equipped with a remarkable entrepreneurial spirit, he led Deutsche to the pinnacle of the German banking industry throughout several crises during his tenure.

Entrepreneurial acumen in his DNA

Dreihundert Männer ('Three hundred men') is the title of a bestseller that won Germany's literary prize for non-fiction in 2026. It refers to a comment made by Walther Rathenau, who used the phrase to describe a small group of individuals regarded as captains of European industry at the turn of the 20th century. Georg von Siemens was no doubt one of them. This review looks back at an extraordinary entrepreneurial figure to mark the 125th anniversary of his death.



Georg Siemens during his one-year period of voluntary military service in 1859.

*"Although I don't know much about American or Indian banking, I pretend to be an expert ... and, whenever I hear a word that I don't understand, at home I secretly consult my encyclopaedia or dictionary or a book on how to become a banker in 24 hours. I've now just about grasped the difference between bid and offer prices."*¹

Four days after Deutsche Bank had opened for business in very modest premises within a two-storey rented building in Berlin on 9 April 1870, Georg Siemens, its recently appointed director – the term 'Management Board' was not used until much later – wrote these comments to his cousin Rufolf, with the casual tone of his 'admission of incompetence' naturally containing an element of coquettishness: *"Even though I know nothing about this business at present, there must be a good reason why I have been chosen for this position."* And, indeed, Georg Siemens had not just suddenly appeared from nowhere. The name 'Siemens' stands not only for a company with which Deutsche Bank had maintained business links ever since it was founded, but also for the associated family which has produced so many outstanding entrepreneurs – not least Werner von Siemens, who was Georg's uncle.



Portrait photo from 1866.

Georg Siemens was born on 21 October 1839 as the only child of the lawyer and civil servant (Beamter) Johann Georg Siemens and his wife Marie in Torgau on the river Elbe, which in those days was part of the Prussian province of Saxony. In 1846 his parents moved to Berlin, where Georg attended the French Grammar School (Lycée Français) and obtained his high-school diploma (Abitur) in 1857. Like his father, he studied jurisprudence, which took him to Heidelberg. He did not feel any real enthusiasm for his studies initially. Georg felt drawn towards some kind of practical profession, and he considered becoming a farmer after his family had purchased an estate in Ahlsdorf in southern Brandenburg in 1859. However, his father urged him to complete his studies. He spent the following years working as a Referendar (legal intern) at district courts in the Prussian provinces, interrupted only by his participation in the Austro-Prussian War in 1866 and, finally, his second state examination. Interestingly, he did not obtain his doctorate in law until 1875, when he had already been firmly established in his profession for years, although this was not as a Beamter (civil servant) but as a mere Kommis (employee), as his father – who would have liked to see him as a Beamter – remarked wistfully.

While Georg was still considering a future managing a family estate, his uncle Werner tried to recruit him to work for his recently founded company. Although Georg initially resisted, he eventually joined Siemens & Halske in 1867 after having previously advised the firm in legal matters.

Werner instructed Georg on behalf of Siemens to conduct negotiations in London and Teheran on the construction of the Indo-European telegraph line. He completed these negotiations by achieving a highly lucrative deal for Siemens in 1869. This revealed Georg's entrepreneurial acumen for the first time.

A new bank finds its first CEO

His negotiating skills did not go unnoticed – not least by the banker Adelbert Delbrück, who had been involved in this project and headed up the private bank Delbrück Leo & Co. in Berlin. Delbrück and the National Liberal politician and monetary expert Ludwig Bamberger were in the process of setting up a foreign-trade bank and were looking for an energetic, proactive manager to lead this institution. Delbrück reckoned that Georg Siemens, who had only recently turned 30 years of age, was the right man for the job. And so he recommended Siemens – although he lacked any previous experience of banking – as the director of the new institution being established, the name of which had already been chosen: Deutsche Bank.

1 X	A. Schenck & Co. Leipzig	25000	25000	000	25000
2 X	M. H. Meyer	Bremen	50000		50000
12 X	A. G. Meissner & Co. Hamburg		17000		17000
13 X	Georg Albrecht & Co. Hamburg		50000		50000
14 X	H. A. Meissner & Co. Berlin		30000	800	30800
15 X	J. L. Meissner	Lein	17000	800	17800
16 X	A. Meissner	Berlin	5000		5000
	Sum		5000000	13000	5000000

'Assessor (fully qualified lawyer) Siemens' appears right at the bottom of the list of 76 founding shareholders.

Georg Siemens joined Deutsche Bank on a salary of 1,500 talers for an initial period of one year on 22 March 1870. Even by the standards of the time that was not a huge pay package, so Siemens initially kept his options open. He wanted to continue working as a company lawyer at Siemens & Halske provided this did not conflict with his new employer's interests. Even at this time he was already a man of some means, as illustrated by the fact that he was one of 76 founding shareholders in Deutsche Bank, in which he invested 5,000 talers initially. Although this was not a particularly large amount compared with the bank's total share capital of five million talers, it was still a multiple of his annual salary. His following remarks explain why he took on the job and what his objectives were: *"I left the civil service two years ago, where I would no doubt have become a privy councillor, because the strategy of the bank I was joining appeared to offer me the opportunity to make a real difference. I did not receive any money from the people there; on the contrary – my income deteriorated. But I had the idea that I could achieve something. I think that every year will bring me closer to reaching my goal of making Germany's exports and imports less reliant on the United Kingdom, and I believe that realising this idea will constitute a national act equally momentous as conquering some province or other."*² Georg Siemens was assisted in the first few months by Wilhelm Platenius, who reported a lovely anecdote of how he and Siemens were sitting opposite each other at their desk on their first working day. One of them asked the other: *"What do we do now? Do you know anything about banking?"*³, to which both replied 'no' and burst out laughing.

There was very little evidence of this levity in a letter that Georg wrote to his father, in which he admitted: *"I have lots of work, and I'm finding the new conditions here quite challenging. Our names will be entered in the commercial register tomorrow, and I will then be responsible for large sums of money without really knowing what to do with it as business is currently thin on the ground."*⁴

Just as the bank's first transactions were beginning to materialise, the Franco-Prussian War broke out. Siemens also took part in this military campaign, which culminated victoriously in the establishment of the German nation state, as a lieutenant in the Fourth Brandenburg Infantry Regiment from August 1870 onwards. The recently founded Deutsche Bank had to cope without its first manager for more than six months. What's more, his fellow director Wilhelm Platenius fell out with the Administrative Board and left the bank, although he was replaced by the highly experienced Hermann Wallich (1833-1928), who was particularly well-versed in international business and would go on to assist Siemens, after he had returned safe and sound from his military service in March 1871, for the next quarter of a century. Max Steinthal (1850-1940) and Rudolph von Koch (1847-1923) completed the bank's senior management team over the next few years and were each allocated specific responsibilities. Wallich oversaw international trade finance and routine banking operations as well as overseas business, Steinthal was primarily in charge of securities and foreign-exchange operations, while Koch was responsible for organisational development – something that was hardly perceived outside the bank.

*"Georg Siemens was a sort of 'jack of all trades', although he was mainly responsible for the major projects that he himself initiated. This was also the reason for his early leadership role. The role of Management Board spokesman, although never formally specified, likewise automatically fell to Siemens as a result of developments"*⁵ was how Werner Plumpe summarised the situation in his 2020 study of Deutsche Bank under the German Empire. The right balance between Siemens' strongly proactive approach and his colleagues' carefully considered actions is often seen as the recipe for the bank's success and its constant upward trajectory during its first few decades. Trust in Deutsche Bank's core brand post-Siemens was the other factor that prevented the institution from going under amidst the storms of its early years – as he himself remarked in 1872: *"By sticking firmly to our objectives, I have put our institution – which initially ran the risk of becoming a minor profiteering, overpriced bank – back on the right track and bolstered its reputation, so it is now generally highly regarded."*⁶



Deutsche Bank's four most senior managers in 1880: Georg Siemens, Rudolph von Koch, Max Steinthal and Hermann Wallich.

Getting to the top: learning lessons and achieving success

Siemens soon realised that Deutsche Bank could only achieve its objectives of supporting and expanding its international trade and payment transactions if these were built on broad-based domestic business foundations. Siemens laid these foundations by launching a deposit-taking business, which only the Sparkassen (savings banks) had systematically offered in the past, thereby providing Deutsche Bank with a significant competitive advantage. Its example was pioneering for the entire German banking industry. Siemens gave additional support to the bank's deposit-taking business by attempting to develop the use of cheques. These domestic business foundations enabled the bank to implement its original international trade finance programme and to expand it by drawing on the support of the London branch opened in 1873 and by setting up Deutsche Ueberseeische Bank (1886) and Deutsch-Asiatische Bank (1889).

The success that Deutsche Bank achieved in its domestic business under Georg Siemens' leadership meant that it had to open several branches in Germany in the final quarter of the 19th century (in Bremen, Hamburg, Frankfurt and Munich) and forged close relationships with other banks. It acquired investments in Württembergische Vereinsbank, Schlesischer Bankverein and Bergisch Märkische Bank. This created a banking group that enabled Siemens to take on larger financing projects. One of these that particularly stands out is Deutsche Bank's involvement in the creation of the German electrical engineering industry.

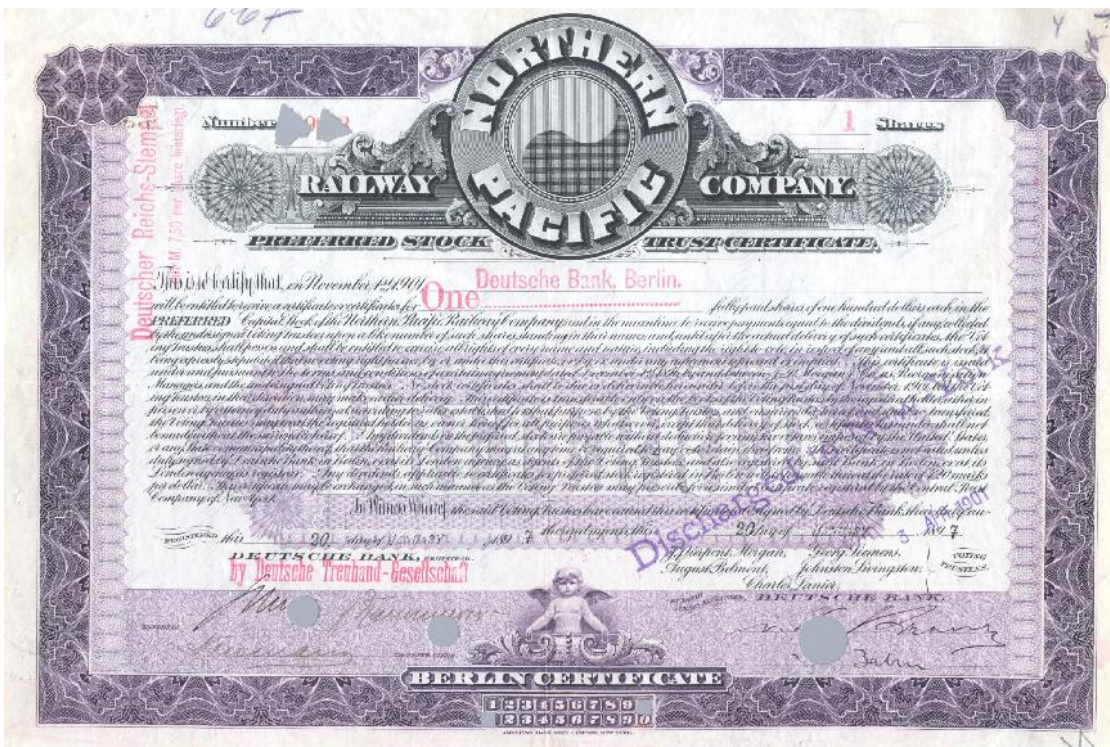


Deutsche Bank pooled its interests with Württembergische Vereinsbank, Schlesischer Bankverein and Bergisch Märkische Vereinsbank.

In 1887 Deutsche Bank joined forces with Delbrück Leo & Co. to underwrite most of the capital increase at Deutsche Edison-Gesellschaft, which was simultaneously renamed Allgemeine Elektrizitäts-Gesellschaft (AEG). Siemens sat on AEG's supervisory board for seven years. He also made his experience available to the businesses of Siemens & Halske AG, as he had done prior to joining Deutsche Bank. At the same time, the bank acquired investments in several major electricity suppliers and tram operators. In the last few years of his life Siemens also played a key role in the construction of Berlin's elevated and underground railways. Together with Max Steinthal he was involved in the establishment of Mannesmannröhren-Werke.

The relationships that Georg Siemens had built in Germany for the recently founded Deutsche Bank soon took on an international dimension. Bank für elektrische Unternehmungen (Elektrobank), which was founded in Zurich at his instigation, coordinated German banks' interests abroad. Georg Siemens' international activities reached their initial peak when Deutsche Bank became involved in financing the construction of the North American railways – especially the Northern Pacific Railroad Company. When he was invited by the German-American Henry Villard, the company's charismatic president, to attend the ceremonial completion of the railway line in the summer of 1883, he undertook the journey with great expectations: *“I'm going to America in August to take a look at the Northern Pacific. I think that we in Berlin need to engage with American affairs. After all, America is closer to us than Italy – despite the Gotthard tunnel.”*⁷ Subsequently, however, Deutsche Bank had to invest a considerable amount of money in this company, in which – just a few months after the railway line was opened – it had acquired 20 million dollars' worth of second mortgage bonds, the price of which rapidly fell, however. Siemens even contributed a substantial amount of his own personal wealth and repurchased shares from disappointed investors who had bought stocks in Northern Pacific on his advice. When the company collapsed in 1893 following some bad investments, Siemens set up a reorganisation committee in New York for the owners of the relevant railway bonds. In the meantime Siemens had launched a company in Germany aimed at protecting and encouraging German investment in the United States. The firm was founded in March 1890 under the name ‘Deutsch-Amerikanische Treuhand-Gesellschaft’ (German American Trust Company) – a forerunner of today's KPMG.

A Northern Pacific preferred-stock trust certificate from 1897. The certificate, which was issued after the company's reorganisation, is co-signed by Georg Siemens.



The significant financial transactions through which Siemens consolidated Deutsche Bank's international reputation covered an increasingly wide area: underwriting bonds for the city of Bucharest and the Principality of Bulgaria and helping to establish Banca Commerciale Italiana (1894).



The foundation of the Anatolian Railway Company pursued by Siemens in 1889 marked the start of Deutsche Bank's interest in the orient. Initially conceived as a purely commercial project, the Baghdad Railway's political dimension became increasingly significant. Even though his diplomatic skills during the complex negotiations on the construction of this railway in the Ottoman Empire earned him his hereditary title in 1899 – he was only actually called 'Georg von Siemens' during the last few years of his life – he was often highly sceptical about this large-scale project, even as far as its economic value was concerned: *"The Anatolian Railway is now being praised to the heavens by the German press, which is usually so reserved. But from a business perspective? Good heavens! It will always remain an insignificant and innocuous thing. This railway was really useful for me personally because it was then that people started to believe in me, and that is useful if you want to pursue important things seriously. But this railway itself is just a dead end, and His Majesty's enthusiasm for Mesopotamia is of no further value for Germany's interests."*⁸



Georg Siemens can be seen here in the middle of a group of dignitaries waiting for Kaiser Wilhelm II at Hürüke train station on 20 October 1898. Deutsche Bank's involvement in the construction of railways in the orient is expressed in a caricature from 1900, which shows the bank's Management Board spokesman as a signalman (image above).

Advocacy

As the representative of an institution that, even in those days, saw itself as a 'global house bank', Siemens viewed excessive nationalism as an alien concept. He regarded Deutsche Bank as a multinational organisation – not just in terms of the geographical reach of its business activities but also with respect to its cosmopolitan mindset. When Deutsche Bank or, to be more precise, its senior management team was asked in 1899 to make a donation towards a Kaiser Wilhelm library in Posen (now Połna in Poland) in order to strengthen German culture in the country's eastern territories, Siemens rejected the idea, commenting: *"I don't think that this matter could be of any interest to Deutsche Bank. We are international rather than national in outlook."*⁹ The fact that his language occasionally lapsed into antisemitic tropes commonly in use at the time should not be overlooked. In 1901, for example, he remarked: *"The system of banking operations prevailing in Vienna and Budapest no longer meets the requirements of the modern age. Both places would look entirely different if the wretched Galician school were not the predominant one at both locations."*¹⁰ Such remarks sound disconcerting nowadays, not least because his two most important colleagues in his quest to catapult Deutsche Bank to the top – Hermann Wallich und Max Steinthal – were Jews.



Georg Siemens
(standing in the centre)
among the Reichstag
deputies of the German
Free-Minded Party in
1889.

Siemens' contribution went well beyond the work he did for Deutsche Bank. For many years he was active in organisations such as the Association of German Banks and the Association of Berlin Merchants and Industrialists. He sat on the committee of the Association of German Chambers of Industry and Commerce, where he helped to draft legislation on cheques. As a classic representative of economic liberalism in the German Empire he was a deputy in the German Reichstag for more than 13 years – initially for the National Liberal Party and subsequently for the German Free-Minded Party. As an elected representative he commented mainly on issues relating to the banking constitution, coinage legislation, stock exchange taxation, and the renewal of trade agreements. He tended not to speak on fundamental political questions.



Siemens lived on one floor both in the flat for directors in Behrenstrasse (above) and in his own house in Tiergartenstrasse.

Home, family and friends

During the first few years after Deutsche Bank had been established, Siemens lived, as was appropriate, in a flat for directors within the bank – initially in Berlin's Burgstrasse, and subsequently in Behrenstrasse, together with the Wallich family. In 1883 he purchased a spacious house – not exactly a mansion – in Tiergartenstrasse, where he lived on one floor and let the remaining floors to friends – for example political associates such as Heinrich Rickert and Friedrich Kapp. In addition, he had a further residence at his aforementioned estate in Ahlsdorf. During the final years of his life he purchased a substantial property with fantastic panoramic views of the Alps in Stresa on Lake Maggiore as a place for himself and his family to relax – so in the end he got his luxury mansion after all.

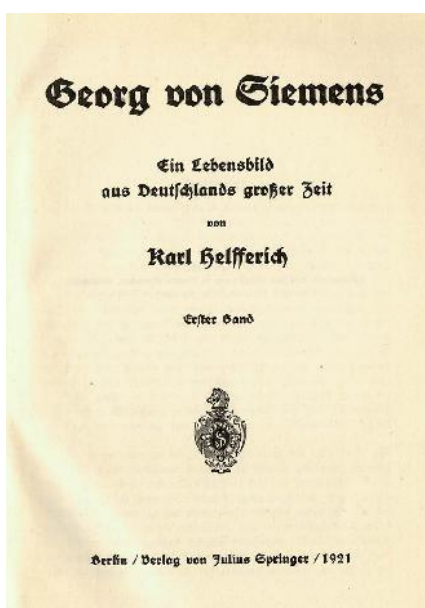
Shortly before Siemens had been discussed as a potential manager for the project to establish Deutsche Bank, he had met Elise Göring (1870-1938) in Berlin, who came from a reputable family in Mainz; her father was, like Siemens, a lawyer as well as being president of the higher regional court in Mainz. The surviving correspondence between the couple bears testimony to the strong self-confidence of Elise, who at the beginning of the acquaintance had only just turned 19 years old, and to the persistence of her suitor Georg, who was at least ten years her senior. They married in May 1872.



Georg and Elise as a married couple in 1872.

His relationship with his wife (who outlived him by 37 years) was remarkable. She had accompanied his successful career at Deutsche Bank almost from day one and, compared with the situation at the time, was his equal partner, advising him on decisions of a general nature if not on business matters. He certainly allowed himself to be guided by her advice. Their marriage produced six daughters, one of whom died in childhood. Two daughters married archaeologists, with Marie wedding the international director of Berlin's museums in Constantinople, Theodor Wiegand, who worked as the German embassy's scientific attaché on the Bosphorus, where he represented the German Empire's archaeological interests.

Shortly after the Kaiser had visited Turkey, Siemens went to view the archaeological excavations in Priene in November 1898. The photograph shows him standing on the balcony – wearing a light head covering – alongside his two daughters Marie and Lilli and, on the far right, his eventual son-in-law, the archaeologist Theodor Wiegand.



Long after Siemens' death, his second-youngest daughter, Annette, marrying for the second time, wedded Karl Helfferich, a former member of Deutsche Bank's Management Board, who is mainly remembered, however, for his later role as a – predominantly monetary – politician. As far as Siemens is concerned, Helfferich is highly significant as his biographer, authoring a three-volume account of his life between 1921 and 1923. This 1,000-page work is still regarded as an authority on the professional and private biography of Georg von Siemens, especially as it was able to draw on sources that are no longer available today. The extensive correspondence at the end of the third volume alone provides an in-depth insight into his thoughts and views.

The first volume of a major biography on Siemens was published in 1921, 20 years after his death, and was authored by Karl Helfferich, who was also Siemens' son-in-law.



Karl Helfferich (1873-1924).

Nonetheless, we should treat Helfferich's narrative with a pinch of salt. The subtitle alone – *Ein Lebensbild aus Deutschlands großer Zeit* ('A portrait of a life from Germany's golden age') makes it clear that Helfferich – originally basically an economic liberal but drifting far to the right after the First World War – repeatedly portrays Siemens as an 'enforcer' of German interests who is motivated by the fulfilment of his patriotic duty, which often does a disservice to this bona fide non-conformist, however. One hundred years after Helfferich's biography was published, we need a fundamental reassessment and analysis of Georg von Siemens as a leading entrepreneur.

Retirement and succession



Siemens during the last few years of his life.

Georg von Siemens retired from the bank's day-to-day business operations at the end of 1900. Faced with an increasingly arduous workload, he had commented to his wife as early as 1896: *"Deutsche Bank is getting too big for me now ... I would have made a fairly good Elector of Brandenburg, but being Imperial Chancellor of Europe would have been too much work even for me."*¹¹ His official successor was Rudolph von Koch, but this was based on the seniority principle. Although Koch had sat on the Management Board since 1878 and had helped to establish and develop the bank in many respects, he lacked his predecessor's charisma. The person who actually completed Siemens' agendas was Arthur von Gwinner, who continued the bank's large-scale international business and, after Koch had joined the Supervisory Board, became the Management Board spokesman.



Arthur von Gwinner (1876-1931) continued the bank's major projects.

Siemens' retirement from the Management Board was intended to relieve him of his day-to-day work so he could devote his time entirely to his pet projects, which included achieving an international agreement on the continuation of the Baghdad Railway. But his life was now rapidly ticking away, for this restless spirit and bon vivant had long been recklessly abusing his health. The fact that he liked smoking – probably to excess – is well documented by several comments and images. *"I have given away all my cigars and hope that the damned nicotine will now finally disappear from my body."*¹² By the time he came to this realisation, it was already too late. A stay at a health resort in Karlsbad, which he began in early September 1901, had to be abandoned after just a few weeks when his condition started to deteriorate rapidly. Close to death, he returned to Berlin, where he died less than three weeks later on 23 October 1901. He found his final resting place in the family tomb at Schloss Ahlsdorf, which Deutsche Bank still helps maintain to this day.



Georg von Siemens lies buried in der family tomb at the estate in Ahlsdorf purchased by his father Sohann Georg.

Georg von Siemens was neither a 'Manchester capitalist' along the lines of John Bright nor a paternalistic entrepreneur like Alfred Krupp, even though Deutsche Bank's oldest pension and welfare fund was named after him. In 1894 he used striking language when summarising the possibilities and limits of capitalism to his companion Kilian Steiner of Württembergische Vereinsbank:

*"Capitalism' is hugely powerful. If it does not bring about its own downfall one day through its own fault and by overstating its principles, it will remain irresistible; the other forces will not destroy it. We must therefore restrain ourselves, which will be much more difficult than even we can imagine at present."*¹³

Reinhard Frost

¹ Karl Helfferich, Georg von Siemens. Ein Lebensbild aus Deutschlands großer Zeit, Berlin 1921-23, Vol. I, p. 226.

² Helfferich, Vol. I, p. 227.

³ Helfferich, Vol. I, p. 225.

⁴ Helfferich, Vol. I, p. 226.

⁵ Werner Plumpe, In the Age of the First Globalisation, In: Deutsche Bank. The Global Hausbank 1870-2020, Berlin 2020, p. 182 et seq.

⁶ Helfferich, Vol. I, p. 227.

⁷ Helfferich, vol. II, p. 232. The Gotthard railway tunnel beneath the main ridge of the Alps had been completed just a few years previously.

⁸ Excerpt from Siemens' letters to Theodor Wiegand dated 26 November 1899, in: Halbmond im letzten Viertel, Munich 1970, p. 29.

⁹ Hand-written notes in the margin of a letter from Erich Liesegang to Georg von Siemens on 11 April 1899, in: HADB/S1245.

¹⁰ Helfferich, Vol. III, p. 388. Equating 'Galician' with 'Jewish' was a common antisemitic stereotype at the time.

¹¹ Helfferich, Vol. II, p. 158.

¹² Helfferich, Vol. III, p. 384.

¹³ Helfferich, Vol. III, p. 239.