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Saskia Coenen Snyder

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Introduction to Special Cluster: Jews and the Diamond Trade

Saskia Coenen Snyder

In 1895, the *Jewish Chronicle*, the most widely read Jewish newspaper in Great Britain, called attention to the “conspicuous part played by Jews in the development of the resources of South Africa,” referring particularly to the flourishing transatlantic diamond trade. “It is not possible,” states the editorial rather haughtily, “to exaggerate the share in the awakening of Africa which has been taken by the enterprise, the commercial instinct, the dash and daring of Jews.”¹ Prospectors had discovered vast mineral deposits on the African continent in the early 1870s, and by the time the *Chronicle* penned its lauding editorial, close to fifty million carats had been excavated from the soil and transported, via British steamships, to London at an estimated value of £62,000,000—a full third of the total exports of the entire Cape Colony. South Africa had become the primary supplier of diamonds to the world; its diamond fields one of the formative sites of modern capitalist production.

At each stage of the diamonds’ route through the Empire and beyond—from Cape Town to London, from Amsterdam to New York City—they were primarily traded, manufactured, appraised, and sold by Jews. Exuding the prevailing imperial ethos of late nineteenth-century European elites, the *Chronicle* concluded that “the great and prosperous [British] empire which is in the making in South Africa will have been largely built up by Jewish effort,” a story that deserved to be recorded for posterity and added to the annals of Anglo-Jewish history.² While the newspaper undoubtedly romanticized the story, applauding Jewish contributions to “civilizing” Africa but remaining oblivious to the human, moral, and environmental costs of imperialism, it recognized something that historians have long overlooked: Jews were key players in the building of Empire. When it comes to diamonds, Jews became the central

architects of a new, global commodity chain that connected African sites of supply, European manufacturing centers, and Western consumers.

Timing mattered here. Centuries of restrictions had concentrated Jews in trade and finance, often relying heavily on internal networks. When unprecedented economic opportunities presented themselves on the diamond fields in the early 1870s, Jewish merchants were able to take advantage of close commercial ties across continents that were not as readily available to others. Having a merchant uncle in London willing to invest, or a cousin managing a family bank in Paris, facilitated loans for Jewish entrepreneurs, easing the incorporation of precious stones into extant mercantile channels. In South Africa, immigrants such as Alfred Beit, Sammy Marks, Barney Barnato, Anton Dünkelsbühler, Martin Lilienfeld, and Jules (Yehuda) Porgès depended on trustworthy contacts in Europe to extend resources and function at the receiving end of the commodity chain. These merchants worked within a diasporic ethnic ecosystem whose business networks bridged city and countryside, metropole and colony, and whose ambitions fueled an increased imperial presence in Africa's interior. Aided by British technology—from imported water pumps and deep-level mining machinery to transatlantic steamboats and registered postal services—Jews laid the foundations for “Diamondville,” extending the Empire into the South African heartland while simultaneously moving its mineral riches to London for distribution. Operating within imperial geographies, the infrastructures and objectives of which expedited global trade, Jews helped build a flourishing diamond industry and a place for themselves in the modern world.

By the mid-1890s, De Beers Consolidated Mines, headed by Cecil Rhodes and Alfred Beit, produced 90 percent of the global supply in rough diamonds. It sold its entire annual yield to the London Syndicate, made up of ten Jewish-owned firms with offices clustered in Hatton Garden, a district between Clerkenwell and the Thames that to this day is the city's best-known jewelry district. Having earned the exclusive rights to distribute South African stones, Syndicate companies sold rough stones to manufacturers, the majority of whom traveled across the

English Channel from Amsterdam and Antwerp to purchase inventory for cutting and polishing factories.

In Amsterdam alone, over seven thousand steam-driven mills were spinning to polish rough stones into ornamental diamonds.³ Gem manufacturing became the third-largest labor sector in the city and employed close to ten thousand lapidaries in purpose-built factories. Remarkably, more than 50 percent of the entire Jewish population (some fifty thousand in the 1890s) made a living from the stone, either directly as cleavers, cutters, polishers, factory managers, apprentices, or indirectly, as spouses and children of diamond workers.⁴ Overwhelmingly poor and Orthodox, they were indispensable to the success of the commodity chain. The millions of carats mined on the South African diamond fields could find their way to affluent necklines only after master cutters and polishers transformed carbon “pebbles” into sparkling brilliants, pendeloques, roses, pear-, and tear-shaped gems.

Diamonds proved economically significant, providing sustenance to large segments of the Dutch Jewish population, but they also carried political weight, mobilizing factory workers to the socialist cause. Unregulated labor conditions and the unpredictability of supplies dependent on the dictates of De Beers and the London Syndicate radicalized the proletariat. This led to massive strikes and, in 1894, to the first organized diamond workers’ labor union in the world, the *Algemene Nederlandse Diamantbewerkeren Bond* [General Diamond Workers’ Union of the Netherlands], or ANDB. As Karin Hofmeester’s essay illustrates, the ANDB consisted of Jewish and non-Jewish workers, women and men, united—at least ideologically—in their efforts to improve the plight of the laboring classes. Research on nineteenth-century diamond unions in Europe and America suggests that union halls functioned not unlike synagogues, providing a sense of community and opportunities for cultural advancement to its members.⁵

Once cut and polished, most diamonds made their way across the Atlantic. By the late 1890s, the United States had become the largest consumer of ornamental gems, its insatiable appetite keeping European diamond mills spinning. Significantly, the surge in supplies from South

Africa—from two hundred carats in 1868 to over three million carats annually in 1892—coincided with the new wealth generated by the European and American industrial revolutions, boosting demand for luxury goods. The rapidity and scale of growth of commodity cultures thus ensured healthy markets. As Americans were in the best possible position to buy, all that was required was the creation of diamonds as *necessary* and affordable luxuries that bestowed affluence and regal taste. Advertising helped shape consumer demand, promoting new credit systems that allowed purchasing in installments, making diamonds affordable to customers of modest means (fig. 1). Sales skyrocketed as the *nouveaux riches*' new purchasing power and desire to display their entry into elite society heightened demand. But more important were *middle-class* customers, now able to obtain opulent gems on credit. The power of marketing and the socially sanctioned willingness to go into financial debt turned tiny carbon crystals, extracted from dirt, into universally recognized symbols of romance.

Jews on three continents played important roles in every segment of the commodity chain. A small number amassed fabulous fortunes and left lasting legacies, but the majority made modest livings as lapidaries, brokers, dealers, and managers of polishing factories or jewelry shops. In the public imagination, however, Jewish prominence in the industry was intimately tied to persistent stereotypes about the Jews' alleged innate business acumen, untrustworthiness, and greed, as well as conspiracy theories about Jewish power, fueled by late nineteenth-century anxieties over immigration and race. As the numbers of East European Jewish immigrants set off alarms to a nativist core, the media printed political cartoons that mocked Jewish affluence and respectability. Popular detective stories dramatized Illegal Diamond Buying (IDB), depicting Yiddish-speaking Jews as stock villains infiltrating high society undetected. Diamonds in the long run may have benefited and empowered many Jews, granting opportunities for employment, socioeconomic mobility, and political activism; their prominence in the industry made their economic success suspect in the eyes of the public.

English-language scholarship has long been hesitant to link Jews to global markets in luxury goods, or to the growth of capitalism in imperial

From Kimberly to R. Harris & Co. No. 3.

The Diamond Cutter.

The Diamond in the rough now comes to the famous cutters in ancient Amsterdam, one of whom is represented in this drawing. This interesting and most difficult process converts the Diamond into those exquisite shapes that you admire so much. The stone makes one further step toward our work-rooms and store, and finally to you.

From him to us direct saves you the intermediate profits, as we purchase from the diamond cutters at first hand. That is why we can sell

This Gorgeous Dia-
mond Pendant,
which would be \$125
anywhere, for - -

\$85

We will accept small payments on goods laid aside now for Xmas.

R. HARRIS & CO.,

Diamond Merchants.

Seventh and D.

Figure 1. *The Washington Post*, November 13, 1898, 17.

contexts, in part because of wariness about reinforcing stereotypes about Jewish power and control. Consequently, questions concerning Jewish commercial activity often remained unexplored. In the last decade, however, a new interest in Jewish economic history has developed, influenced by research in transnationalism, commodity and consumer cultures, and non-Western diasporas. Thoughtful studies have appeared on the relationship between Jews, imperial trade, and the rise of modern capitalism, which have started to normalize discussions of Jewish contributions to modernization. The “economic turn,” spurred on by inquiries into the histories of ostrich feathers, liquor, and ready-made cotton clothing, has shed light on the Jewish encounter with capitalism.⁶

The essays included in our current edition complement this new literature, adding international voices to the discussion and prompting us to think more deeply about the connections between Jews and diamonds. They capture stories of people who bought and sold precious stones in different settings, underscoring the stone’s past and present significance to Jewish lives.

Tijl Vanneste, whose work centers on early modern trading practices, starts this special cluster with an analysis of diamond merchants in eighteenth-century England. Before the revolutionary discoveries in South Africa, precious stones originated primarily from India and Brazil, transported on East India Company ships to European port cities.⁷ At a time when rapid exchanges of commercial information and international legal safeguards were absent, Sephardic and Ashkenazi gem merchants, having cornered the market, relied heavily on mutual trust and reputation. But what happened when business arrangements went sour? What if promises were broken, bills remained unpaid, and reputations were on the line as a result of theft or embezzlement? Nodding to the work of Francesca Trivellato, Vanneste validates the importance of Jewish networks, but finds that many deals were struck outside of the ties of ethnicity. By analyzing misconduct, Vanneste provides a glimpse into the day-to-day realities of Jewish gem merchants in Georgian England, offering insights into relationships between Sephardic, Ashkenazi, and Christian merchants along the way.

Karin Hofmeester, a senior research historian at the International Institute of Social History (IISH) in Amsterdam, takes readers into the nineteenth century. The IISH archives the records of the diamond workers' union, a collection that spans more than seventy square meters and that has been completely digitized. In addition to making the collection publicly available, the IISH has, with the aid of countless volunteers, scanned the many thousands of ANDB membership cards. This collaborative project has produced an informative website, a recent public exhibit on diamonds at the Jewish Historical Museum in Amsterdam, and a beautifully illustrated book.⁸ Hofmeester's essay illuminates important facets of the union, including its concerted efforts to elevate working-class members through cultural and educational programs, and the important role of Jewish women in advocating equal pay.

Finally, David de Vries, a historian of labor and business history, examines the diamond industry's shaping of Zionist attitudes toward private capital in the Yishuv and, later, in the State of Israel.⁹ He explores how business advocates successfully bridged the divide between private capital on the one hand, and the socialist ideals of the Yishuv's labor institutions on the other. In Holland and Palestine alike, union leaders and labor politicians were keenly aware that the overthrow of a bourgeois capitalist economy would mean the end of the luxury trade in diamonds. Averse to signing their own death warrant but eager to cultivate production—especially during the post-World War II years—labor leaders rendered this “bastard” industry “kosher” by legitimatizing the need for capital in Palestine's burgeoning economy.

The diamond had, and continues to have, a significant economic impact on Jewish communities around the world. In turn, Jews have had a decisive influence on the expansion and success of global commodity chains in rough and finished stones. This is not to say that the industry ever consisted exclusively of Jews, or that they were always successful in their endeavors. The point is that diamonds affected family life, labor movements, and mobility in Europe, South Africa, Israel, and the United States to such a degree that these sparkling gems deserve further evaluation in the context of Jewish economic history.

NOTES

1. *The Jewish Chronicle* (March 22, 1895): 8. The American-Jewish press picked up the story a few weeks later, referring to the *Chronicle* piece in “Jews and South Africa,” *The American Israelite* (May 9, 1895), 4.
2. Ibid., 8. While acknowledging the presence and activities of “capitalists from every country of enterprising men,” the editorial emphasized that “those who owe their energy and faithfulness to Hebrew birth and training have been among the foremost in the beneficent task of converting the temperate regions of the dark continent from barren Veldt into smiling pastures or opulent mines.”
3. For more on premodern history of the Dutch diamond trade, see Henriëtte Boas, “Jews and the Amsterdam Diamond Trade,” *Studia Rosenthaliana* 26, no. 1–2 (1992): 214–23; Wietske van Agtmaal, “Het diamantvak in Amsterdam: Van oudsher een joodse negotie,” in *Venter, Fabriqueur, Fabrikant: Joodse ondernemers en ondernemingen in Nederland, 1796–1940*, ed. Hetty Berg et al. (Amsterdam, 1994), 114–39; Henri Heertje, *De Diamantbewerkers van Amsterdam* (Amsterdam, 1936); Roelie Meijer and Peter Engelsman, *Vier eeuwen diamant: Amsterdam, Antwerpen, London* (Amsterdam, 1986); Felix Leviticus and Henri Polak, *Geïllustreerde Encyclopaedie der diamantnijverheid* (Haarlem, 1908); M. Barents, *De Diamantslijperij Maatschappij te Amsterdam, 1845–1920* (Amsterdam, 1920); Theo van Tijn, “Geschiedenis van de Amsterdamse diamanthandel en–nijverheid, 1845–1897, Deel I,” *Tijdschrift voor Geschiedenis* 87, no. 1 (1974), 16–69.
4. Salvador Bloemgarten, “De emancipatie van het joodse proletariaat,” in Hetty Berg, ed., *De gelijke staat der Joden: Inburgering van een minderheid* (Amsterdam: Joods Historisch Museum en Waanders Uitgevers, 1996), 98; Henri Polak, *De strijd der diamantbewerkers* (Amsterdam: van Looy, 1896), 3; Saskia Coenen Snyder, “‘As Long As It Sparkles!’ The Diamond Industry in Nineteenth-Century Amsterdam,” *Jewish Social Studies* 22, no. 2 (2017): 38–73.
5. Saskia Coenen Snyder, *A Brilliant Cut: Diamonds and Jews in an Imperial Setting* (under review).
6. See, among others, Sara Abrevaya Stein, *Plumes: Ostrich Feathers, Jews, and a Lost World of Global Commerce* (New Haven: Yale University Press, 2008); Marni Davis, *Jews and Booze: Becoming American in the Age of Prohibition* (New York: New York University Press, 2012); Adam Mendelsohn, *The Rag Race: How Jews Sewed Their Way to Success in America and the British Empire* (New York: New York University

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7. For a history of the diamond trade before the nineteenth century, see, among others, Godehard Lenzen, *The History of Diamond Production and the Diamond Trade* (New York: Praeger Publishers, 1970); Gedalia Yogev, *Diamonds and Coral: Anglo-Dutch Jews and Eighteenth-Century Trade* (Leicester: Leicester University Press, 1978); Tijl Vanneste, *Global Trade and Commercial Networks: Eighteenth-Century Diamond Merchants* (London: Pickering & Chatto, 2011); Vanneste, "The Eurasian Diamond Trade in the Eighteenth Century," in Maxine Berg, Felicia Gottman, Hanna Hodac, Chris Nierstrasz, eds., *Goods from the East : Trading Eurasia 1600–1800* (Basingstoke, UK: Palgrave MacMillan, 2015), 139–53; S. Tolansky, *The History and Use of the Diamond* (London: Shenval Press, 1962); Karin Hofmeester, "Shifting Trajectories of Diamond Processing: From India to Europe and Back, From the Fifteenth Century to the Twentieth," *Journal of Global History* 8, no. 1 (2013): 25–49; Todd Cleveland, *Stones of Contention: A History of Africa's Diamonds* (Athens: Ohio University Press, 2003); Marcia Pointon, *Rock, Ice and Dirty Stones: Diamond Histories* (London: Reaktion Books, 2017).
 8. Karin Hofmeester, ed., *Een schitterende erfenis: 125 jaar nalatenschap van de Algemene Nederlandse Diamantbewerkerbond* (Zutphen: WalburgPers, 2019). For the website, see www.diamantbewerker.nl.
 9. David de Vries, *Diamonds and War: State, Capital, and Labor in British-Ruled Palestine* (Oxford: Berghahn Books, 2010).

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CONTRIBUTOR

Saskia Coenen Snyder (PhD, University of Michigan, 2008) is associate professor of modern Jewish history and the associate director of the Walker Institute of International and Area Studies at the University of South Carolina, Columbia. She is the author of *Building a Public Judaism: Synagogues and Jewish Identity in Nineteenth-Century Europe*, published by Harvard University Press in 2013. Her second book, tentatively titled *A Brilliant Cut: Diamonds and Jews in an Imperial Setting*, examines the role of European, South African, and American Jews in the nineteenth-century transatlantic diamond trade. Her work has appeared, among others, in *Jewish Social Studies*, *Jewish History*, *Studies in Contemporary Jewry*, and *The Marginalia Review of Books*. At USC, she teaches courses in modern Jewish history, the Holocaust, material culture, and Anne Frank.