

some of those factual errors that horrify “classical” military historians, such as claiming that, in 1940, the Egyptian army used anti-aircraft missiles against German planes (p. 225). These marginal notes do not detract from the fact that this volume is profoundly stimulating and, in some places, thought-provoking, as well as suggesting new areas for research and methodological approaches that will certainly be taken on board and developed in other research. It will undoubtedly contribute to the emergence of a new global social history of the world wars.

Massimo Zaccaria

DE VRIES, DAVID. *Diamonds and War. State, Capital, and Labor in British-Ruled Palestine*. Berghahn Books, New York [etc.] 2010. xv, 351 pp. Ill. £56.00. doi:10.1017/S0020859012000685

The diamond industry has traditionally been located in a handful of places worldwide, each specializing in a specific type of stone or cut. These cutting and polishing centres may shift quite easily, a process De Vries elegantly describes as the “winding path that the spread of diamond-polishing centres in the modern era has taken”. These shifts are usually determined by one or more changes in the global diamond commodity chain: the supply of rough diamonds, the availability of well-trained cutters and polishers willing to work for competitive wages, as well as the development of consumer markets – including changes in consumer tastes. These shifts are facilitated by the transnationality of the traders and their (ethnic) networks, as well as by the availability of a financial infrastructure for loans and insurances. The relocation of the industry from Antwerp, the major diamond finishing and trading hub before the outbreak of World War II, to Palestine, however, was a very different kind of relocation. This shift was directly influenced by Nazi rule and war, and Palestine was deliberately picked by the British government in close cooperation with the De Beers diamond mining and trading monopolist as a temporary alternative to Antwerp. As such, the shift was not a translocation but a transplantation, as De Vries aptly calls it.

*Diamonds and War* describes this transplantation in great detail, well-written and meticulously researched and following several story lines. On the one hand, it is the narrative of an urban, capitalist luxury industry being established in a society dominated by Labour Zionism and its ideals of agricultural development based on cooperative production methods. Within this context, De Vries describes the principal actors of the transplantation: both those establishing the industry and the workers and their labour protest. The other story line associates these local developments with three global phenomena: World War II, colonialism, and the power of De Beers.

As early as the first decades of the twentieth century, a number of Antwerp-based Zionists and *diamantaires* tried to set up a diamond industry in Palestine, but as rough stones could not be imported easily, and not many diamond merchants and cutters were ready to exchange their comfortable position in the Low Countries for an insecure life in the developing Mandate territory, this industry remained small. When the Nazis rose to power in Germany things began to change. First, the Nazi regime encouraged the development of a diamond industry in Germany, which started to compete with the one in Antwerp. Then, in the late 1930s Jewish merchants and finishers in the Low Countries started to feel threatened by the anti-semitic policy of the Nazis. Finally, when the Nazis occupied the Low Countries they seized control of the diamond industries, threatening the lucrative diamonds mines in Belgian Congo as well.

De Vries cleverly analyses the interests of the various parties involved in the subsequent transplantation of the industry from Antwerp to Palestine. First, De Beers needed British support to protect the diamond mines in Belgian Congo, in the event of a German takeover. The British government needed diamonds in the war against Hitler: both industrial diamonds used in the war industry and gem diamonds as a safe investment. Furthermore, the interests of De Beers were closely intertwined with those of British business in the British colonies and dominions in South Africa, where many diamond mines were located. Both the British and De Beers regarded Palestine as a safe alternative: it was far from the front in Europe, there was a traditional Jewish involvement in diamond cutting and polishing, and the Zionist polity vehemently opposed Nazi Germany. As British-controlled Palestine's exports and US demand for diamonds increased because of the war, it was decided that a diamond-exporting industry should be established in Palestine, as this measure would bring the British much-needed US dollars. De Beers and the British government also decided that the Palestine industry should be dedicated to small stones, as this had been the speciality of the Antwerp industry, as well as of the German industry (which both parties aimed to obstruct).

After some talks in London, which De Vries describes in detail, the British chose not to negotiate with the Jewish Agency, the most important Zionist political institution of the *yishuv* (the Jewish community in Palestine), but to team up with private investors. This illustrates – according to De Vries – the British-backed maturation of capitalism in Palestine. The leading figure within this group of private investors was Oved Ben-Ami, the chairman of a small urbanized plantation north of Tel Aviv called Netanya. He was an entrepreneur who dealt in agriculture and land transactions. Although he had no background in diamonds, he was well connected with British officials. In July 1940 he established the Palestine Diamond Manufacturing Association (PDMA), together with two diamond experts from Antwerp. The PDMA would monopolize diamond imports, as only PDMA members were allowed to import rough diamonds. De Beers was to become the only authorized source of rough diamonds. The PDMA also monopolized diamond manufacturing, as only PDMA members were allowed to open a factory. In addition, restricting membership of the PDMA to Jewish applicants enforced the Jewish character of the industry.

All these monopolistic measures placed Ben-Ami and his PDMA firmly in control of the industry, enabling them to establish strict labour regimes in the factories. All the operations within the industry, from buying rough to cutting and polishing, had to be centralized in a factory. The Palestine industry was in a hurry to take over Antwerp's position, as Jewish refugee merchants and cutters from that city were starting competing cutting industries in the United States, Cuba, Costa Rica, London, and British Guinea.

To speed up the production process in Netanya, cutting was divided into various sub-processes, which together made the finishing process relatively easy. As a consequence of this subdivision of labour and specialization in small and therefore “easily manageable” stones, the apprenticeships of the Palestine diamond workers were short and inexpensive. After being assigned his or her apprenticeship (one-quarter of all diamond cutters in Palestine were women), a diamond worker was not allowed to transfer to a different factory for quite some time. Within the factories a production process based on Taylorism (stressing speed, precision, and efficiency) became the norm, and all rules were comprised in a collective agreement reached without any input from the powerful Histadrut labour organization, a rare event in the *yishuv* in those days.

The diamond industry in Palestine experienced impressive growth: from 5 factories in 1940 to 33 in 1945, with total employment rising from 500 to more than 4,000. It was the fastest growing industry in Palestine and a highly profitable one as well, as demand for diamonds was increasing and competition weak. As a consequence of the strict labour regime, however, conflicts were abundant and strikes frequent and often successful. The cutters and polishers were all members of the *yishuv*, they were young, they were Jewish, and they were

concentrated in large factories, all factors conducive to impressive worker solidarity and protests by Jewish workers against Jewish capital, as De Vries describes it. He accurately explains these labour conflicts as resistance to the “political regimentation of the workplace” and stresses the diamond workers’ pride in their skills. Regretfully, in this well-researched book the voices of the workers do not express this dissatisfaction and pride directly.

In the last part of the book De Vries describes the course of the industry in Palestine after the liberation of Belgium. The British government and De Beers – who cooperated closely with the Belgian government and the Antwerp *diamantaires* in exile in London – had always stressed that the Palestine industry would be a temporary replacement for the operations in Antwerp. By 1944, however, the different parties in Palestine, including the diamond merchants and workers, wanted to retain and expand the industry. The British and De Beers decided that the Palestine industry would have to diversify, in part by cutting larger and more intricate stones, thereby complementing the slowly recovering Antwerp industry rather than competing with it.

Despite this diversification, the Palestinian industry faced a deadlock in 1946: not only competition from Antwerp but also the declining demand for diamonds in the postwar period caused this crisis, forcing the PDMA to cede part of its monopoly position. The industry liberalized, the labour process was deregulated, and a diamond exchange was opened. Many diamond factories were sold as a consequence of the slump, and a domestic industry materialized, ending the concentration of the workers and the massive labour protests. Within this new context, the relationship between the PDMA and the Jewish Agency improved and the Histadrut started to buy out bankrupt factories and transform them into cooperatives.

At the same time, the relationship between Britain and Palestine changed, and when the independent Israeli state was proclaimed in May 1948, the diamond industry was incorporated in the Department of Trade and Industry of the new state. Several Dutch Zionists were pivotal in this process, combining a liberal economic approach with commitment to state building and to the needs of a state-run economy. Within this economy, diamonds would yield global trade networks and hard currency much needed by the new state. The state helped the industry by providing capital, finding new markets for polished stones outside the United States, and exempting diamond workers from military service. After the war and the establishment of Israel, as De Vries demonstrates in his epilogue, the relationship between state, capital, and labour had clearly changed. This epilogue concludes a good read on a fascinating global commodity, of which the circumstances were deeply influenced by state intervention, both in wartime, under colonial relationships, and during the state formation.

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HACHTMANN, RÜDIGER. *Das Wirtschaftsimperium der Deutschen Arbeitsfront 1933–1945*. [Geschichte der Gegenwart, Band 3.] Wallstein Verlag, Göttingen 2012. 696 pp. Ill. € 49.90; S.fr. 66.90. doi:10.1017/S0020859012000697

The period since the 1980s has seen the appearance of several studies of the history of the Deutsche Arbeitsfront (DAF). Attention has also been paid to a number of particular firms within the DAF, the largest mass organization of the Nazi dictatorship. Up till now, however, there has not been an overall survey of its economic empire. There are pertinent reasons for this. The source material is fragile, and it is hard to grasp the economic complex run by the DAF in conceptual terms and spell out its particular features within the Nazi economy. This has, however, meant a serious lacuna for historical research, since the DAF’s complex of firms formed a key intersection where the fields of action of the