IBM: A Little Known Alliance with the Enemy

It has been over half a century since the Holocaust occurred, but only in recent years have people begun to contemplate what technology Hitler used in his extermination and how he had access to such advanced technology. It has always been known that Hitler and the Nazis were strategic and organized in how they gathered, and eventually killed, those who they imprisoned, but what has not always been known is the fact that the technology used by Hitler in his crusade was supplied by one of America’s most technologically advanced and powerful companies of the time. International Business Machines, commonly known as IBM, was, under the direction of Thomas J. Watson during the 1930s and ‘40s, one of the most powerful and technologically advanced companies in the Untied States. Acting on their corporate greed and attitude that the means were worth the ends, IBM lent its most advanced organizational technology, known as the Hollerith Tabulator, to Nazi Germany, and through this exchange played a key role in the organization of the crimes that the Nazis would commit against humanity.

Named after Herman Hollerith, the founder of IBM, the Hollerith Tabulator used punch cards to organize any given sample into categories by strategically placing holes in the cards, the location of each hole having a specific meaning of its own. In Nazi Germany, the cards were used “to manage census information so as to identify the Jewish population of Germany and the countries it began to occupy before and during the war.” (Katz, 251) Once Jews were identified through a census, they were sent to concentration camps, where more Hollerith punch cards awaited them, this time giving each person a number that replaced their name as their identity. Initially, the number that corresponded with the Hollerith punch cards was tattooed onto the arm of each prisoner, although as the number of prisoners grew, it became increasingly difficult to
keep track of these numbers using the Hollerith technology. When this difficulty was realized, the tattooed numbers became more random and no longer corresponded to the Hollerith punch cards. Even still, these tattoos, which had their start with IBM technology, remain today as a symbol of the atrocities that the Nazis committed.

“Nearly every Nazi concentration camp operated a Hollerith department” (Black, 351), which was used as a means of not only identifying each person, but also describing their fate in the camp, citing each prisoner’s “reason for departure.” There were different codes that represented different “reasons.” For example, code 2 signified that the prisoner had been transferred to a different camp, while code 6 signified “‘special handling,’ the term commonly understood as extermination, either in a gas chamber, by hanging, or by gunshot.” (Black, 21) Through a series of punch card codes, the Nazis were able to keep track of the abilities of each person, making it easier for them to designate labor amongst people who could – in their opinions, which were generally based off of appearance of physical strength – complete any given task most efficiently.

In addition to their functional use in organizing and facilitating the camps, the Hollerith Tabulators served as a tool designed to dehumanize people. Rudolph Cheim, a Jewish prisoner in Bergen-Belsen who worked in the Labor Service Office, or the Arbeitsdienst, where the Hollerith punch cards were processed, recounts his impression of this dehumanization, saying that the prisoners were “never a name, only the assigned numbers.” (Black, 21) Edwin Black, author of *IBM and the Holocaust*, agrees with Cheim, saying that the punch cards, which were first used in the United States Census of 1890 (Katz, 251), were “nothing less than a nineteenth-century bar code for human beings.” (Black, 25) Jesse F. Dillard furthers Black’s point, noting that once these “bar code[s]” had been established, they served as a tool that easily allowed each
person to be subjected to any type of treatment the Nazis desired. Dillard stated in his article that, "Once the individual was coded and carded, the masters could manipulate each as they saw fit." (Dillard, 11)

The tabulating machines that were used as what Edwin Black presents as an integral part of the Holocaust were on lease from IBM’s German subsidiary, known as Dehomag, whose representatives were regularly in contact with the Nazis. The tabulators were not simply delivered to and left with the Nazis, but were custom ordered from IBM and were serviced regularly by company service-people at their site of use (Urekew, 84), which, in the case of Bergen-Belsen, was “just meters from the Belsen crematorium, off to the left, near the kitchens and the cisterns.” (Black, 20) This meant that the IBM representatives had seen first-hand the operations that Hitler maintained. Despite having an obvious idea of what was occurring in these camps, Dehomag maintained their position as sole supplier of the tabulators and accompanying punch cards to Nazi Germany, and they even sent company representatives to train Nazi officers on how to efficiently use the machines. At the opening of a new IBM facility in Berlin, Nazi officers and supporters were present to offer their support to the company. One radical Nazi by the name of Willy Heidinger gave a speech in which he expressed his love for Dehomag because they enabled Hitler to “determine whether the calculated values are in harmony with the health of [the German] people,” continuing that “if such is not the case, [Hitler] can take corrective procedures to correct the sick circumstances.” (Black, 51) When a translation of this speech was sent to Watson at IBM NY, he called and congratulated Heidinger on giving such a powerful, moving speech.

IBM’s second best customer only to the United States, the Third Reich was seen as a great opportunity for the powerful American corporation to make a handsome profit. As the
Nazis grew in power, Germany was progressively being cut off from ties with other nations, and at the same time, their need for new technologies and support was ever growing. IBM saw this as an opportune moment to swoop in and offer their technology, knowing that they would be virtually the only company providing Nazi Germany with these services, and thus, were nearly guaranteed to make a profit. This exchange seemed to follow IBM’s guideline that you should know your customer and anticipate their needs. The collaboration between IBM and the Third Reich occurred from the time Hitler rose to power in 1933 until the end of World War II, and was designed entirely in order for IBM to gain a profit. Despite the fact that the German division of IBM was the direct distributor of the tabulators, Watson ensured that the profits that were reaped from this alliance with Nazi Germany were sent to one of IBM’s United States locations in New York. In *IBM and the Holocaust*, Black describes Watson as being “unyielding”, not in an effort to “stop Dehomag from its genocidal partnership with the Third Reich, but to ensure that all the proceeds and profits remained with IBM NY.” (Black, 22) The story of IBM’s involvement with the Third Reich “proves that profit dominated all else – patriotism, ethics, human rights, even life and death – in the IBM boardroom.” (Friedman, 16)

Sticking to their guideline of knowing the customer and anticipating their needs, IBM assumed an active role in assisting in the massive genocide of the Jews by developing products that fit the Nazis’ specifications, and were therefore heavily exposed to the realities of the atrocities being committed by Hitler and his followers. IBM made it a point to anticipate the needs of the Nazis and to develop a product that fit these specific needs, meaning that each product that IBM provided to the Nazis was unique in that it had been individually programmed to satisfy the exact specifications that would make the Nazis’ work more efficient. The Hollerith tabulating machines had to be developed specifically with each hole programmed to correspond
to a certain meaning so that when the punch cards were inserted into the reading machines, the data that was extracted could be sorted according to any category that the Nazis chose. Because of the intricacy of the programming and the fact that the machines needed regular servicing, Dehomag employees had to be regularly present to keep the machines running, and even Watson himself had to make many visits to Germany to oversee his business. This constant oversight by IBM of their business dealings with the Third Reich meant that they were very much aware of the crimes that were being committed (with the help of their technology) throughout Europe by the Nazis. Even with this understanding of the reality of the uses of their machines, one of America’s most powerful companies, led by Thomas Watson, maintained their business practices, disregarding the fact that the materials that they were supplying were instrumental in facilitating the locating, transportation, and eventually the extermination of the Jews.

Scholars have different theories as to why IBM continued doing business with the Nazis throughout World War II. Jesse F. Dillard of Portland State University wrote in his article entitled *Professional Services, IBM, and the Holocaust* that the “unquestioned tendering of ‘management/professional services’ to the Nazi program of genocide by dedicated professionals is a logical consequence of modernity’s infatuation with instrumental rationality.” This argument refers to the idea that Watson was using logic in terms of business strategies that maximize profit, rather than emotion or sympathy when he decided to continue his business in Germany. Rather than thinking about the impact that his technologies were having on millions of people’s lives, he was using “instrumental rationality” to justify his business with the Nazis. This meant that Watson and his cohorts were very business-oriented, focusing on the fact that Germany was the company’s second largest customer, and therefore if they had severed their ties, they would have lost a huge amount of income and profit. Zygmunt Bauman, author of
Modernity and the Holocaust, supports this idea, suggesting that instrumental rationality is the central guideline of modern civilization, and can be both constructive and destructive. (Dillard, 2) Using such logic to justify IBM’s actions can be said to stem from the idea that modern society puts a huge emphasis on being successful in business and making a profit wherever possible, at whatever cost.

For IBM, it seems as if the prospect of making a profit through correspondence with Nazi Germany overshadowed the catastrophic results the correspondence was having on huge numbers of innocent human beings. Dillard argues that for those who worked for IBM, “the ends [were] in some way lost in developing and implementing the means to efficiently and effectively accomplish the intermediate task, with instrumental rationality providing the evaluation criteria.” (Dillard, 2) This further explains the previous argument about the use of rationality, by suggesting that Watson may have gotten so enthusiastic about doing business with such a huge customer that the prospect of making a profit blinded him to the reality of the effects that his business dealings were having on the world. As Watson saw the situation, the ends were indeed justified by the means.

Once one has grasped the idea of this instrumental rationality as an explanation for corrupt behavior, modern civilization and its technologies can serve as a means to carry out almost any situation that can be surmised. In the case of the Holocaust, the technologies provided by IBM were the technological results of modern civilization that assisted in carrying out Hitler’s will. According to Dillard, “The machine embodies the rational translation of an intention, through the application of technology, into physical reality and in turn provides the means for translating ideas into social reality.” (Dillard, 6) This is precisely what occurred in the
case of the Holocaust. Hitler had intent to create a single, pure race, and IBM answered his intent with a Hollerith Tabulating machine that would translate his intent into reality.

The Hollerith Tabulators were a mechanized way of doing simple statistics with large masses of data. First used in Germany to take a census of the population in 1933, these machines went from being used to categorize the residents of Germany to being a necessity in the facilitating of the encampment and extermination of the Jews. Friedrich Zahn, as quoted in Black’s *IBM and the Holocaust*, went so far in blaming IBM to say that “German statistics has not only become the registering witness…but also the creative co-conspirator of the great events of time.” (Black, 49) In his article, Jesse Dillard made many arguments in favor of the idea that the machines that IBM provided to Hitler allowed for the gravity of the situation to escalate with chilling organization and have the devastating impact that it did. One such argument is when he said that “With IBM’s direct professional assistance, the War Ministry realized significant efficiencies through the combination of standardization, information processing technology, and statistics.” (Dillard, 7) Here he argues that it was the advanced technology that IBM provided that enabled the Third Reich to carry out their plans in a most efficient manner. As further evidence to support this point, Dillard provides an example in which he describes the Nazi takeover of Holland, where “The identification and elimination of the Jewish population moved along efficiently even in the face of significant opposition by the general populace because the data were rendered in such a form as to be centrally possessed, analyzed, and acted upon.” (Dillard, 8) He presents another example to support the idea that IBM’s technology was instrumental in the facilitation of the Holocaust, saying that “Largely as a consequence of the expertise and technology in place, identification, and removal of the Jewish population from The Netherlands was extremely effective.” (Dillard, 9)
Black wholeheartedly agrees with Dillard, noting that even from the beginning, starting with the Census of 1933, “Hollerith systems offered the Reich the speed and scope that only an automated system could to identify not only half and quarter Jews, but even eighth and sixteenth Jews.” (Black, 108) In addition to cataloging the lineage of every Jew, the Hollerith punch cards used in the German Census made note of all of the property that each Jew owned and where such property lied, making it even easier for the Nazis to confiscate said property once they had gained control. This is just one additional aspect of the Nazi cause that was enabled due in part to IBM’s participation in the takeover of Germany.

Some scholars counter Black’s suggestion, claiming that the machines that IBM provided were not instrumental in facilitating the events of the Holocaust. In his review on Edwin Black’s *IBM and the Holocaust*, Stuart Spencer expressed his opinion that the Holocaust would have been just as devastating without the technology provided by IBM. As his evidence, Spencer uses the fact that “although there were no IBM machines and no census in Czechoslovakia, Jews were identified and segregated within 24 hours of the Nazi invasion.” Black prepares for this argument in his book, saying in the introduction:

“Make no mistake – the Holocaust would still have occurred without IBM. To think otherwise is more than wrong. The Holocaust would have proceeded – and often did proceed – with simple bullets, death marches, and massacres based on pen and paper persecution. But there is reason to examine the fantastical numbers Hitler achieved in murdering so many millions so swiftly, and identify the crucial role of automation and technology. Accountability is needed.” (Black 11)

Here Black ensures that his audience realizes that he is not blaming IBM for the Holocaust. Rather, his statement shows that IBM’s involvement escalated the scope of a situation that would have occurred regardless of whether or not they had gotten involved. As Eric Katz points out in *Death by Design*, some people believe “that Black most likely overstates the degree to which IBM executives in the United States knew of
the genocidal policies of the Nazi regime and the uses to which the Hollerith Machines were put.” (Katz, 252) However, when one considers the constant service visits and training trips that were made to the concentration camps in conjunction with the fact that the facilities where the punch cards were processed were just meters away from the crematoriums, this is not a feasible defense for IBM.

When considering IBM’s role in the Holocaust, a logical reaction would be to find out how the company’s ethical policies have since changed. In *Who Says Elephants Can’t Dance?*, Louis V. Gerstner, Jr., the CEO of IBM from 1993 to 2002, details the 8 principles that he created in 1993 and by which IBM currently operates. The last principle states that, “We are sensitive to the needs of all employees and to the communities in which we operate.” Within this principle, Gerstner says, “we want the communities in which we do business to become better because of our presence.” (Gerstner, 202) This statement of ethical policy seems to have its root in the corruption of the past, in which the communities were made worse because of IBM’s presence. Although their involvement with Nazi Germany is not mentioned in Gerstner’s account, the conclusion can be drawn that the company’s behavior under Watson played a role in shaping the future policies of the company.

IBM’s involvement in the Holocaust, although only explored in recent years, had a huge impact on the way Hitler’s genocide was carried out. The Hollerith Tabulator and accompanying punch cards sold to the Nazis by Dehomag made the carrying out and documenting of mass encampment and murder more convenient than ever before. Although some will argue that IBM’s involvement was not significant enough to place any blame on the company, it has become clear that the impact that
IBM had is hugely significant and worth noting. IBM’s involvement included key officers from the United States and was not a forced compliance, but rather, a voluntary contract. IBM, acting through Dehomag and out of corporate greed and deliberate blindness to the effects of their actions, specially designed the tools that Hitler desired for maximum impact in his crusade, and “profited from its connection to the German government.” (Katz, 252) While it is necessary to acknowledge that the Holocaust would definitely have occurred without IBM’s participation, it is reasonable to conjecture that the Nazis would not have been as organized, and thus the results would not have been quite as devastating as they were.
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