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The Nationality of an International Company vs. the National Interest. Shareholders, Managers, Governments, and the Compagnie Internationale des Wagons-Lits (1876-1939)

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Shareholders, Managers, Governments, and the Compagnie Internationale des Wagons-Lits (1876-1939)[1]

Abstract

The paper deals with some aspects of the development of the Compagnie Internationale des Wagons-Lits (CIWL) between the early 1890s and the 1930s. The paper critically highlights the traditional approaches to define the nationality of the firm (the place of incorporation of a company, the nationality of the shareholders or that one of the members of the board of directors). It proposes a new one, looking at the instrument used by the states – national interest – to influence the balance of power and the strategies of the company. This approach, largely used by social scientists of political science and international relations, can offer new tools also to business historians when approaching the issue of the nationality of the firm.

Keywords

Compagnie Internationale des Wagons-Lits

Nationality of the firm

National interest

State intervention

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Introduction

This paper is a contribution on the issue of the nationality of the firm, but it will offer an innovative approach. The first section proposes an analysis of the different approaches that business historians and other social scientists have adopted to address the question. Different criteria used in the past to define the nationality of the company will presented as well as the limits and the contradictions of these criteria the literature has put into evidence. The second section will first briefly introduce the Compagnie Internationale des Wagons-Lits (International Sleeping Car Company), hereafter CIWL, a good example of the cosmopolitan capitalism of the Belle Époque, a company legally based in Brussels, with the managerial headquarters in Paris, and a very international ownership structure largely represented also in its board of directors. Subsequently, it will consider the different moments when - apparently - the nationality issue appeared in the history of the company: the early 1890s, the beginning of the twentieth century, the early 1920s, and the years after the 1929 crisis. In particular, according to the analysis and the general findings formulated in the first section, the paper will contextualize the specific forms and the reasons for the emergence of this issue. As we will explain in the first section, the determination of the nationality of the firm is something of a Pandora's Box. The variety of the examples is probably quite wide and the best way is to avoid any unjustified rigid approach, even risking some apparent contradictions. However, the case study we present allows us to outline a strong hypothesis that has not often been considered in the literature: the national interest as a lever to approach the question of nationality from a different and more general perspective. Usually, this approach did not provoke change in – or limited as much as possible any modification of – the ownership structure. It appears self-evident that the only institutional actor able to manifest and/or impose the national interest and that could – and still can – influence the company's and the shareholders' decisions is the State. However, this subject is plural, as we will see, because in certain situations, like that of the CIWL and the wider effects of its activity, in particular the development of tourism, there are many states manifesting different national interests. Thus, the paper will offer several examples where the real question was not the nationality of the company – never really questioned - but the respect, the weight, and the development of the (different) national interests - directly and indirectly - involved in the service offered by the company. The third section will outline some conclusions.

First part – What identifies the nationality of a firm?

The question of the "nationality" of the firm frequently raises the interest of the political systems, capital markets, and old and new media. Just to mention a few cases, in summer 2002, two very famous multinationals, Shell and Unilever, were kicked out of the S&P 500, as well as five other foreign companies. The US fund managers wanted to allocate their investments only in US firms (Foley, 2002). In 2006, the American president George W. Bush put a veto on the transaction permitting Dubai Port World to acquire indirect control of many US ports of the East coast through the acquisition of a British company that for years had managed those infrastructures (J. Weisman and B. Graham). In more recent times, a few months after Macron's election as the French president, its government stopped a preliminary deal between the Italian state owned shipbuilding firm Fincantieri and the French company STX France, based in Saint-Nazaire on the French Atlantic coast, to buy two-thirds of its shares (M. Stothard and J. Politi, 2017) [i].

In the literature, the subject has seldom been addressed. Williamson suggested that the issue should be considered as old as the history of the modern firm (Williamson, 1981). More recently, scholars are swinging between those, like Geoffrey Jones, underlining the decreasing importance of the nationality issue with the development of the globalization process (Jones, 2006; 2013), and those, like Karl T. Muth, suggesting that the question is still quite controversial, and proposing the image of a very complex puzzle to figure out the situation (Muth, 2014). However, none of these approaches established precise rules to establish the nationality of a firm.

For business historians, but also for economists and jurists, the definition of the firm's nationality can actually be based on different criteria. For a long time, the prevailing criterion was the geographical one. Jurists made an important contribution to this approach. In Europe as well as the USA, this vision has dominated the way to determine the nationality of a company at least since the second half of the nineteenth century: the place of incorporation was the prevailing criterion because the nationality of the shareholders could change (Norris, 1921). This interpretation, which still has relevance in today's debate, was very strong in pre-industrial Europe and resisted as the only available definition for a long time, reaching its peak probably during the first globalization (1870-1914). This choice has economic, fiscal, political, and social explanations linked to the relation between the foreign branch of a multinational company and the hosting state. This condition is usually a gate to gain access to a sort of security net that states (especially the strong ones) can offer on many occasions (Mabry, 1999). However, especially with the development of studies on the multinationals the problem assumed many other features. On the one hand, scholars underlined the progressive evolution of the firms' strategies that permitted most of them to move from the character of a multinational to that of a translational company. The trajectory, although quite generalized, had different timing that cannot be defined on a national basis, but rather on the different sensitiveness and the capacity of the companies to understand the evolution of the institutional, political, social, territorial and cultural framework around them. At least from the 1960s-70s, many branches of multinationals changed their names, adding the name of the hosting country to their original name: IBM France, Siemens Italia, Honeywell United Kingdom, and etc. (Wilkins, 2003a; 2003b; Jones, 2005; 2013).

More recently, a culturally oriented approach has allowed the question of the nationality of the firm to be connected with the issue of national identity. While it is clear that companies contribute to shaping national identity (Coca Cola, Disney, McDonalds for the USA, Volkswagen and Deutsche Bank for Germany, Toshiba and Toyota for Japan, Samsung for South Korea, IKEA for Sweden are the most immediate examples), also the contrary could be true. National identity is often a crucial ingredient permitting the success of a brand: France for champagne, Italy for fashion, Switzerland for the watch industry. Moreover, the branches of many transnational companies are deeply rooted in the national framework of the hosting country, contributing to the definition of its national identity. In many cases, the effect is a sort of "double loyalty", to the home country of the company and to the country where the branch is located, which contributes to maintaining a very high level of ambivalence on the issue of the firm's nationality.

Nevertheless, in recent times this approach has been criticised from both a theoretical and a practical point of view. During the period of the nation state framework, the flag under which a firm operated was quite stable. However, "with the advent of firm mobility, extensive cross border mergers and acquisitions and global supply chains along with equally multinational distribution channels, the colour of the flag becomes often blurred" (Hurta, Koplyay Malouin, Motaghi, 2018, p. 75). The institutionalization of supranational entities, such as the European Union, transformed the problem even further, because since the early 2000s firms can adopt the statute of *Societas Europea*. This is the firm's juridical configuration permitting a public company to be registered in accordance with the corporate law of the European Union, introduced in 2004 (Hirte, Teichmann, 2013). On the other hand, particularly in the last years, the strategy of obtaining a sort of double "protection", from both the state of origin and the hosting state, did not always gain the expected results. There are increasing cases where states in emerging and/or transition economies break agreements with the foreign firms, an ambiguous terminology that includes breaking contracts, expropriations, legal disputes and so on (Wellhausen, 2015).

Nevertheless, even during the first globalization, the evolution of the capital markets, the new organizational structures of the firms, and the needs of the different national economies, especially the less developed ones, pushed the companies to separate the legal aspect defining the nationality from their effective operational activities. The best examples offered by the literature are the electric holdings set up in the 1890s in Switzerland and in Belgium by the German electromechanical firms AEG, Schuckert and Siemens. Political reasons (for instance the Franco-German rivalry would not permit German investments in France) and fiscal aspects (a more favourable taxation on the firms) explain the choice for these countries. Sofina, Elektrobank and Indelec – the three most important holding companies belonging to the three German electromechanical giants – were investing capital in many countries to set up electric and tramway companies that were supposed to buy the machineries produced by the mother company of the holding, according to a strategy that has been called *Unternehmensgeschäft*. For the first time it was very clear that the nationality of the company – regardless of being Swiss or Belgian – was just instrumental: the predominant aspect was the ownership. After the First World War, the two Swiss holdings Elektrobank and Indelec could start a new life only because the ownership structure changed: the German electromechanical companies were facing many financial difficulties and the new most important shareholders of the two holdings were now the main Swiss banks, UBS, Credit Suisse, and Schweizerische Bankgesellschaft. However, the *Unternehmensgeschäft* strategy did not change: its aim was now to place the new orders with the Swiss electromechanical firms (Hertner, 1987; Segreto, 1987; 1992; Hausman, Hertner, Wilkins, 2008). In the case of Belgian holding Sofina, after 1919 the company became an international holding company without any form of agreement or special contract with any of the European electromechanical firms (Brion, 1994).

This experience was not unique. Also American and Canadian companies developed similar strategies. One of the most important cases concerned the investments made in Spain by the Barcelona Traction, Light, and Power Company, a firm incorporated in Canada in 1911 by Frederick Stark Pearson. *La Canadiense* – the Spanish nickname of the firm – was developed by the new big investors, Sofina and Sidro, two companies managed with high managerial capabilities by a Belgian-American engineer, Dannie Heineman. When Franco stabilized his regime, he launched a campaign against the company, not permitting the transfer of the sums to the international bondholders. The question went to the International Court of Justice between the late 1950s and the early 1960s. Apart from the concrete results of the dispute, the case became a precedent, and affected the jurisprudence. For the first time a tribunal (De Schutter, 2010, pp. 253-260) introduced an important differentiation between the entity of the firm (legally it was always a Canadian company) and that of the shareholders (88% of the shares were in Belgian hands) (Alcalde Ceravalls, 2005; 2008). The nationality of the firm – established according to the country of incorporation – was not *per se* the main issue. The central issue seemed now to be the nationality of the shareholders.

The decision did not really clarify the question for all cases. Some research on German investments in the Italian banking sector at the end of the nineteenth century permitted some other aspects to be considered. In fact, the two main Italian banks, Banca Commerciale Italiana (BCI) and Credito Italiano, were founded in 1894-95 by German, Swiss and Austrian banks, which had the largest majority of the shares. In the case of BCI, a few years later, in 1899, another big international financial institution, the Banque de Paris et des Pays Bas (Parisbas), became a shareholder, while the volume of the German controlled shares rapidly decreased and the Italian shareholders were slowly acquiring the majority of the capital. Nevertheless, the composition of the board of directors – another criterion sometimes used to establish the nationality of a firm – did not change: in 1915, despite controlling just 2.4% of the shares, the Germans had more than one third of the seats on the board. The explanation given was the effect of the first globalisation wave or of the cosmopolitan capitalism of the *Belle Epoque*. The presence of international (not just German) bankers was the best way, for BCI, to take part in many international initiatives and to follow the most correct ratios in the balance sheet, following the model of the best European banks (Confalonieri, 1982; 1997; Hertner, 1984).

Nowadays, globalisation has reversed many of these assumptions. It is more difficult to establish the nationality of a company using the criterion of the ownership structure or the nationality of the members of the board of directors. For instance, in the case of Deutsche Bank, the nationality of the shareholders in 2018 was about 50% German and 50% foreign, while on the management board there were 5 Germans, 3 foreigners and 1 Australian-German. On the supervisory board, the proportion was 12 to 8 for the Germans. In the case of Sanofi, a French pharmaceutical company, the shares controlled by the French are just 36% of the total, while on the board of directors the French presence is largely predominant (nine members out of fourteen). The last case is British Petroleum, where the nationality of the shareholders is almost impossible to detect because of the huge dispersion of the shares among institutional investors (in July 2019 the largest shareholder was Irish Life Investment Managers Ltd., owing 0.0065% of the company's shares). Nevertheless, it would be difficult to deny that Deutsche Bank is in any case a German Bank, Sanofi a French company, and British Petroleum a British firm. All of them are representative of the national interest in strategic sectors for their countries[ii].

This last aspect – national interest – is one of the factors encouraging us to investigate the case study of the CIWL. Political scientists and particularly for those interested in the theory of international relations are definitively more familiar with a concept whose literature is quite big and here can only be symbolized by a few studies (Rostow,1958; Zweig, 1969; Nuechterlein, 1976; Lake 1981, Nincic, 1999; Krasner, 2000). However, it can offer a useful approach also in business history, especially when one considers the inefficiency or the contradictory effects of the other criteria.

As we will see, the issue of nationality, if we use the first criterion, the country of incorporation – Belgium in this case – was never under discussion. In fact, the legal headquarters always remained in Brussels from the foundation in 1876 until the early 2000. The operational and managerial activities had their offices in Paris since 1877, one year after the foundation, and they never changed the location. Nevertheless, the company was many times, in the period between the early 1890s and the Second World War, at the centre of many initiatives by the states, mainly the French one. The purpose of the state's initiative was never to modify some of the aspects characterising the nationality of the CIWL, but always to reinforce and defend the French national interest, and/or the Belgian or the Italian and so on. During the period we will analyze, the concept of national interest took many different forms, motivations, and aims, from the more generic (the CIWL's contribution to the development of tourism) to more concrete, including the participation of national companies in the delivery of carriages and any other good that was necessary for the service offered by the company. Nevertheless, the phraseology used to introduce or to motivate the intervention was substantially always the same: protecting or enlarging the national interest. The ownership structure was rarely a matter of interest for these initiatives until the early 1930s, when a public institution, controlled by the French government, became one of the most important shareholders of the company. By contrast, the question concerning the composition of the board of directors frequently became the key issue, but simply because it was a sort of open window over the company and the most visible aspect permitting one to detect what were the possibilities, for the different national interests, of obtaining satisfaction for their requests. In fact, considering the international character of the company and its particular activity, i.e. offering a luxury service to passengers opting for a comfortable solution during their medium-length railways travels in Europe, Africa, and East Asia, or travelling for holidays particularly in the interwar period, the number of governments interested in defending their national interest increased very much. Tourism was becoming an important asset for many countries for its impact on national income and the current account (Tissot, 2000).

Second part – Emergence and development of national interest. The case of CIWL

1. *CIWL: the difficult beginning and the immediate success*

CIWL was established in Brussels in 1876. The main founder, Georges Nagelmackers (1845-1905), was a member of a family of bankers and industrialists of Liège. He studied engineering at the École des Mines in Liège (C.-M., 1996, pp. 480-81). Between 1867 and 1869 he travelled across the USA, officially as training travel before starting to work for one of the companies run by the family; less officially to permit the social oblivion of a scandal connected with his love affair with a cousin.

The "official" origin of the idea of introducing sleeping cars in the European railways came to Nagelmackers thanks his trip to the USA. He lived the double personal experience of the transoceanic trip on board a Cunard Lines ship with cabins for the passengers, and the many travels he made within the US on the sleeping cars run by the Pullman Sleeping Cars Company, established by George Pullman (1831-1897) in 1862. The carriages of Pullman were railcars with sleeper berths for all its passengers. Although quite Spartan accommodation, it was a great improvement compared with the previous layout. Curtains provided relative privacy, and there were washrooms at each end of the car for men and women. However, despite the curtains, the space was just one single space. The improvement introduced by CIWL was inspired by the transoceanic ships, where cabins (single or for two persons) greatly increased the level of privacy.

The Belgian engineer did not start his first sleeping car company alone. Coming back from America, after receiving the support of the King of Belgium Leopold II and the government, he started immediately the contacts to introduce a new sleeping car service in Europe; he also signed some contracts in Belgium, France, and Germany, but the Franco-Prussian war stopped his initiative. Only on September 12th, 1872, could he launch the company *Georges Nagelmackers et Cie. – Compagnie Internationale de Wagon-Lits* with the financial help of the family and some friends. The capital of the company was 300,000 Belgian francs (hereafter BF). The financial difficulties soon appeared greater than expected. The family's bank did not intervene; thereafter Nagelmackers had to find a partner, an American entrepreneur, William d'Alton Mann (1839-1920), who took part in the American Civil War, which he finished as a colonel. The two partners founded on October 1st 1872, a new company, *Mann's Railways Sleeping Carriage Co. Ltd. – Compagnie Internationale de Wagons-Lits*, and Nagelmackers became the director.

Mann already had some experience in the sector, and some important advantages compared to Nagelmackers. After the end of the civil war, Mann became an entrepreneur, and created the first sleeping car where each compartment had its side-door. Despite receiving a patent in the US, his company, called *Mann Boudoir Car Company*, did not succeed. After another failed attempt in the United Kingdom, where the railway conditions were not favourable to the introduction of the sleeping cars, Mann met the Belgian engineer. Actually, the success arrived after the partnership with Nagelmackers, who had already negotiated many agreements with several countries and railways companies in Central-Western Europe. In 1873, their firm obtained the permission for a service in France, Germany, and part of the Austro-Hungarian Empire. The company was able to transport in its 51 cars 3,000 passengers weekly between Berlin, Vienna, Paris, and Bucharest.

While the *Mann's Railways Sleeping Carriage Co*. developed immediately quite well, his founder decided to sell for $2 million his shares to his partner Nagelmackers. He went back to America, where some years later he again incorporated the *Mann Boudoir Car Company*. In December 1876, Nagelmackers could finally establish in Brussels "his" *Compagnie Internationale des Wagons-Lits* (the difference in the name with the first company was the "des" instead of the "de"), which inherited the 51 sleeping cars of the previous company as part of the agreement between Nagelmackers and Mann (White, 1978, pp. 226-227; Compagnie Internationale des Wagons-Lits, 1926, pp. 7-8). After the foundation Nagelmackers took the decision to establish in Paris the general administration of the company, leaving in Brussels the legal head office (Mühl-Klein, 1998, pp. 18-19).

The development of the company was not very rapid in the first years, but it accelerated quite soon. Initially, the travellers were not numerous and the turnover was quite low. A practical issue was the number of wagons: from the first 51 they increased to just 58 in 1877. From the 1880s, the take-off was impressive: 205 cars in 1887, 496 ten years later, and 1030 in 1899, including the new wagon-restaurants, while in 1913 the sleeping wagons numbered 842, the wagon-restaurants 665, the wagon-salons 38, and the goods wagons 192[iii]. Another difficulty was the reluctance of the railway companies to sign long-term contracts. They preferred to test the service with a short-term agreement of 6-12 months. However, in 1876-77 about 40 railway administrations signed this kind of contract, but from the beginning of 1878, most of them signed regular contracts 10, 12 or 15 years long with the CIWL[iv].

Many other relevant changes were introduced in this period. In 1879, CIWL opened the first dedicated travel agency, where its clients could organize all the aspects of their trip (train tickets, reservation of hotels rooms and of seats in theatres, currency exchange, issue of travellers' cheques, etc.). Their number increased very rapidly: they were already 160 in 1900 and around WW1 about 280. In 1883, CIWL launched an important novelty, which also entailed renaming the company *Compagnie Internationale des Wagons-Lits et des Grands Express Européens*. Instead of just adding one or more wagons to the regular international trains, the firm introduced distinct trains, combining sleeping cars, wagon-restaurants, and special carriages for the luggage. The idea of the "*train de luxe*" – the luxury train – was baptized with the first regular service, Paris-Vienna. The great success came with the most famous train ever introduced by the CIWL, the *Orient Express*. It started its regular service in 1883 in the port of Giurgiu, in today's Romania. From there the passengers had to cross the Danube by ship, and then by train they could reach Constantinople. Only in 1895 was the railway line completed and the *Orient Express* could leave Paris and reach the town on the Bosporus via Belgrade and Sofia (Mühl-Klein, 1998, pp. 12-14).

Many other special trains started their service in the following years. Between the early 1880s and the late 1890s, there appeared the *Sud Express* from Paris to Madrid and Lisbon, the *Mediterranée Express*, the *Calais-Brindisi Express*, *the Calais-Nice–Rome Exp*ress, the *Ostende-Vienna Express*, the *Trans-Siberian Express*, and so on. In 1893, the company was offering its service in about 60 lines on the most important railway tracks in Europe (Mühl-Klein, 1998, pp. 12-13)[v].

2. *The appearance of national interest in times of cosmopolitan capitalism*

A hypothetical SWOT analysis of CIWL would have certainly stressed the monopolistic position in Europe as a powerful strength. The opportunities lay in the opening of new railways lines in other continents. However, the largest part of the network was finalized to bring travellers to Paris and to the French Riviera. This aspect would have been catalogued among the threats. The implications of the preponderance of the French market – which would represent a constant in the history of CIWL – were not sufficiently considered, and this would frequently become one of the elements used against the company. The financial aspect in that analysis was between a threat and a weakness. However, it did not depend on structural difficulties of the firm. The liquidity of the company was very solid. The need of financial resources was guaranteed by regular increases of capital and by the issue of corporate bonds. The company, in a sense, was a perfect example of the cosmopolitan capitalism that characterized the late nineteenth century and the first fourteen years of the twentieth century. In 1876, among the subscribers of CIWL's capital there were Belgian, French, and British bankers and rentiers. In 1891, at the extraordinary shareholders meeting called to vote an increase of capital, more than 50% of the admitted shares were held by British citizens and bankers represented by Nagelmackers, but there were also French citizens and German bankers (Edouard and Alfred von Oppenheim, of the Köln bank *Sal. Oppenheim Jr. & Co*.). But the cosmopolitanism of the company had a paradoxical factor: if Brussels was a perfect location for the legal headquarters, because of the neutrality of the country and the fiscal advantages, its capital market was not one of the most dynamic in Europe. For this reason, CIWL asked from 1882 to list the shares and the bonds on the Paris stock exchange[vi]. However, the rules of the French stock exchange implied that for every new series of shares or bonds it was necessary to obtain the approval of the administration of the Bourse de Paris, but also of the French Ministry of Finance (Gamonno, 2007). This situation represented a complex moment for the company, because a refusal would have compromised its effective financial solidity. It could also be used as blackmail to force the company to do something.

This situation became clear for the first time in 1892, a few months after the shareholders' meeting and when the procedures for the listing of the new shares were not yet completed. The general French political situation of the Third Republic was very tense. The revanchists and the right wing parties in general were extremely active. The political defeat of the general Boulanger (nicknamed the Revanchist) in the national elections of 1889 did not stabilize the country. In the public opinion there was still a sensitiveness over any question that could imply a sort of capitulation of the French national interest.

CIWL was taken as an example of this political atmosphere. The campaign started in February 1892, when a specialist journal – *Le Journal des Transports* – suggested that the French presence on the board of directors was too small, only one French member out of nine, and this situation could not be compensated by the relative majority among the "commissaires" (the auditors), three out of seven. The journal compared the small number of French members with the much larger presence of Belgian and German members on the board. The question concerning the nationality of the shareholders was not mentioned, because no information was available apart from the synthetic ones issued at the annual shareholders' meeting. Therefore, it was not possible to know the proportion of shares owned by German, British, Belgian, and French investors. In any case, as we have seen, at the shareholders meeting of 1891 many shareholders gave through proxy the voting powers to Nagelmackers, who was a sort of guarantee for their use, in the general interest of the company. The pressures increased when the minister of Public Works, Jules Viette, also took a position very similar to that of the journal. Both the minister and the journal underlined that France was the country were most of the activities of CIWL were taking place. Its “interests” were not sufficiently considered. The business culture of that time excluded any form of direct or indirect intervention of the State in a company to modify its strategy, but with one exception: increasing the number of seats on the board to permit national interest to better represented. The company and particularly its founder, Georges Nagelmackers, could not refuse the request coming from a member of the French government, the minister that had the power to confirm the contracts between CIWL and the French railway companies. During the shareholders’ meeting, held in June 1892, among the elected new members of the board was Felix Faure (1841-1899), a former tanner and merchant in the leather industry at Le Havre, and from the early 1880s deputy at the National Parliament, and in the 1880s undersecretary for the Colonies in a couple of governments. Later the Board elected him vice-president of the company, introducing with him a balanced situation in the CIWL’s governance: the president was a Belgian and the vice-president a French. Faure’s election was warmly welcomed by the journal that started the campaign in favour of the French national interests in the firm. Faure – wrote *Le Journal des Transports* – “would defend, on the board of directors, the French interests that were sacrificed“[vii]. In a final, almost ecumenical comment – very well symbolizing the *Zeitgeist* of a cosmopolitan capitalism respectful of the national interests – the journal wrote that with a board of directors where now – together with the chairman, a Belgian – were sitting three French, two German, one Austro-Hungarian and one Italian, “all nationalities are represented and no one has a predominant position”. Georges Nagelmackers kept for himself the position of general manager. However, his role was never questioned. More than the chairman or the vice-chairman, he was the real man representing the company The further and more important consequence for CIWL was the rapid completion of the procedure for the listing of the new shares, a topic that officially remained out of the campaign but that for the company was crucial[viii].

3. *National interest? No thanks, we’re bankers*

The decision take in 1892 had long-term consequences. Until the First World War, the French (national) interests were never put in questions. From the financial point of view, the French investors became even more important after the difficult crisis of 1900, due to some too optimistic evaluations of the potential clients that could have been interested in going to Paris for the universal exhibition. This was the fifth one organised in the French capital since the mid-nineteenth century. It gave to the town some of the most beautiful architectural gifts, the *Petit Palais* and the *Grand Palais*, and represented the symbolic peak of the *art nouveau*. With respect to the universal exhibition, the company made two big mistakes. On the one hand, it bought entrance tickets for 1.95 million BF that were supposed to be sold together with the wagons-lit tickets. On the other hand, CIWL made a huge investment in the *Société Immobiliaire de Trocadéro et de Passy*, a real estate firm that built many luxury buildings in the area close to the exhibition pavilions, provoking big losses for the company (Mundell, 1967; Allwood, 1977; Geppert, 2010). The value of the shares controlled by CIWL in the *Compagnie internationale des Grands Hôtels* and the *Société Immobiliaire de Trocadéro* was reduced to one franc. CIWL did not distribute dividends in 1900 and 1901. A consolidation of the company was necessary, and this deeply modified the shareholders’ structure, but did not trigger a revival of the nationality issue.

The financial reorganisation entailed the reduction of the capital from 50 to 35 million BF, the transformation of the old share from 500 BF to new shares of 250 BF, and the issuance of 60,000 new shares, defined preferential shares, 250 BF of nominal value, which allowed the company to again have a capital of 50 million BF. The preferential shares had the right to a 5% preferential dividend, while the old shares were supposed to receive only later a 5% dividend. No ministry and no newspaper or journal campaigned to protect a hypothetical national interest at risk. A special banking syndicate was set up to place the new 60,000 shares. Together with the Societé Générale, one of the most important banks in Paris – the *Banque de l'Union Parisienne* – played a decisive role in the financial reorganisation. Its president, the Count Lucien de Villars, not only entered the new board of directors, but he also became the chairman of the new financial committee (*comité de direction financière*), a special body that started its activities as a consequence of the general reorganisation of CIWL. This was a signal that Nagelmackers was not any more the all-powerful manager, nor the balance point among the most important groups of shareholders in the previous 25 years. The influence of that body and of his chairman became so strong, especially after Nagelmackers' death in 1905, that, among insiders, instead of speaking of "sleeping cars", the common expression was "Villars' wagons"[ix].

In 1903, a new investor appeared among the shareholders. He asked to be elected to the board of directors, and he actually was elected. The investor and member of the board was Davison Dalziel (1852-1928). He probably started to buy the shares during the difficult period of the company in 1900-01. The large dispersion of the shares permitted him to accumulate a relatively large number of shares, enough to propose himself for a seat on the board. Born in Camden Town (London), after working as a journalist in Sidney in his youth, Dalziel became a very dynamic entrepreneur with a highly diverse set of economic interests. He was the founder of *Dalziel News Agency* (which based its success on sensationalism), and the director of some industrial firms and some companies, such as *Aux Classes Laborieuses* and *Bloch & Behr*, drapers and general furnishers in Paris. His first contacts with CIWL dated back to the 1890s, when he became the contact person between the company and the British market. However, his influence in CIWL increased considerably thanks to the marriage that took place in November 1903 between his only child Helene (Nellie) and René Nagelmackers, the son of the company's founder (Davenport Hines, 1984a, pp. 5-8) [x]. The death of Georges Nagelmackers in 1905 created a completely new situation. His brother Julien became the chairman of the company for a couple of years, while his son René had already entered the board of directors in 1904, taking over the functions of his father. However, despite the growing involvement of his family after the initial indifference, the absence of a charismatic person among the managers and the members of the board of directors paved the way for the increasing role of Villars and Dalziel.

In the following years, the British entrepreneur enlarged his activities: in 1906 he created and was elected as the vice-chairman of *General Motor Cab Co*., the firm that introduced the first motor taxicabs in London. In 1907, he became the chairman of the second company offering the same service in London, the *United Motor Cab*. That same year Dalziel bought the British branch of Pullman Company, the *British Pullman Palace Car*, set up in 1882 (Davenport-Hines, 1984a). His involvement in the sleeping car business was now much stronger. Probably nobody else on the board shared his knowledge of the sector.

Nevertheless, his initiatives and success did not pave the way for a stronger role in the company. On the contrary, the majority of the board rejected his candidature for the financial committee. In a letter addressed in 1909 to Julien Nagelmackers, Napoléon Schroeder wrote: "I do not know the goal Mr. Dalziel pursues by suddenly posing his candidacy, but I know one thing, that this act brings trouble among us. (…) I cannot conceal from myself that the situation thus created by causes and for a purpose that is indeterminate for me, is liable to cause complications in the future" (Guizol, 1995, pp. 240-41). Most likely Dalziel was the largest individual shareholders (he presented 7,000 shares at the shareholders' meeting in 1908), but preferred to avoid any tension. One should also consider that in those years the board of directors was now under a strong French influence: the French had five seats, one more than the Belgians, the Germans had two, and the Austrians, Hungarian, Italians and Spaniards had one each. However, Dalziel preferred underground labour, and the First World War indirectly helped him.

4. *The post-war period: defending national interest amid mutual suspicions*

The war caused not only huge political and economic transformations at a global level, but also a permanent rupture of the CIWL's monopolistic position. This issue would deserve special attention, but the topic strays from the main purposes of this paper. In November 1916 a new firm, the Mitteleuropäische Schlaf- und Speisewagen-Gesellschaft (better known as Mitropa), was established in Berlin. There were tough discussions among all the entities interested in the project, the private enterprises, the Reich's railways, and the Austrian and the Hungarian railways. Mitropa started operations only on January 1917, after Deutsche Bank and Dresdner Bank completed the financial organization of the new company. The capital was 5 million Marks (increased to 20 million in 1917), subscribed by 66.66% by the German banks and the remaining part by the Austrian and Austrian-Hungarian railways. The official reasons for the establishment of the company was a sort of German version of the theory of national interest. The Prussian government, which had been frequently very critical of the Belgian based company, was the most active in establishing a strategy against CIWL. The "national reasons" – wrote the Prussian Minister of Public Works – pushed to eliminate the French influence through CIWL over the areas, like the Balkans, where there existed many opportunities to develop German economic interests (Majerzejewski, 1999, p. 277; Bechtloff, 2000, pp. 20-24) [xi].

The years between 1919 and 1923 were a period of considerable uncertainty and confusion for the sector. The end of the German empire weakened only partially the Mitropa project, because the company became a serious competitor for CIWL in many Central-European countries after the complex reorganisation of the European railway system following the Treaty of Versailles. In the meantime, the post-war period offered new opportunities for many other subjects. The big manoeuvres started already in 1919. In fact, CIWL was immediately concentrated in trying to re-establish its rights both in Austria and in Germany. The attempt was unsuccessful with Berlin. Mitropa obtained that some of the CIWL requests were to be included in the reparations package. In the case of Austria CIWL succeeded only because the French and the Belgium governments put important pressure on Vienna. From the point of view proposed in this paper, the parallel diplomatic action of Brussels and Paris was a sort of pre-emptive strategy of defence of national interests. This meant that interconnections, links, and constant contacts were established during the war between different levels and branches of the public administration, in Belgium as well as in France. These stricter and quasi-permanent relations would play a crucial role in the new phase of the battle for the national interest in the mid-1920s.

However, the greatest protagonist of this very complex phase was neither the French nor the Germans, but the English. In fact, since 1919 Mitropa was no longer a completely German company. British interests were now in a predominant position since Henry Thornton, general manager of the *Great Eastern Railway*, entered into *Mitropa* together with *Canadian Pacific Railway* and *Barclay's*

Bank. The project, supported by the British government, was to consolidate the whole sector in Europe, through the establishment of a holding company to control both CIWL and *Mitropa.*

The project changed many times between 1919 and 1921. The final agreement included the setting up in Geneva of a company called *Transcontinent* formally controlled by Canadian – and no longer English – interests, the holding *Canada Trust* and *Canadian Pacific Railway*. However, the first board of directors had three English members (one of them was Thornton), one German, and five Swiss. The general manager was the former German director of CIWL, Alfred Clausius. *Transcontinent* was entitled with 40% of the shares of *Mitropa* and with all the contracts this firm had with the German *Reichsbahn*, and many other Central European national railway companies. The project of the consolidation of the sector did not work. However, the paradox of the new situation was a good example of how national interests could evolve. Now a British government was supporting or accompanying the initiatives of a German company controlled by British citizens (Bechtloff, pp. 134-145)[xii].

The "British moment" in the sector was even more evident in the CIWL. From 1919, a new governance characterized the company. Besides the chairman of the company, there was also the chairman of the board of directors: the latter remained Belgian, while the former was a British, Davison Dalziel. Moreover, Dalziel also became the chairman of a new body of the company, the Committee of general administration. This new powerful position permitted him to propose – and to obtain – the approval of integrating the offer of the company he controlled in the United Kingdom, *British Pullman Palace Cars*, with that of the CIWL[xiii].

Moreover, from 1919 among the members of board of directors of CIWL there were also two representatives of the *Banca Commerciale Italiana*, the biggest Italian bank, the Polish born, but Italian from 1910, general manager Joseph Toeplitz and Luigi Tedeschi. However, the first shares acquired by the Italian bank were sold by the Banque de l'Union Parisienne, clear evidence that the most important French shareholder approved their entrance among the firm's shareholders. The purpose of the Italian bank was to attract the rich cash flow of the company, connected with the foreigners, but there was also the possibility to gain control of the company together with Dalziel. Actually, the Anglo-Italian "group" guaranteed two increases of capital in 1920 and in 1921 from 53.8 million to 68.4 million and then to 85, 937, 500 BF. The importance of the British capital market was confirmed in 1922, when CIWL issued a new series of bonds, nominal value £ 500,000. They were totally subscribed in London with the intermediation of Barclay's Bank and the merchant bank Erlangers[xiv].

The showdown took place in September 1923 at the shareholders' meeting. The most important point to approve was an increase of capital from 85.9 million BF to 105 million BF by the issue of 66,000 new shares. The financial operation was linked to the new balance of power among shareholders allowed CIWL to be used as a decisive factor to satisfy many national economic, social, political, and even cultural interests involved in the organization of business and tourist travels, a sector that was starting to become a mass phenomenon in many European countries. The new balance of power among shareholders allowed CIWL to be used as a decisive factor to satisfy many national economic, social, political, and even cultural interests involved in the organization of business and tourist travels, a sector that was starting to become a mass phenomenon in many European countries. The new balance of power among shareholders allowed CIWL to be used as a decisive factor to satisfy many national economic, social, political, and even cultural interests involved in the organization of business and tourist travels, a sector that was starting to become a mass phenomenon in many European countries. the renewal of stock of sleeping wagons. CIWL had signed a very onerous contract with the *Metropolitan Carriage Wagon and Finance Co*. (MCWF). This company was founded by Dalziel's friend and partner Dudley Docker, one of the most powerful and influential British industrialists of the first half of XX century. At the end of the war Docker convinced Vickers to Since 1919 it was controlled by one of the most important industrial groups in the UK, but thanks to this operation Docker increased his personal influence on Vickers (Davenport Hines, 1984b; Wilkins, 1991). CIWL placed an order with MCWF for 500 new cars, later reduced to 305. The price per wagon was between £8,000 and £8,500, much more expensive than the continental prices. But with the possibility of a 15-year payment to diminish the financial impact of this operation, whose amount was around 2.5 million pounds, approximately 60 million BF. The president of CIWL, backed by the majority of the board of directors, proposed to distribute 34,375 of the new shares to old shareholders and to transfer the remaining 31,425 to MCWF, the equivalent of more than 7.5 million BF[xv].

It was immediately clear that this solution would change the balance among the shareholders, giving a clear superiority to the Anglo-Italian group. The dispute took very intricate juridical forms. The majority of the French and the Belgians did not accept the solution because it was taken by a shareholders' meeting that they considered illegal. In fact, the minority shareholders, both French and Belgian, created a syndicate, but most of their shares were not accepted because many French banks did not receive the approval for the proxy power by CIWL. The Anglo-Italian group, supported by some important French shareholders, proposed to elect a completely new board to avoid a vote about the proposal of paying part of the wagons with shares[xvi].

The French and the Belgian newspapers (the former more aggressively) immediately started a campaign against the project. However, since it was difficult to influence the public opinion affirming that the new "enemies" were the British and the Italians, the allies during the recent war, the narrative presented a sort of international plot that was supposed to bring CIWL under the German influence, thanks to the Banca Commerciale, in strict relations with Berlin. These were the same ingredients used in Italy in 1914-15 to attack the same bank because of the large presence on the board, in those years, of German bankers (Hertner, 1984; Segreto, 1984). Of course, in this narrative nobody mentioned that British investors controlled Mitropa.

At the political level, the most important actor became the French government. Many branches of the administration were involved: the prime minister, the Ministry of Foreign Affairs, the Ministry of Public Works and even the French intelligence, because the amount and the quality of information was a decisive factor to establish a strategy. Several memos were prepared, many of them based on informal contacts with members of the two camps, but sometimes just on rumours. The question of national interest became the contradictory pivot around which several non-linear interests were moving. The French government had a powerful weapon: the renewal of the concessions for the CIWL. In the meantime, this instrument was not very effective, because the French front was not homogeneous (the so-called Anglo-Italian group also had important French allies) and it was more difficult to proclaim that a certain decision was in favour of – or against – the national interest, as the newspapers were suggesting in a very simplified way[xvii]. For instance, evoking the national interest to protect the French mechanical industry involved in the construction of wagons for CIWL was partially misleading. The French company supposed to participate in the big delivery of the new wagons (Dalziel made this move as a concrete mediation that reinforced him in the eyes of the French government), called La Charentaise, was actually controlled by American investors. However, in this case the risk for the French government was to be accused by the left-wing newspaper "to serve the private interests under the guise of national interest"[xviii].

The very confused situation was confirmed and reinforced by the divisions existing among the Anglo-Italian group. Both were acting in their own interest in approaching the French government. Backed by Belgian socialist newspapers, Dalziel cajoled the French and Belgian governments, suggesting that he was the real protector of their national interests in the company, because in his opinion the BCI and Toeplitz wanted to transform CIWL into an entity under the influence of the Fascist government. On the other hand, the Polish-Italian banker was developing a strategy based on *captatio benevolantiae*, by offering to the French a large part of the shares his bank controlled. More than a year later, when tensions calmed down, Toeplitz made a new proposal to the French government. He proposed an agreement with *Transcontinent*, the holding of *Mitropa*, to create a new balance of power among CIWL shareholders thanks to a *Transcontinent-Banca Commerciale* pact, the first step for a CIWL-Mitropa agreement that could counterbalance the excessive power now concentrated in Dalziel's hands[xix]. However, the unsuccessful conclusion of all his proposals showed that among the French financial community there was no interest in investing in the company, considering the ownership structure. This greatly weakened any attempt the French government might make to develop a strategy based on the narrative of the national interest. However, the general situation got better. In the following years, the French government continued to back CIWL in many international issues concerning old and new contracts (in Austria, in Poland, and in the Soviet Union) just because it did not want to facilitate *Mitropa*'s ambitions in the same countries[xx].

5. *Finally, and directly, the State*

The 1929 international economic crisis reduced all the economic activities, including those of CIWL. However, these problems were just a supplementary aspect of a deeper financial crisis in which the company was involved. In 1927, CIWL acquired the most famous tourist agency in the world, Thomas Cook & Sons Ltd (Brendon, 1991; Smith, 1998). The idea came from Dalziel, and it could have made sense in a long-term strategy for CIWL. However, the terms of the agreement with the British company created the basis for serious financial problems for many years. CIWL paid £ 1.9 million to acquire the travel agency (still controlled by the heirs of the founder and incorporated in 1924 with a capital of £1,125,000). This price was probably excessive compared to its real economic value. CIWL did not have the financial resources to pay in cash the owners of Thomas Cook. Thus, the travel agency lent 1.86 million pounds to CIWL to pay off the Cook brothers, while in the meantime CIWL issued a 10-year 6% corporate bond for 2 million and put them at the disposal of *Thomas Cook & Son Ltd*. to return the 1.86 million.

In the meantime, Dalziel reinforced the control over CIWL. In that same year, he set up a holding company called *International Sleeping Cars Trust*, capitalised at 5,25 million, to which he passed 30,000 out of 150,000 preferential shares and 495,00 out of 4,450,000 shares in CIWL, which represented about 23% of the capital, more than enough to control the shareholders' meetings. The Italian partners of *Banca Commerciale*, which had partially reduced their shareholding in CIWL in the previous years, decided to follow Dalziel by subscribing about 10% of the capital of the Trust, otherwise they feared the British financier could kick them out of the business[xxi].

Dalziel died in April 1928, and this event modified the situation in a much-unexpected way. The British interests decreased sharply, despite the number of shares owned by Dalziel's widow, Dudley Docker, and *Prudential Assurance Co* in the *Trust*. The situation was not used by the French private investors to modify the balance of power, but by the Italian partners. The international crisis provoked a decline in the share price of CIWL. *Banca Commerciale* was able to buy several shares of the biggest shareholder of CIWL, about 32% of the *Trust*'s shares, becoming *de facto* the biggest shareholder of the holding, and indirectly of CIWL. The bank worked in cooperation with Count Giuseppe Volpi di Misurata, industrialist, former governor of Libya (1921-25), former Minister of Finance (1925-28). He was also involved in some tourist activities in Italy including some of the most beautiful hotels in the country (he was the most important shareholder of CIGA, *Compagnia Italiana Grandi Alberghi*, Italian Grand Hotels Company) (Romano, 1977, pp. 192-193; Segreto, 2016). The two close partners shared the investment in a proportion 2:1 in favour of the bank, and altogether they spent about 84 million Italian lira, more than £7.2 million.

Their position among the shareholders of CIWL gave them many responsibilities particularly in connection with the measures necessary to tackle the crisis. They denounced the many mistakes of Dalziel's policy of the 1920s, including the very expensive operations with *Pullman* and *Thomas Cook*, but also the too generous dividends policy. The pound's fall in September 1931 increased the general difficulties. The company's capital of 230 million BF was not enough compared to a debt of 1.4 billion BF. The Italian group proposed the shareholders meeting to double CIWL's capital from 230 to 460 million BF. In the meantime, *Banca Commerciale* and even more Count Volpi, also considering the financial troubles of the Italian banking system, approached the French government to find immediately strong financial support for the company. On several occasions we have examined, in the previous pages, how the French private investors requested government intervention to support them in the name of the national interest. Now foreign shareholders – recognising the relevance of France for CIWL's activities – were asking the French authorities to do something more: not only political pressure and moral suasion, but also cash for contributing to rescue the company.

The French government intervened with the *Caisse des Dépôts et Consignements*, the financial institution responsible for the payment of pensions and the financing of the French towns. Early in 1932, a meeting between Volpi and Jean Tannery, general director of the *Caisse*, enabled all the details to be defined. The Caisse, together with the Banca Commerciale, the Volpi group, and the British insurance company *Prudential*, subscribed 73% of the new shares, while the small shareholders subscribed only 27% of the new shares. The French government's involvement also took the form of a big credit line to CIWL for about 200 million FF, necessary to reduce the amount of Thomas Cook's 6% debentures that represented a very heavy duty in the balance sheet. The government did not intervene directly, but it applied a sort of moral suasion among the most important French railways companies. In fact, they put at disposal the 200 million FF credit, strongly supported by the *Caisse* and by the French government[xxii].

Slowly, in the following years, the *Caisse* gained the relative majority of the shares, while the new board of directors had a composition that balanced the different national interests very well. In this body there were 13 representative of the French-Belgian-Spanish group, 6 Italian, and 4 British, while the executive committee now had 6 French members, including the chairman of the board, and the Italian and British groups had 3 each. A Belgian was the president of the company, while the French, Italian, and British shareholders had one vice-president each[xxiii].

The situation was even clearer after 1933, when in Italy the State intervened to rescue the banking system. The new state holding IRI controlled a large part of the economic system and, among many other shareholdings, it inherited from the *Banca Commerciale* the CIWL shares (Castronovo, 2012). Now two governments, the French and the Italian, were officially represented among the shareholders. The compromise reached in 1931-32 completely changed the history of the company. All the groups involved recognized that France was the territory where CIWL was offering the largest part of its service (about 40%; Italy came second with about 25%, and the rest was distributed among the rest of Europe), but nobody wanted to reduce the political importance of the other partners. All acknowledged that CIWL was no longer a target for national appetites, a mountain to climb to plant the national flag, but a tool to permit the development of different national economic interests, particularly in the tourism sector, which could harmoniously integrate.

Conclusions

The story of CIWL offers many new elements to enable clarification of the issue of the nationality of companies, in the past as well as nowadays. We have seen that the different criteria frequently used by business historians and/or by jurists and political scientists – the place of incorporation, the nationality of the shareholders, and the nationality of the members of the board of directors – to enucleate and clarify the problem appear erroneous and/or insufficient in this case as well as in many others. We observed that a different element intervened as a sort of *Ersatz* in some moments of the company's history: the question of national interest. The actor that was evoked, requested to intervene, or called in, was the government. Its role and the range of options available depended very much on the economic and political culture that was prevailing in a specific historical period. In the nineteenth century and until WW1, the prevalence of economic liberalism reduced the forms the national interest could take to a moral suasion and the use of a *quid pro quo* policy. The French government intervened in the early 1890s to rebalance the representatives on the board and based its request on the logic of national interest: France was already the most important market and destination of the different activities of CIWL. To achieve this objective it stopped for the time necessary to reach an agreement the procedures for the listing of the new shares of the company.

After WW1, the political and economic culture started to change. The still recent end of the war provoked a syndrome of economic conflict, in which all seemed to play a double game, and where the war allies were now potential enemies for the control for the company. As in the first case, the newspapers had a fundamental importance for both launching the news and creating big expectations, frequently using fake news. The Belgian and the French governments intervened as a sort of referee, never forgetting to affirm that their national interests were crucial. However, we have also seen that in a new phase of internationalization of the economy it became more difficult to define the perimeters of the national interest in a proper way.

After the 1929 and the international economic crisis – to some extent thanks to its dramatic effects – the direct and visible presence of the states took several forms in different fields, and nobody was surprised or called it economic or political blasphemy. This was true in general and not only in the case of CIWL. Supporting and even promoting national or international industrial cartels was considered just a consequence of a different approach to economic policy. Helping from the financial point of view new initiatives to reduce the unemployment was just necessary to relieve the national economies. Becoming a shareholder, in some cases even the most important one – without using the instrument of nationalization – was the logical conclusion of a discourse that now considered national interest even more important than before. Thereafter, it is not surprising that the French government finally became a shareholder of CIWL, through the *Caisse des Dépôts et Consignements*. What was very surprising and even paradoxical is that this solution arrived thanks to the initiative of Italian and not French shareholders of the company. The new balance of power among shareholders allowed CIWL to be used as a decisive factor to satisfy many national economic, social, political, and even cultural interests involved in the organization of business and tourist travels, a sector that was starting to become a mass phenomenon in many European countries.

Notes

[i] The two governments reached an agreement a couple of months later (*Macron and Gentiloni unveil ‘win-win’ deal over STX shipyard*, “Financial Times”, 27.7.2017.
[ii] https://www.db.com/company/en/management-board.htm; https://www.db.com/ir/en/supervisory-board.htm;
https://www.sanofi.com/en/about-us/governance/board-of-directors;
https://www.marketscreener.com/BP-PLC-9590188/company;
https://www.bp.com/en/global/corporate/who-we-are/board-and-executive-management/the-board.html (20.7.2019).
[iii] Compagnie Internationale des Wagons-Lits et des Grands Exprès Européens, *Assemblée ordinaire du 21 avril 1914*, Bruxelles, 1914, p. 3.
[iv] *L’Exposition Universelle de 1878 illustrée, Publication Internationale autorisée par la Commission*, Paris, Septembre 1878, p. 864.
[v] «Le Journal des Transports», 21.1.1893, p. 39,
[vi] Centre des archives économiques et financières (hereafter CAEF), Archives Economie Finances (hereafter AEF), Savigny-sous-le –Temple, France, B0031177.
[vii] «Le Journal des Transports», 28.5.1892, p. 256-257; ibid., 6.8.1892, p. 388; ibid., 5.5.1894, p. 215.
[viii] « Le Journal des Transports », 28.5.1892, p. 256-257; ibid., 6.8.1892, p. 388; ibid., 5.5.1894, p. 215 ; CAEF, Archives AEF, B0031177.
[ix] « Le Journal des Transports », 21.12.1901.
[x] *Un marriage très parisienne à Londres*, “La Justice”, 26.11.1903.
[xi] CAEF, AEF, B 61167.
[xii] National Archives (hereafter NA), London, T160/16, memo 28.6.1921; Board of Trade to Treasury, 25.5.1922; CAEF, AEF, B 61167.We do not have the possibility to go further into this direction. One must at least mention that in the 1920s the two companies signed several agreements, permitting them to find a solution for many aspects of their mutual competition.
[xiii] «Le Temps», 8.5.1919.
[xiv] Archives Intesa Sanpaolo (hereafter AIS), Milan, Archives of the Banca Commerciale Italiana (hereafter ABCI, minutes of the board of directors, 18.7.1919, 22.10.1020, 26.1.1921, and 15.2.1922.
[xv] AIS, ABCI, SOF, 243/1, memo without date.
[xvi] Archives Historiques Société Générale (Paris), B 3134.
[xvii] Archives Nationals, Paris, F/7/14609 (the file is part of the French intelligence service archives of that period).
[xviii] Ibidem, memo 18.9.1923.
[xix] Archives Historiques du Ministère des Affaires Etrangres, hereafter AHMAE (Diplomatic Archives of the Ministry of Foreign Affairs), La Courneuve, France, B59/12, French Embassy in Brussels to Economic and Commercial Directorate of the Ministry of Foreign Affairs, 14.4.1925; memo dated 6.5.1925. The Italian government suggested again Banca Commerciale to approach *Mitropa* also in the first semester of 1927. The attempt was unsuccessful (AIS, ABCI, minutes of the board of Directors, 1.6.1927).
[xx] AHMAE, Relations Commerciales, (1919-1940), B. 59 à 61, Transports. 13.
[xxi] AIS, ABCI, SOF, 243/1, memo without date, cit.; ABCI, minutes of the board of directors, 28.12.1927.
[xxii] Archives of the Caisse des Dépôts et Consignations (hereafter ACDC), Paris, PA.P2.8.7.25, minutes of the Commission de Surveillance (Supervisory Commission), 4.12.1931 18.12.1931;

26.2.1932; AIS, ABCI, SOF, 243; Archives Giuseppe Volpi di Misurata (hereafter AGV), Venice, CIBE-Wagons-Lits 1932-34. A narrative full of mistakes and of national proudness in P. Prouret, *La Caisse des Dépôts. Cent cinquante ans d'histoire financière*, Paris, Press Unievrsitaire de France, 1966, pp. 382-384; a better work, where however the Italians and their decisive initiative practically do not exist, is the contribution by P. Verheyde, *Jean Tannery et l'interet général, social et national. Trois cas d'interventions de la Caisse de Dépôts sur le marché financier*, in *De la croissance à la crise (1925-1935). Le moment Tannery. Une tentative avortée de modernisation conservatrice et libérale à l'heure de la mondialisation*, sous la direction de Alya Aglan, Michel Margueraz et Philippe Verheyde, Genève, Librairie Droz, 2014, pp. 91-98.
[xxiii] AIS, ABCI, SOF, 187/1.

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