"The Ultimate Military Entrepreneur,"
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By P.W. Singer [1]

With profit his only aim, Count Albrecht von Wallenstein successfully combined the profession of business and the art of war during the early seventeenth century.

War is often viewed as an affair of men fighting for the political causes of their nations. History, however, is filled with examples of combatants who were instead motivated solely by economic profit. And as jarring as it sounds to us today, the conduct of violence used to be just another capitalist enterprise.

During the 1600s, war was the biggest industry in Europe, quite literally so in a capitalist corporate sense. Especially prominent in this commerce of mass violence was a class of unique leaders who combined the occupations of both businessman and general. They were the enterprising men who recruited and equipped military units at their own expense, then leased them out. A diverse group of capitalists, bourgeois merchants, and petty nobles, they saw war simply as a business, another highly specialized service to be sold. The side they fought on usually did not matter, as long as the gold was guaranteed, and they had no compunction about changing sides in the midst of a conflict, or even switching back and forth.

Among the more prominent of these entrepreneurs were Louis de Geer, an Amsterdam capitalist who provided the Swedish government with a complete navy, sailors and admirals included; Count Ernst von Mansfeld, who raised an army for Elector Frederick V of the Palatinate and then, after his employer had been defeated, put his sword at the hand of the highest bidder; and Bernard, duke of Saxe-Weimar, who raised armies first for Sweden and then for France. Most famous of all, though, was Count Albrecht von Wallenstein, who through the private military business became the wealthiest man in all of Europe.

Wallenstein, however, was more than just the most renowned military entrepreneur. He was also a masterful general and innovator, whose place in military history is critical, if not well recognized. Staff command and control, specialization, and a focus on professionalization -all distinctive qualities of present-day armies- were introduced under his watch. In many ways, the seeds of modern military organization were thus sown, not by the demands of the battlefield so much as by Wallenstein's response to the market's demands for efficiency.

Albrecht Eusebius Wenzel von Wallenstein (or Waldstein), duke of Friedland, may best epitomize the phenomenon of a military entrepreneur. Born into a family of minor Czech nobility in 1583, he eventually rose to become the single most dominant man of his time, in both business and warfare.

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Nevertheless, his life's trajectory was much like the personification of ambition in a medieval morality play. Once he achieved true power, he overreached himself and then came crashing down.

Renowned for his cold-blooded approach to both war and commerce, Wallenstein had even designated "burning officers," whose specialty was to ensure the efficient torching of villages. At the same time, however, he also charitably supported the work of Johannes Kepler, the great astronomer, enabling many of the most important scientific advances of the period. Czech historians revile Wallenstein as a turncoat who snuffed out their initial embers of national freedom. In contrast, German scholars tend to view him as the last great German of his period, who almost unified the nation before the Thirty Year's War left it divided into a hundred squabbling principalities. Friedrich von Schiller even wrote a dramatic trilogy dedicated to him. In the end, as one biographer described him, Wallenstein was both the "wonder and terror of his time."

To understand the rise and fall of Wallenstein, one must realize the harshness of the times in which he lived. The Thirty Years War wreaked such devastation that it remained unequaled until World War II - only war in the atomic age could surpass it. Over the course of the war, the landscape of Central Europe became near apocalyptic. Entire villages were depopulated so that not even a dog or cat could be found. Bohemia went from a population of three million to eight hundred thousand; Germany from sixteen million to seven million. The literature of this time focuses exclusively on the themes of starvation, torture, rape, and pillage.

Part of the reason for this is that the Thirty Years War was also the heyday for hired armies. During the war, the military forces of nearly every country consisted of mercenaries. Even the army of Swedish King Gustavus Adolphus, which revolutionized maneuver warfare, was 90 percent hired non-Swedes. As a result, almost all the battles in the first two decades of the war were fought completely by contract units.

In fact, the entire military outlay of the warring sides was often little more than solde -the stipend paid (though often infrequently) to mercenaries for clothing and food, arms, and powder. Given their lack of support, these armies took to living off the land, leaving the countryside devastated in their wake. As armies of mercenaries roamed the countryside, extorting and stealing what they desired, German peasants, in turn, resorted to haunting the Black Forest in marauding bands. They would hide by day and attack the sleeping soldiers at night.

Wallenstein was born near the onset of this period in the restive area of Bohemia (in what is now the Czech Republic) that was under the rule of the Hapsburgs. A quiet man, there was little remarkable in his appearance. He was reputedly thin, with a pale complexion and short red hair. Raised and educated as a Protestant, once of age he abandoned that religion for advancement in the court of the Catholic Hapsburgs. In 1609, the young Wallenstein married a much older woman. Not considered attractive, she was instead sickly, childless, and quite rich through her inheritances. Five years later she died, leaving Wallenstein in sole possession of her Moravian estates and one of the richest men in the region.

The Thirty Years War began on May 23, 1618, with the famous Defenestration of Prague. A group of local Protestant nobles tossed two of the Catholic king of Bohemia's regents out a window of Hradschin Palace, sparking a revolt of the Bohemian Protestants against Hapsburg rule. Instead of joining the nobles of his region, Wallenstein took the calculated gamble of staying loyal to the Hapsburgs. The

Bohemian rebels confiscated his estates, but with his liquid funds he raised a regiment of mercenary cavalry and placed it at the Holy Roman emperor's disposal. After Imperial forces won the Battle of White Mountain (1620), effectively ending Czech independence for the next three hundred years, the appreciative Emperor Ferdinand II appointed Wallenstein governor of Bohemia. The entrepreneur quickly bought up all the land of his old enemies at knock-down prices and within three years held all of northern Bohemia as his own private estate. The minor noble had risen quickly, but more was yet to come.

Despite the victory in Bohemia, things were not going well for Emperor Ferdinand. By 1625, the Protestant revolt against Hapsburg rule had spread to his possessions in Germany. The Imperial war chest was soon nearly empty, and his armies were consistently beaten. His capital was threatened both from the north, by the Protestant army led by Mansfeld, and the south, by Hungarian invaders led by their king, Bethlen Gabor.

As one of the richest men left in the empire, Wallenstein then made the penurious Ferdinand a unique offer. His proposition was that he would field a force of fifty thousand men at no cost to the emperor. Rather than integrating it into the Imperial force, however, the army would be Wallenstein's to lead. He would recruit his own troops and choose his own officers. In exchange for defeating the emperorÆs enemies, all gains or losses would accrue to Wallenstein and any of his investors. As for the menÆs pay, in his words, "War must nourish war." To further sweeten the deal, Wallenstein offered the bond of his Bohemian land holdings if he failed.

It was another gamble, with both great risks and rewards. Wallenstein risked the loss of his estates, but he was in pursuit of greater power. Ferdinand, who seemingly had little to lose from the offer, and whose own advisers doubted whether the emperor himself could raise another army of even twenty thousand men, readily agreed.

Wallenstein quickly distinguished himself from other mercenaries of his age by both the scale and the efficient organization of his preparations. He turned his estates into a vast complex of armories and factories. His army and its supporting apparatus not only became the largest private enterprise Europe had seen up to then, but also was structured in modern business form. All the officers had a financial stake in the equipping and operation of the force, and each counted on rich returns on his investment. The typical expansion of the army resembled a contemporary corporate alliance. Lesser entrepreneurs would gain a stock share in exchange for the provision of an equipped regiment that they would float on their own. The common-soldier pool mirrored a rapid-turnover labor force.

Unique in this time of heated religious warfare, Wallenstein brought a secular focus to the operation. His organization was truly multinational, with units of nearly every European tongue and religion -- Austrians, Britons, Croats, Danes, Germans, Hungarians, Poles, Scots, Spaniards, etc. Even though he fought on the Catholic Ferdinand's side, Wallenstein's second in command for much of the war, Hans Georg von Arnim, was a zealous Lutheran (Arnim would later be hired away by the Saxons and fight against Wallenstein).

This ecumenical approach would become part of his success. For example, when Wallenstein's army attacked the German town of Leobschultz, the garrison surrendered after a brief siege. Then many of the captured Protestant troops joined his army, where they were as welcome as Catholics. Other unique

aspects for this period, engendered by Wallenstein's entrepreneurial tack to warfare, included a general staff that coordinated operations; specialized officers who were solely in charge of matters such as provisions, quartering, and justice; and the seeming marvel of regular pay for his troops, which meant that the army did not suffer from the frequent mutinies that plagued other hired forces.

Once equipped, Wallenstein took his army to the field in the spring of 1625. True to his plan, his troops sustained themselves by exacting ransoms from towns they seized along the way or were paid off not to attack. Interestingly, Wallenstein's strategy throughout his career was to avoid a pitched fight whenever possible. The rationale was that his military force was his personal investment, not to be squandered. He also recognized that this was a war of attrition. Rather, Wallenstein focused on keeping his army intact and its lines of communication open and always exploring the possibility of negotiation. It was not that he feared launching into battle, but, a calculating man, he was more judicious about gambles he could not control. When-ever necessary he would begin the fight, but only from an advantageous position.

The emperor's circle in Vienna resented Wallenstein, particularly those jealous of his quick rise in power and wealth. Thus, his opponents back at the Imperial court often cited this seemingly plodding style of generalship. They compared his cautious approach to the many battles fought by a rival mercenary general, Johann Tserclaes, Count Tilly, who led the allied Bavarian army and was the victorious commander at White Mountain in 1620. Despite his frequent battles, however, Tilly frittered away his troops and eventually was reduced to relying on Wallenstein's army for protection. Wallenstein's results, though, spoke for themselves. In April 1626, his private army received its first test in major battle. Its opponent was the army of Mansfeld, who had previously fought for the Hapsburgs, the Bohemians, the Dutch, and the Palatinate. Supported by a subsidy from England, he now fought for the Protestant Danish king, Christian IV.

Mansfeld attempted to surprise the Imperials and attacked a small detachment Wallenstein had left to guard the strategic Elbe River crossing at the town of Dessau. Wallenstein, however, had previously ensured that the troops defending the site were well supplied and equipped with artillery. Mansfeld was unable to capture the bridge in the initial assault and settled in for a longer siege. It was then Wallenstein's turn to steal a march on the wily Mansfeld. He arrived at Dessau with the bulk of his troops and attacked the rear of the besieging army. Mansfeld was forced to retreat in disarray, losing almost half his force in the process.

By 1627 Wallenstein's private army had conquered most of Germany and Bohemia. To the south, though, the Hungarians once again threatened to take the Imperial capital of Vienna. Sensing a new opportunity, Wallenstein hardened his contractual terms with Ferdinand, seeking permission for a larger army (ultimately, his force would number close to 120,000 men) that would be recruited directly to him, without any pretense of being raised in the emperor's name. Ferdinand agreed, and Wallenstein beat back the Hungarian threat and then swung north to drive out the Protestant Danish army that had invaded Germany. A grateful Ferdinand rewarded Wallenstein with the lands of Pomerania and Mecklenburg in eastern Germany.

With his defeat of the various Protestant forces, Wallenstein's private army was now the power in Germany. There is evidence to suggest that he aimed to carve out his own German kingdom from the debris of war. Countering evidence, however, suggests that, once Germany was pacified, he planned to advance his army farther south to take on the Ottoman Turks. This crusade of sorts would have been

paid for by a ransom from the German cities, in exchange for Wallenstein's not quartering his troops there during the campaign.

Regardless, Wallenstein became less tractable and soon took to the field purely in his own interest. As the forces of Protestant Swedish King Gustavus Adolphus grew in strength, Wallenstein instead busied himself with pressuring the rich German towns of the Hanseatic League. In May 1628, he began the ill-advised siege of Stralsund, one of the wealthiest of the league's cities. The problem with this operation was that, although Wallenstein had been named admiral of the Imperial Hapsburg Fleet, his navy had no ships. Thus, while he made the bold claim that he would "take this town, though it were fastened by a chain to the heavens," his attempt to blockade a harbor city from only the land side was doomed to failure. With Swedish and Danish help, Stralsund was able to hold out, and Wallenstein faced his first major setback. Besides being a tactical failure, the attack on Stralsund, which had enjoyed only lukewarm support from Ferdinand, also brought further attention to the potential menace Wallenstein presented. His power grew to alarm both his client and the other Catholic rulers in Germany. Ferdinand released him from service in 1630, now believing that Wallenstein was almost as dangerous to the empire as the impending Swedish threat.

Having gained more than he could have anticipated from the war, Wallenstein did not fight his dismissal, as many feared he would. Instead he let his army dissolve without resistance. Like others in that time, Wallenstein believed that astrology was an emerging science, and he apparently took solace from the readings of his personal astrologer, the Italian mystic Seni. Ascribing importance to the alignment of planets and stars, Seni promised Wallenstein that his career was far from over. Rather, a more advantageous time would come once again.

Turning his back on war, Wallenstein set about organizing his new possessions in Germany and Bohemia. It is during this period that his monumental palace in Prague was completed. Built in one of the most pretentious displays of the baroque style, it includes a fresco with Wallenstein depicted as the god of war.

Several other grand houses were built throughout his possessions. Almost mocking Ferdinand's constant lack of funds, Wallenstein made sure to act with greater regal pomp and circumstance. Traveling from palace to palace in more than sixty carriages, his court was so opulent that many nobles and chamberlains soon resigned from the Imperial throne in Vienna in order to serve instead at Wallenstein's behest.

It was not a time of pure recreation, though. Still entrepreneurial, Wallenstein kept quite busy, maintaining a constant correspondence with former soldiers and various potential future employers, including even the Protestant opponents of Ferdinand. To ensure that he could work in peace, armed patrols roamed the bordering neighborhoods of his palace, enforcing quiet.

In Wallenstein's absence, the war raged on. The long-feared Swedish invasion into Hapsburg lands came soon after his dismissal. The Swedes represented more than just another in the long succession of invaders. Instead, the Protestant Swedish force introduced an entirely new approach to warfare. Their leader, Gustavus Adolphus, was in many ways the epitome of a soldier-king. Known as the "Lion of the North," he not only had a battle-hardened force at his disposal but was also an experienced general who had campaigned with his army from the age of six.

Moreover, the king was a brilliant tactician. He reordered his army along a new integrated mode, inspired by the armies of the ancient Romans. Rather than a single line of closed columns, Gustavus divided his force up into more agile units, including those that incorporated both cavalry and infantry, and allowed spaces between them for maneuver. He also lightened his artillery units, making them both more mobile and quicker-firing, and thus more effective units for the newly fluid battlefield. These formations would become the base model for centuries to come. Ripping apart the heavy, slow units of the Imperial force now under Tilly's command, Gustavus's army soon threatened the complete collapse of Hapsburg power.

Once again in jeopardy, Ferdinand agreed to rehire Wallenstein in 1632. Ever the deal maker, Wallenstein set new conditions: He now demanded the right to negotiate with foreign governments himself and Ferdinand's agreement that Wallenstein's troops would be the only ones allowed to serve in the emperor's forces. Wallenstein claimed that he needed these powers so that he could serve his employer better. The interesting side effects, though, were not only his new freedom of action but also effective monopoly of power.

At the news that their old general was back, Wallenstein's demobilized troops flocked to him, hoping for more gain. Once again, he built a substantial force, estimated at more than forty thousand, that no one thought the Hapsburgs could put together. Demonstrating his trademark business flexibility, Wallenstein also restructured his entire army, adapting it to the new tactics of the Swedes. Such a complete paradigm switch, especially by a relatively successful general, was remarkable. But it was also characteristic of a military entrepreneur. Wallenstein's search for competitive advantage had hurried his army's tactical adaptation.

Instead of seeking immediate battle with his new force, however, Wallenstein aimed first to gradually wear down Gustavus's army, which was operating well away from home. To those who urged him to attack, he responded, "Battles enough have been fought, it is now time to try another method." The two forces would spend months of fruitless marching and skirmishing, as Wallenstein showed his typical cautious perfectionism.

It was only a matter of time, however, before these two military giants would collide. This clash between the consummate military entrepreneur and the perfect king at arms occurred at the Battle of L^{n}tzen on November 16, 1632. Wallenstein had split off a part of his force, including his best cavalry units, under Field Marshal Count Gottfried Pappenheim to take the town of Halle. Gustavus saw his best opportunity in months and marched to surprise Wallenstein.

The Imperials, however, were able to delay the Protestant army's advance at a stream known as the Rippache on the afternoon of November 15, giving Wallenstein time to carefully chose his ground and entrench his twelve-thousand-man army along the Leipzig post road, just west of Lutzen, amid generally flat farmland. The highway was almost perfect for defense. Steep ditches ran along both sides of it, forming man-made barriers to the Imperials' front, while the town of Lutzen was on their right, the Flossgraben Canal on their left. Wallenstein deepened the natural trenches along the road and lined them with musketeers. Deployed behind the road, his front-line infantry was anchored by two artillery batteries: one deployed just behind the road on his left; the other, larger one on a low, windmill-topped hill on his right. Lacking the bulk of his cavalry, Wallenstein ordered almost all of the horsemen on hand

deployed in echelon on each flank. In addition, assorted camp followers -women and merchants attached to the army- were mounted on horses and posted on his weak left wing, to make the Swedes think that Pappenheim had returned early.

Gustavus arrayed his army of about eighteen thousand men in two long lines, infantry brigades flanked by cavalry squadrons. Along his front line, the Swedish king interspersed musketeer detachments amid the horse troops. A thick fog had precluded an early morning attack, but by 11 a.m., it began to dissipate, and the Swedes commenced their advance. After a fierce fight, Wallenstein's troops were forced out of the trench line along the Leipzig road. Protestant cavalry, meanwhile, was pressing the Imperials' weak left flank. The battle appeared lost almost as soon as it had begun. The fog, however, also returned. Wallenstein ordered Lutzen burned, and the resulting smoke blew low across the battlefield, further obscuring the combatants' vision.

Pappenheim, meanwhile, arrived to bolster the Imperials' crumbling left flank at about noon. At the first notice of Gustavus's plans Wallenstein had ordered him to return. Immediately upon receiving word that battle was imminent, he had rushed from Halle at the head of eight regiments of cavalry. After quickly stabilizing the hard-pressed flank, the field marshal organized a counterattack. The charge, however, was met by volleys of fire. Riding at its head, Pappenheim was mortally wounded -hit by three musket balls and a falconet round, a small cannonball- and the attack died out. Amid the smoke and fog at the center of the battlefield, however, the fighting soon dissolved into close combat, and Wallenstein's troops gained the upper hand.

At this point, Gustavus moved to rally his center and personally led a cavalry squadron off into the swirling fog and smoke. The fearless king was protected only by an elk-skin buffcoat, as armor tended to aggravate a prior neck wound. Out in front, he was quickly shot in the arm. The king's aides were trying to lead him to safety when they stumbled upon a group of Imperial cuirassiers. Gustavus was again shot, in the back, and fell from his horse. One of Wallenstein's black-armored horsemen then administered the coup de grace -a pistol shot to the head- before the cuirassiers fell back.

The Protestants soon suffered another blow: Wallenstein's infantry and cavalry decimated the cream of Gustavus's army, the Yellow and Old Blue Brigades, in fierce fighting at the center of the battlefield. With the death of the king, command of the Swedish army devolved to Duke Barnard, who had been leading the left wing in futile assaults against the Imperials' right. It was here -a critical sector that included the Windmill battery- that Wallenstein spent most of the battle, riding from unit to unit, countering each enemy charge.

Around 3 p.m., at about the same time Bernard learned of his new responsibilities, the armies separated and an eerie silence fell over the battlefield. Hopes among Wallenstein's soldiers that the hard struggle was over, however, were soon dashed. Plugging holes in their front line with fresh troops from their reserves, the Protestants again advanced. Wallenstein had barely enough time to reorganize his defenses before the battle again raged with renewed fury. The reinvigorated Protestants were soon pressing the Imperials.

The battle, however, had begun late, and night began to close. As the shadows sank and BernardÆs infantry finally captured the Windmill battery, the two sides pulled back -both exhausted- and the devastating battle was over. The Swedish army camped on the field of battle and thus could nominally

claim victory, but it had suffered irreplaceable losses of more than five thousand men and, more important, its charismatic leader was dead. Both the Swedish aura of invincibility and their threat to the Hapsburg Empire was forever ended.

While Wallenstein had not met with full victory at Lutzen, with Gustavus's death he was once again the undisputed master of the European battlefield. Back on top, though, Wallenstein reverted to what his detractors saw as his old vices. Despite his superior numbers, he kept his army away from the field of battle and did not seek to knock out the armies arrayed against the empire. He would fight only one more major battle, defeating a lesser army of Swedes at Steinau in 1633. More important, he began to grow truly intractable. When Regensburg was besieged, he declined to move to save it, even when the emperor personally requested him to do so. During the next year, he began to seek treaties and alliances on his own accord. While Ferdinand had given him sanction to negotiate with other parties, he certainly was not empowered to do so in secret. In an all too complicated game, Wallenstein began concurrent talks with the Saxons, Swedes, Prussians, and French. This left all sides, most particularly his own employer, suspicious.

It was now clear that Wallenstein had essentially usurped the emperor's prerogative over war. At the urging of his advisers (among whom we now know was a French spy), Ferdinand finally set up a plan to rid himself of the threat that the private general presented. The emperor owed Wallenstein more than two million guldens, a sum greater than the entire Hapsburg treasury, which likely also influenced his decision. After drawing up papers that implicated Wallenstein in the black arts (linked to his devotion to astrology), he secretly took away the entrepreneur's command and arranged to have him killed by his own bodyguards. He also paid off two of Wallenstein's leading generals, Octavio Piccolomini and Mathias Gallas, to steady the army and prevent it from rallying against the emperor. While their shares in Wallenstein's enterprise had enriched them both, Ferdinand's agents paid the two with even greater sums.

Thus, on February 25, 1634, seemingly at the height of his power, Wallenstein was killed in his bedroom by a group of his own men. As they surrounded the defenseless Wallenstein with drawn weapons, the last action of history's greatest military entrepreneur was to beg for mercy. He would not receive it: Two of his most trusted colonels ran him through with their swords.

In Wallenstein's absence, the war would rage on for fourteen more years and did not end until the Hapsburg family's control over Europe was broken. Ultimately, the conflict was so devastating that the only conceivable resolution was to let each country decide its own internal matters. The subsequent Peace of Westphalia in 1648 solidified the emergence of the nation-state form of government over that of empire. Equally important, it enshrined the importance of sovereignty, the local regime's control over the affairs within its borders.

After 1648, the bureaucracy of the state began to take over the conduct of war. The military entrepreneur trade was ending. The private generals and armies for hire began to be replaced by more national forces, loyal to the local ruling house. The relative costs and benefits of contracted forces were changing. Governments needed armies at all times, in particular as mechanisms to maintain internal control, and could not afford the risks of relying on outside entrepreneurs, who might or might not prove reliable. The new technology of mass-produced, simpler-to-use muskets was also making levied forces more

effective on the battlefield relative to that of contracted units. Thus, Wallenstein would not only be the greatest but also among the last of his profession.

Wallenstein's place in history is as disputed as his accomplishments. As an entrepreneur, his cupidity obscured his genius. For him, soldiering was a vast speculative business, with high risks matched by windfall profits. As a general, he was a clever tactician and his profit-seeking nature allowed cunning improvisation. His force was certainly more adaptive than the regular Imperial army. More important, Wallenstein was a masterful organizer. In military history, his army was a precursor to the standing armies of later, more highly structured, ages. Among his most lasting legacies is that he introduced the modern system of command and control by a staff composed of professional officers filling specialized functions. He also brought renewed focus on skills as the key measure of a soldier. With profit his only aim, amateurs were not tolerated in his force. Aristocratic position gained officers no rank, even to the point that Wallenstein successfully resisted the placement of the emperor's own son as one of his generals.

In building an organization that was dominant in both commerce and warfare, Wallenstein merged the skills of generalship and business acumen like no other leader. Perhaps, though, that was his downfall. For Wallenstein's political skills did not match his organizational and military talent. The ambition that brought him such success in these fields also brought about his demise.