

# How Hitler Consolidated Power in Germany and Launched A Social Revolution

## The First Years of the Third Reich

*Leon Degrelle*

### I. Who Would End the Bankruptcy?

"We have the power. Now our gigantic work begins."

Those were Hitler's words on the night of January 30, 1933, as cheering crowds surged past him, for five long hours, beneath the windows of the Chancellery in Berlin.

His political struggle had lasted 14 years. He himself was 43, that is, physically and intellectually at the peak of his powers. He had won over millions of Germans and organized them into Germany's largest and most dynamic political party, a party girded by a human rampart of hundreds of thousands of storm troopers, three fourths of them members of the working class. He had been extremely shrewd. All but toying with his adversaries, Hitler had, one after another, vanquished them all.

Standing there at the window, his arm raised to the delirious throng, he must have known a feeling of triumph. But he seemed almost torpid, absorbed, as if lost in another world.

It was a world far removed from the delirium in the street, a world of 65 million citizens who loved him or hated him, but all of whom, from that night on, had become his responsibility. And as he knew -- as almost all Germans knew at the of January 1933 -- that this was a crushing, an almost desperate responsibility.

Half a century later, few people understand the crisis Germany faced at that time. Today, it's easy to assume that Germans have always been well-fed and even plump. But the Germans Hitler inherited were virtual skeletons.

During the preceding years, a score of "democratic" governments had come and gone, often in utter confusion. Instead of alleviating the people's misery, they had increased it, due to their own instability: it was impossible for them to pursue any given plan for more than a year or two. Germany had arrived at a dead end. In just a few years there had been 224,000 suicides - a horrifying figure, bespeaking a state of misery even more horrifying.

By the beginning of 1933, the misery of the German people was virtually universal. At least six million unemployed and hungry workers roamed aimlessly through the streets, receiving a pitiful unemployment benefit of less than 42 marks per month. Many of those out of work had families to feed, so that altogether some 20 million Germans, a third of the country's population, were reduced to trying to survive on about 40 pfennigs per person per day.

Unemployment benefits, moreover, were limited to a period of six months. After that came only the meager misery allowance dispensed by the welfare offices.

Notwithstanding the gross inadequacy of this assistance, by trying to save the six million unemployed from total destruction, even for just six months, both the state and local branches of the German government saw themselves brought to ruin: in 1932 alone such aid had swallowed up four billion marks, 57 percent of the total tax revenues of the federal government and the regional states. A good

many German municipalities were bankrupt.

Those still lucky enough to have some kind of job were not much better off. Workers and employees had taken a cut of 25 percent in their wages and salaries. Twenty-one percent of them were earning between 100 and 250 marks per month; 69.2 percent of them, in January of 1933, were being paid less than 1,200 marks annually. No more than about 100,000 Germans, it was estimated, were able to live without financial worries.

During the three years before Hitler came to power, total earnings had fallen by more than half, from 23 billion marks to 11 billion. The average per capita income had dropped from 1,187 marks in 1929 to 627 marks, a scarcely tolerable level, in 1932. By January 1933, when Hitler took office, 90 percent of the German people were destitute.

No one escaped the strangling effects of the unemployment. The intellectuals were hit as hard as the working class. Of the 135,000 university graduates, 60 percent were without jobs. Only a tiny minority was receiving unemployment benefits.

"The others," wrote one foreign observer, Marcel Laloire (in his book *New Germany*), "are dependent on their parents or are sleeping in flophouses. In the daytime they can be seen on the boulevards of Berlin wearing signs on their backs to the effect that they will accept any kind of work."

But there was no longer any kind of work.

The same drastic fall-off had hit Germany's cottage industry, which comprised some four million workers. Its turnover had declined 55 percent, with total sales plunging from 22 billion to 10 billion marks.

Hardest hit of all were construction workers; 90 percent of them were unemployed.

Farmers, too, had been ruined, crushed by losses amounting to 12 billion marks. Many had been forced to mortgage their homes and their land. In 1932 just the interest on the loans they had incurred due to the crash was equivalent to 20 percent of the value of the agricultural production of the entire country. Those who were no longer able to meet the interest payments saw their farms auctioned off in legal proceedings: in the years 1931-1932, 17,157 farms -- with a combined total area of 462,485 hectares - were liquidated in this way.

The "democracy" of Germany's "Weimar Republic" (1918 -1933) had proven utterly ineffective in addressing such flagrant wrongs as this impoverishment of millions of farm workers, even though they were the nation's most stable and hardest working citizens. Plundered, dispossessed, abandoned: small wonder they heeded Hitler's call.

Their situation on January 30, 1933, was tragic. Like the rest of Germany's working class, they had been betrayed by their political leaders, reduced to the alternatives of miserable wages, paltry and uncertain benefit payments, or the outright humiliation of begging.

Germany's industries, once renowned everywhere in the world, were no longer prosperous, despite the millions of marks in gratuities that the financial magnates felt obliged to pour into the coffers of the parties in power before each election in order to secure their cooperation. For 14 years the well-blinkered conservatives and Christian democrats of the political center had been feeding at the trough just as greedily as their adversaries of the left.

Thus, prior to 1933, the Social Democrats had been generously bribed by Friedrich Flick, a super-capitalist businessman. With him, as with all his like, it was a matter of carefully studied tactics. After 1945, his son, true to tradition, would continue to offer largess to the Bundestag Socialists who had their hands out, and, in a roundabout way, to similarly minded and equally greedy political parties

abroad as well. The benefactors, to be sure, made certain that their gifts bore fruit in lucrative contracts and in cancelled fiscal obligations.

Nothing is given for nothing. In politics, manacles are imposed in the form of money.

Even though they had thus assured themselves of the willing cooperation of the politicians of the Weimar system's parties, the titans of German capitalism had experienced only a succession of catastrophes. The patchwork governments they backed, formed in the political scramble by claim and compromise, were totally ineffective. They lurched from one failure to another, with neither time for long-range planning nor the will to confine themselves somehow to their proper function.

Time is required for the accomplishment of anything important. It is only with time that great plans may be brought to maturity and the competent men be found who are capable of carrying them out. Not surprisingly, therefore, any economic plans drawn up amid all this shifting for short-term political advantage were bound to fail.

Nor did the bribing of the political parties make them any more capable of coping with the exactions ordered by the Treaty of Versailles. France, in 1923, had effectively seized Germany by the throat with her occupation of the Ruhr industrial region, and in six months had brought the Weimar government to pitiable capitulation. But then, disunited, despising one another, how could these political birds of passage have offered resistance? In just a few months in 1923, seven German governments came and went in swift succession. They had no choice but to submit to the humiliation of Allied control, as well as to the separatist intrigues fomented by Poincaré's paid agents.

The substantial tariffs imposed on the sale of German goods abroad had sharply curtailed the nation's ability to export her products. Under obligation to pay gigantic sums to their conquerors, the Germans had paid out billions upon billions. Then, bled dry, they were forced to seek recourse to enormous loans from abroad, from the United States in particular.

This indebtedness had completed their destruction and, in 1929, precipitated Germany into a terrifying financial crisis.

The big industrialists, for all their fat bribes to the politicians, now found themselves impotent: their factories empty, their workers now living as virtual vagrants, haggard of face, in the dismal nearby working-class districts.

Thousands of German factories lay silent, their smokestacks like a forest of dead trees. Many had gone under. Those which survived were operating on a limited basis. Germany's gross industrial production had fallen by half: from seven billion marks in 1920 to three and a half billion in 1932.

The automobile industry provides a perfect example. Germany's production in 1932 was proportionately only one twelfth that of the United States, and only one fourth that of France: 682,376 cars in Germany (one for each 100 inhabitants) as against 1,855,174 cars in France, even though the latter's population was 20 million less than Germany's.

Germany had experienced a similar collapse in exports. Her trade surplus had fallen from 2.872 billion marks in 1931 to only 667 millions in 1932 -- nearly a 75 percent drop.

Overwhelmed by the cessation of payments and the number of current accounts in the red, even Germany's central bank was disintegrating. Harried by demands for repayment of the foreign loans, on the day of Hitler's accession to power the Reichsbank had in all only 83 million marks in foreign currency, 64 million of which had already been committed for disbursement on the following day.

The astronomical foreign debt, an amount exceeding that of the country's total exports for three years, was like a lead weight on the back of every German. And there was no possibility of turning to

Germany's domestic financial resources for a solution: banking activities had come virtually to a standstill. That left only taxes.

Unfortunately, tax revenues had also fallen sharply. From nine billion marks in 1930, total revenue from taxes had fallen to 7.8 billion in 1931, and then to 6.65 billion in 1932 (with unemployment payments alone taking four billion of that amount).

The financial debt burden of regional and local authorities, amounting to billions, had likewise accumulated at a fearful pace. Beset as they were by millions of citizens in need, the municipalities alone owed 6.542 billion in 1928, an amount that had increased to 11.295 billion by 1932. Of this total, 1.668 billion was owed in short-term loans.

Any hope of paying off these deficits with new taxes was no longer even imaginable. Taxes had already been increased 45 percent from 1925 to 1931. During the years 1931-1932, under Chancellor Brüning, a Germany of unemployed workers and industrialists with half-dead factories had been hit with 23 "emergency" decrees. This multiple overtaxing, moreover, had proven to be completely useless, as the "International Bank of Payments" had clearly foreseen. The agency confirmed in a statement that the tax burden in Germany was already so enormous that it could not be further increased.

And so, in one pan of the financial scales: 19 billion in foreign debt plus the same amount in domestic debt. In the other, the Reichsbank's 83 million marks in foreign currency. It was as if the average German, owing his banker a debt of 6,000 marks, had less than 14 marks in his pocket to pay it.

One inevitable consequence of this ever-increasing misery and uncertainty about the future was an abrupt decline in the birthrate. When your household savings are wiped out, and when you fear even greater calamities in the days ahead, you do not risk adding to the number of your dependents.

In those days the birth rate was a reliable barometer of a country's prosperity. A child is a joy, unless you have nothing but a crust of bread to put in its little hand. And that's just the way it was with hundreds of thousands of German families in 1932.

In 1905, during the reign of Kaiser Wilhelm II, the birthrate had been 33.4 per one thousand. In 1921 it was only 25.9, and in 1924 it was down to 15.1. By the of 1932, it had fallen to just 14.7 per one thousand.

It reached that figure, moreover, thanks only to the higher birth rate in rural areas. In the fifty largest cities of the Reich, there were more deaths than births. In 45 percent of working-class families, there were no births at all in the latter years. The fall in the birthrate was most pronounced in Berlin, which had less than one child per family and only 9.1 births per one thousand. Deaths exceeded the number of new births by 60 percent.

In contrast to the birthrate, politicians were flourishing as never before -- about the only thing in Germany that was in those disastrous times. From 1919 to 1932, Germany had seen no less than 23 governments come and go, averaging a new one about every seven months. As any sensible person realizes, such constant upheaval in a country's political leadership negates its power and authority. No one would imagine that any effective work could be carried out in a typical industrial enterprise if the board of directors, the management, management methods, and key personnel were all replaced every eight months. Failure would be certain.

Yet the Reich wasn't a factory of 100 or 200 workers, but a nation of 65 million citizens crushed under the imposed burdens of the Treaty of Versailles, by industrial stagnation, by frightful unemployment, and by a gut-wrenching misery shared by the entire people.

The many cabinet ministers who followed each other in swift succession for thirteen years -- due to petty parliamentary squabbles, partisan demands, and personal ambitions -- were unable to achieve

anything other than the certain collapse of their chaotic regime of rival parties.

Germany's situation was further aggravated by the unrestrained competition of the 25 regional states, which split up governmental authority into units often in direct opposition to Berlin, thereby incessantly sabotaging what limited power the central Reich government had at that time.

The regional remnants of several centuries of particularism were all fiercely jealous of their privileges. The Treaty of Westphalia of 1648 had divided Germany into hundreds of Lilliputian states, most of them musical comedy kingdoms whose petty monarchs tried to act like King Louis XIV in courts complete with frills and reverential bows.

Even at the beginning of the First World War (1914-1918), the German Reich included four distinct kingdoms (Prussia, Bavaria, Wurttemberg and Saxony), each with its own sovereign, army, flag, titles of nobility, and Great Cross in particolored enamel. In addition, there were six grand duchies, five duchies, seven principalities, and three free cities.

The Bavarian clung fiercely to his lederhosen, his steins of beer and his pipe. He took part in the war to preserve them. The Saxon would gladly have had a go-around with the haughty Prussian. Each was intent on his rights. And for all of them, faraway Berlin was a thorn in the side.

Each regional state had its own separate government with parliament, prime minister and cabinet. Altogether they presented a lineup of 59 ministers who, added to the eleven Reich ministers and the 42 senators of the Free Cities, gave the Germans a collection of 112 ministers, each of whom viewed the other with a jaundiced eye at best.

In addition, there were between two and three thousand deputies - representing dozens of rival political parties -- in the legislatures of the Reich, the 22 states and the three Free Cities.

In the Reichstag elections of November 1932 -- held just months before Hitler become Chancellor -- there were no less than 37 different political parties competing, with a total of 7,000 candidates (14 of them by proxy), all of them frantically seeking a piece of the parliamentary pie. It was most strange: the more discredited the party system became, the more democratic champions there were to be seen gesturing and jostling in their eagerness to climb aboard the gravy train.

To all appearances, the incumbents who had been elected were there forever. They received fat salaries (a Reichstag deputy got ten times what the average worker earned), and permitted themselves generous supplementary incomes in the form of favors provided by interested clients. A number of Socialist Reichstag deputies representing Berlin, for example, had arranged for their wives to receive sumptuous fur coats from certain Jewish financiers.

In a parliamentary democracy, mandates are often very brief, and ministerial appointments even more so. The temptation is strong to get it while you can.

Honest, dishonest, or piratical, these 112 cabinet ministers and thousands of legislative deputies had converted Germany into a country that was ungovernable. It is incontestable that, by January of 1933, the "system" politicians had become completely discredited. Their successors would inherit a country in economic, social and political ruins.

Today, more than half a century later, in an era when so many are living in abundance, it is hard to believe that the Germany of January 1933 had fallen so low. But for anyone who studies the archives and the relevant documents of that time, there can be no doubt. Not a single figure cited here is invented. By January 1933, Germany was down and bleeding to death.

All the previous chancellors who had undertaken to get Germany back on her feet -- including Brüning, Papen and Schleicher - had failed. Only a genius or, as some believed, a madman, could revive a nation

that had fallen into such a state of complete disarray.

When President Franklin Roosevelt was called upon at that same time to resolve a similar crisis in the United States, he had at his disposal immense reserves of gold. Hitler, standing silently at the chancellery window on that evening of January 30, 1933, knew that, on the contrary, his nation's treasury was empty. No great benefactor would appear to help him out. The elderly Reich President, Paul von Hindenburg, had given him a work sheet of appalling figures of indebtedness.

Hitler knew that he would be starting from zero. From less than zero. But he was also confident of his strength of will to create Germany anew -- politically, socially, financially, and economically. Now legally and officially in power, he was sure that he could quickly convert that cipher into a Germany more powerful than ever before.

What support did he have?

For one thing, he could count on the absolute support of millions of fanatical disciples. And on that January evening, they joyfully shared in the great thrill of victory. Some thirteen million Germans, many of them former Socialists and Communists, had voted for his party.

But millions of Germans were still his adversaries, disconcerted adversaries, to be sure, whom their own political parties had betrayed, but who had still not been won over to National Socialism.

The two sides -- those for and those against Hitler -- were very nearly equal in numbers. But whereas those on the left were divided among themselves, Hitler's disciples were strongly united. And in one thing above all, the National Socialists had an incomparable advantage: in their convictions and in their total faith in a leader. Their highly organized and well-disciplined party had contended with the worst kind of obstacles, and had overcome them.

Hitler poses with close comrades shortly after being named Chancellor on January 30, 1933.

While it enjoyed extraordinarily popular support, the National Socialist movement had grown too fast, and problems deriving from that lay in wait ahead. Thousands of visionaries with nebulous dreams of domination, not to mention hotheads dreaming only of brawls and revolution in perpetuity, had found their way into the National Socialist ranks. The ambitious ones intended to rise to the top at any cost -- and as quickly as possible. Many of them were ill-prepared; some simply lacked morals. Many bitter disappointments were in store for Hitler because of them.

Hitler sensed as much. He had ordered his party to halt recruitment of new members, and even directed that the SA -- the huge civilian paramilitary force that had carried him to power -- be reduced in size. Indeed, by 1933 SA stormtroop membership had grown to the incredible figure of 2,500,000 men, 25 times the size of the regular army, the Reichswehr.

It was due to such pressures that Hitler was sometimes driven to rash action, contrary to his real desire or intent. Sometimes this meant expulsions, the use of force or cases of intransigence, even though his larger goal was to reunite the nation in peace, and accomplish his political and social programs without useless clashes.

Hitler knew that he was playing with dynamite. Still, it was his conviction that he was being driven not just by his National Socialist movement, but by an inner, almost supernatural force. Whether one called it Providence or Destiny, it was this force, he felt, that had carried him to victory. His own force of character was such that it would yield to nothing. For Hitler, it was a foregone conclusion that he would forge a new Reich, a new world.

Hitler knew that the task he had set himself would be immense and difficult to accomplish, that he would have to transform Germany in practically every respect: the structure of the state, social law, the

constitution of society, the economy, civic spirit, culture, the very nature of men's thinking. To accomplish his great goal, he would need to reestablish the equilibrium of the social classes within the context of a regenerated community, free his nation from foreign hegemony, and restructure its geographic unity.

Task number one: he would have to restore work and honor to the lives of six million unemployed. This was his immediate goal, a task that everyone else thought impossible to achieve.

After he had once again closed the windows of the chancellery, Hitler, with clenched fists and resolute mien, said simply: "The great venture begins. The day of the Third Reich has come."

In just one year this "great venture" would be in full swing, effecting a transformation from top to bottom in political, social and economic life -- indeed, in the German way of life itself.

## **II. The Unification of the State**

"It will be the pride of my life," Hitler said upon becoming Chancellor, "if I can say at the end of my days that I won back the German worker and restored him to his rightful place in the Reich." He meant that he intended not merely to put men back to work, but to make sure that the worker acquired not just rights, but prestige as well, within the national community.

The national community had long been the proverbial wicked stepmother in its relationship with the German working man. Class struggle had not been the exclusive initiative of the Marxists. It had also been a fact of life for a privileged class, the capitalists, that sought to dominate the working class. Thus the German worker, feeling himself treated like a pariah, had often turned away from a fatherland that often seemed to consider him merely an instrument of production.

In the eyes of the capitalists, money was the sole active element in the flourishing of a country's economy. To Hitler's way of thinking, that conception was radically wrong: capital, on the contrary, was only an instrument. Work was the essential element: man's endeavor, man's honor, blood, muscles and soul.

Hitler wanted not just to put an end to the class struggle, but to reestablish the priority of the human being, in justice and respect, as the principal factor in production.

One could dispense with gold, and Hitler would do just that. A dozen other things could be substituted for gold as a means of stimulating industry, and Hitler would invent them. But as for work, it was the indispensable foundation.

For the worker's trust in the fatherland to be restored, he had to feel that from now on he was to be (and to be treated) as an equal, instead of remaining a social inferior. Under the governments of the so-called democratic parties of both the left and the right, he had remained an inferior; for none of them had understood that in the hierarchy of national values, work is the very essence of life; and matter, be it steel or gold, but a tool.

The objective, then, was far greater than merely to get six million unemployed back to work. It was to achieve a total revolution.

"The people," Hitler declared, "were not put here on earth for the sake of the economy, and the economy doesn't exist for the sake of capital. On the contrary, capital is meant to serve the economy, and the economy in turn to serve the people."

It would not be enough merely to reopen the thousands of closed factories and fill them with workers. If the old concepts still ruled, the workers would once again be nothing more than living machines, faceless and interchangeable.

What was required was to reestablish that moral equilibrium between the workers, human beings who shape raw materials, and a useful and controlled capitalism, returned to its proper function as a tool. This would mean changing an entire world, and it would take time.

As Hitler knew full well, such a revolution could not be achieved while the central and regional governments continued in a state of anarchy, seldom accomplishing anything solid, and sometimes running amok. Nor could there be a revolution in society while dozens of parties and thousands of deputies of every conceivable stripe pursued their selfish interests under a political system that had thrashed about incoherently since 1919.

Restoring the effectiveness of Germany's institutions on a nationwide basis was therefore an indispensable prerequisite to any social rebirth.

"A fish rots from the head down," says a Russian proverb. And it was at the head that political Germany, prior to Hitler, was going bad. In the end, the "democratic" parties abdicated without even defending themselves. In 1930, the aged President Marshall von Hindenburg used his emergency powers under Article 48 of the Weimar constitution to enable a succession of semi-dictators to rule by decree. But even they could accomplish little.

These last chancellors -- Herr Brüning, Herr von Papen, and General Schleicher -- were able to maintain rule only by executive decree. Their authority, artificially sustained by misuse of Article 48, was dependent on von Hindenburg and the camarilla advising him. Just how slim was their level of popular support was shown in a particularly humiliating 1932 Reichstag "vote of confidence," in which more than 90 percent of the deputies voted against him and his government.

Hitler's accession to power abruptly brought an end to government impotence. As a condition of appointing him, however, Hindenburg had demanded that the new chancellor be hemmed in like a prisoner in his own government. In his first government, Hitler was obliged to name four times as many conservative -- or better, reactionary - ministers as his own men. Just two members of his first cabinet were National Socialists.

Hindenburg's representatives were given the mission of keeping Hitler on a leash. At the Reichstag session of March 24, however, Hitler broke that leash, not with yet another executive decree (like his immediate predecessors), but by obtaining a two-thirds parliamentary majority for the "Enabling Act" that legally amended the constitution and gave him sweeping plenary powers for a period of four years.

Four years in power to plan, create and make decisions. Politically, it was a revolution: Hitler's first revolution. And completely democratic, as had been every stage of his rise. His initial triumph had come through the support of the electorate. Similarly, sweeping authority to govern was granted him through a vote of more than two-thirds of the Reichstag's deputies, elected by universal suffrage.

This was in accord with a basic principle of Hitler's: no power without the freely given approval of the people. He used to say: "If you can win mastery over the people only by imposing the power of the state, you'd better figure on a nine o'clock curfew."

Nowhere in twentieth-century Europe had the authority of a head of state ever been based on such overwhelming and freely given national consent. Prior to Hitler, from 1919 to 1932, those governments piously styling themselves democratic had usually come to power by meager majorities, sometimes as low as 51 or 52 percent.

"I am not a dictator," Hitler had often affirmed, "and I never will be. Democracy will be rigorously enforced by National Socialism."

Authority does not mean tyranny. A tyrant is someone who puts himself in power without the will of the people or against the will of the people. A democrat is placed in power by the people. But



democracy is not limited to a single formula. It may be partisan or parliamentary. Or it may be authoritarian. The important thing is that the people have wished it, chosen it, established it in its given form.

That was the case with Hitler. He came to power in an essentially democratic way. Whether one likes it or not, this fact is undeniable. And after coming to power, his popular support measurably increased from year to year. The more intelligent and honest of his enemies have been obliged to admit this, men such as the declared anti-Nazi historian and professor Joachim Fest, who wrote:

For Hitler was never interested in establishing a mere tyranny. Sheer greed for power will not suffice as explanation for his personality and energy -- He was not born to be a mere tyrant. He was fixated upon his mission of defending Europe and the Aryan race ... Never had he felt so dependent upon the masses as he did at this time, and he watched their reactions with anxious concern.

These lines weren't written by Dr. Goebbels, but by a stern critic of Hitler and his career. (J. Fest, *Hitler*, New York: 1974, p. 417.)

By February 28, 1933, less than a month after his appointment as chancellor, Hitler had already managed to free himself of the conservative ballast by which Hindenburg had thought to weigh him down. The Reichstag fire of the previous evening prompted the elderly President to approve a new emergency law "For the Protection of the People and the State," which considerably increased the powers of the executive.

Hitler meant, however, to obtain more than just concessions ruefully granted by a pliable old man: he sought plenary powers legally accorded him by the nation's supreme democratic institution, the Reichstag. Hitler prepared his coup with the skill, the patience, and the astuteness for which he is legendary. "He possessed," historian Fest later wrote, "an intelligence that included above all a sure sense of the rhythm to be observed in the making of decisions."

Hitler, von Hindenburg, and von Papen, in the Garrison church at the solemn "Day of Potsdam" ceremony.

At first, Hitler carefully cultivated Hindenburg, the elderly First World War **Feldmarschall** who was fond of tradition. Accordingly, Hitler arranged a solemn ceremony in Hindenburg's honor in Potsdam, historic residence of the Prussian kings. This masterpiece of majesty, beauty, tradition and piety took place in Potsdam's Garrison Church on March 21, 1933, just days before the Reichstag was to reconvene.

Hindenburg had served as an army officer for half a century. So that the old soldier might be reunited with his comrades, Hitler had arranged for veterans from all the wars in which Hindenburg had served to be present on this solemn occasion. From all around the country they came: veterans from the Franco-Prussian War of 1870-1871 (62 years before), from the war of 1866 against the Austrian empire (67 years before), and even from the war of 1864 against Denmark (69 years before!). For someone on the retirement list of 1911, it must have been a heartwarming occasion to be reunited again with comrades from so long ago.

With deference and apparent humility, and attired in formal dress for the occasion, Hitler bowed his head before the old man. In the stately church where the ceremony took place, Hitler had arranged that the chair of the former Kaiser, Wilhelm II, which had been unoccupied for 14 years, remained empty, so that Hindenburg could halt before it and make his salute, his marshal's baton raised, as if the monarch were still there.

Hitler also quietly led Hindenburg down into the church crypt, to place wreaths on the tombs of his old

master, Kaiser Wilhelm I, and of Frederick the Great. The President's old eyes were rimmed with tears. On that 21st day of March at Potsdam, the octogenarian President relived the glorious past of the German monarchy. This somber homage was his hour supreme. Hindenburg had always been a loyal servant of the Emperor, and this reminder of his former sovereign, and of the great days of his own long career, deeply moved him. Hitler was the first chancellor since the defeat of 1918 to so honor the tradition of Prussia and Germany. The young revolutionary chancellor had touched his heart.

A month and a half earlier, Hindenburg had commissioned Papen, Hugenberg, and Neurath and other conservative ministers to pinch in Hitler "until he hollered." Now that was over. Hitler had won him over: in front of an empty armchair and before the tombs of Prussia's greatest kings.

A year and a half later, as he lay dying, the old *Feldmarschall* would believe that he was back in the time of Hohenzollern dynasty, and in his delirium would address Hitler as "Majesty."

This "Day of Potsdam" ceremony also won Hitler new support from among the country's many monarchists, giving them the impression that he has not altogether insensitive to the idea of restoring the monarchy. But the new chancellor's temporary prudence was calculated with precision.

"There is no need to destroy the existing institutions," Hitler assured, "until there is something better to put in their place."

He still had need of men like von Papen and other ruling-class troglodytes. He kept them at his side as he drove them around Potsdam on that historic day, the festive city bedecked not only with swastika banners but equally with the black-white-and-red flags of the Second Reich, resurrected for the occasion. Brass bands paraded around, blaring heroic marches calculated to make their old chests swell. Here too, the scarcely camouflaged aversion to the parvenu was softened. Hitler had tamed the aristocrats, both born and moneyed. They would no longer stand in his way.

But it was above all Germany's army -- the Reichswehr -- that was the object of Hitler's most ardent courtship. In 1933, he desperately needed the army's support. The generals had tolerated his rise to power with reluctance. A corporal in the chancellory seemed intolerable to the haughty, monocled generals. Some ambitiously sought to supervise the nation's political machinery.

They had not been consulted when Hitler was named Chancellor on January 30. The old *Feldmarschall* had even sternly sent away General von Hammerstein-Equord, who had come to tell Hindenburg of the General Staff's vote of disapproval. In the weeks since, the generals had barely tolerated the young outsider.

Keenly aware that a coup d'état by this proud military caste could instantly sweep him and his party away, along with all his plans for the future, Hitler knew that he must proceed cleverly against the imperious generals. The Reichswehr was therefore accorded a position of honor at Potsdam. At the entry walkway to the royal palace, Reichswehr troops presented arms on one side, while a line of SA stormtroopers faced them on the other side. Unifying conservative military traditions of duty and honor with a revolutionary new force, together they formed the honor guard that symbolized a Germany restored to harmony.

The young Chancellor greets the aging President at the "Day of Potsdam" ceremony, March 21, 1933.

As for the generals, their tunics gleaming with decorations and their chests thrown out, they once again marched behind their old commander, a heroic retinue worthy of a great Germanic chieftain. At last, after fourteen years of disregard under the democratic Weimar Republic, they once again bathed in the golden light of martial glory. Corporal Hitler was perhaps not as contemptible as they had thought.

The ex-corporal, standing at attention in top hat and formal dress suit, let them have their day of glory

at Potsdam. He knew enough to let them bask in the limelight.

Hitler had won his armistice.

To reach the people, Hitler and Dr. Goebbels had quickly taken control of the nation's radio, from which they had for so long been barred (and which their adversaries had put to only mediocre use). Within a few weeks, they had succeeded in making radio their most effective tool. Each of Hitler's major speeches was broadcast to the nation with a hitherto unknown power.

Radio also brought the spectacle of Potsdam to the people. Goebbels set up his microphones everywhere: in front of Hindenburg, behind Hindenburg, in the royal crypt, close to the military bands, and even on the rooftops of houses (where the announcers risked their necks to cover the pageantry). One of them was a young National Socialist Reichstag deputy named Baldur von Schirach, who in 1946 would find himself in the dock before the vengeful Allied judges of the Nuremberg Tribunal.

All of Germany was on the edge of its seat as it listened for hours to the exciting coverage of the event. Millions of Germans thrilled to once again hear the stirring old melodies, and to closely follow Hindenburg's every move, almost as if they were there.

During the dark days of the recent past, the venerated old warrior had represented tradition and hope. Now, thanks to Hitler's careful planning and management of this occasion, the ancient soldier embodied the promise of great national renewal. It was, as historian Fest has observed, "the feast of reconciliation gorgeously presented ... That day at Potsdam truly proved to be a turning point in history ... Many government officials, army officers, lawyers and judges, many members of the nationalistic bourgeoisie who had distrusted Hitler on rational grounds, abandoned their stand ... " (J. Fest, *Hitler*, New York: 1974, p. 405.)

Potsdam was a grandiose theatrical stage on which all had played their parts, even -- by their very absence -- the lukewarm and Hitler's enemies on the left.

Glued to their radio sets, all Germany had participated in the spectacle, at first fascinated, and then caught up in the emotion of the event. The next day, Berlin newspapers declared: "National enthusiasm swept over Germany yesterday like a great storm."

"A strange mixture of tactician and visionary," Joachim Fest would later write, sizing up this extraordinary stage manager. For Hitler had led field marshals, generals, and other dignitaries, none of them fools, through his drill paces as though they had been so many animated tin soldiers. But Hitler's plans extended far beyond winning over the Old Guard.

In order to establish his new state in definitive form, Hitler now proposed to obtain the official ratification of the Reichstag, which would establish his authority to govern as a virtual dictator for a period of several years.

To gain such plenary powers lawfully, the German constitution had to be amended, and this would require approval by two thirds of the parliament's members.

Hitler's party, having won 17,300,000 votes in the elections of March 5, 1933, for the new Reichstag, held a total of 288 seats - making it by far the largest single party. His conservative ally in the temporary partnership, Hugenberg's German National People's Party (DNVP), had captured 4,750,000 votes and held another 52 seats, giving the coalition a total of 340 deputies.

After deducting the 81 "empty" Communist seats, the opposition now mustered just 226 members: 120 Social Democrats, 92 (Catholic) Center and BVP deputies, and 14 others.

Although his coalition held a majority of seats, to alter the constitution Hitler needed a two thirds majority -- which meant 36 additional votes.

At first sight, this goal seemed almost impossible. For more than a decade, the Catholic Center and Bavarian People's parties had been outspoken critics of Hitler and his National Socialist movement, unhesitatingly using religion as a partisan political weapon, and even denying religious burial to Catholic National Socialists murdered by Communist killers.

Hitler, with the assistance of Göring (who was now president of the new Reichstag), would now have to win over that clerical flock. Center party leader Monsignor Kaas, a squat and pudgy prelate who found the collecting of votes to be more satisfying than the guidance of souls, was flattered and courted by Hitler, who dangled before him the promise of a rapprochement between the state and the Catholic Church, an earnest promise that Hitler would make good on the following summer. The beguiled prelate may have believed that he was going to lead errant sheep back to the fold. In any case, Hitler succeeded in persuading and seducing the Center party. Some deputies of the smaller opposition parties also yielded.

When it came time to vote, Hitler was granted plenary powers with a sweeping majority of 441 votes to 94: he had won not just two thirds, but 82.44 percent of the assembly's votes. This "Enabling Act" granted Hitler for four years virtually absolute authority over the legislative as well as the executive affairs of the government.

The five paragraphs of this "Law for the Alleviation of the Misery of the People and the Nation" were brief and to the point:

1. Laws may be promulgated by the Reich government apart from the procedures provided for by the Constitution ...
2. Laws promulgated by the Reich government may deviate from the Constitution provided they do not change the position of the Reichstag or of the Reichsrat. The powers of the Reich President are not changed.
3. Laws promulgated by the Reich government will be prepared by the Chancellor and published in the "Official Journal." Unless otherwise specified, they become effective on the day following publication ...
4. Treaties concluded by the Reich with foreign states that concern matters of national legislation do not require ratification by the legislative bodies. The Reich government is empowered to issue the regulations necessary for their execution.
5. This law becomes effective on the day of publication, and remains valid until April 1, 1937. It also becomes invalid if the present government is replaced by another.

Berlin, March 24, 1933

Von Hindenburg, Hitler, Frick, von Neurath, Krosigk

Thus, a parliamentary democracy, exercising its constitutional powers, had legally established an authoritarian national state. Next, a solution was needed to the problem of the horde of the competing regional, state and local parliaments, jurisdictions and authorities. For the most part, these authorities were virtual nullities, and there was no love lost between them. For fourteen years, though, they had acted together whenever an opportunity presented itself to thwart the central government in Berlin.

It was inconceivable that a strong government such as the one Hitler had just established could function effectively with thousands of second-level politicians carping and questioning his every move. Anyway, Germans had in fact become sick and tired of the squandering of authority, the perpetual squabbling, the pettiness, discord, and the anarchy for which, in the final analysis, it was the people who paid.

"It is a fact," French historian Benoist-Méchin later observed, "that the unification of the states and the

Reich answered one of the most profound aspirations of the German people. They had enough of being torn apart by the constant threats of secession of the provincial governments. For centuries they had dreamed of being part of a single community." (*Histoire de l'Armée Allemande*, vol. III, p. 117.)

It seemed a simple enough task, because public opinion demanded the abolition of the administrative mess. But such a reform would necessarily bruise the vanity of thousands and collide head-on with many local special interests.

A man who is a council president or a minister, even if only of a small state, does not easily resign himself to being no more than a private citizen, to once again becoming, let us say, a provincial lawyer scampering to the court house with coattails flying. The 2,400 legislative deputies would also be bitter about losing the good life they had come to know and expect. Gone the prestige, the deference, the awards, the vacation trips at public expense, the discreet gratuities! Who among us does not make a wry face when swallowing bitter medicine? But it had to be, for Hitler had his eyes fixed on the national goal: a unified nation.

That did not mean, of course, that in eliminating the regional administrations Hitler had any desire to do away with the distinctive identities of the nation's various provinces. On the contrary, he believed that a nation's life ought never to be monopolized by its capital city, but should rather be nourished and constantly renewed by the blooming of dozens of centers of culture in regions rich in varied manners, mores and legacies of their past.

He believed that the nation was the harmonious conjunction of these profound and original variations, and that a state conscious of its real powers ought to promote such variety, not smother it.

The dispersion of political power had not favored such a variety, but had, on the contrary, diminished it, depriving it of the cohesion a large community brings. The Reich's 25 separate administrative entities, rivals of the central government and often of each other, were a source of disorder. A nation must consist of regions that know and esteem each other, and which gain mutual enrichment from their interlinking, rather than each withdrawing into a culture that is strangled by an exclusive and restrictive provincialism. And only a strong central authority could insure the flowering of all the various regions within a single collective entity. In sum, what Hitler intended was that each region should bring its share of original culture to the totality of a German Reich that had put an end to so many fractious administrations.

From 1871 to 1933, Germany's various national governments had come up against this obstacle of political particularism. Even so gifted a leader as Bismarck had not been able to overcome this persistent problem. And now, where the leaders of both the Second Reich and the Weimar Republic had failed, or had not dared to take the risk, Hitler, in a few months, was going to convert this long-standing division and discord into potent and effective unity.

Hitler had scarcely moved into his office overlooking the chancellery garden, where squirrels cracked nuts in the trees and at times even leaped into the building itself, when he drew up a law to unify the Reich's many lands.

The first of the states that would be made to toe the line was Bavaria, which up to that point had been a bulwark of belligerent separatism and hidebound monarchists.

Hitler's intentions were no sooner known than several Bavarian ministers devised a plan to resurrect from retirement that old fogy, the ex-Prince Ruprecht, heir to Bavaria's Wittelsbach throne, who in November 1923, then as an ordinary private citizen, had, with a good deal of boasting, helped block Hitler's ill-fated putsch. Now the new chancellor responded to their little plot with sudden and crushing force, bringing the Bavarian state administration to heel in a single night. The next morning, Lieutenant General von Epp was named Reich Commissioner in Munich.

Thereafter, almost all the other regional states rapidly collapsed, like a house of cards.

The most difficult state to master was Prussia, an enormous bastion (a third of Germany) stretching across the heart of the country. Prussia truly constituted a state within the state, a special government. In 1931 its Socialist government had held Reich Chancellor Brüning completely in check. His humiliating defeat came notwithstanding their party's crushing defeat in the Prussian elections a short time earlier at the hands of Hitler's candidates. Chancellor von Papen found that he, too, had to come to grips with Prussia, which was nearly as strong as the central government.

After he became Chancellor, Hitler was obliged for a time - because Hindenburg demanded it -- to let von Papen remain as Reich Commissioner of Prussia; and it was only with great effort on his part that Hitler managed to have Göring named as von Papen's Minister of the Interior in Prussia. The autonomy of the Prussian government, more than any other, had to be liquidated: otherwise, the central government would remain subject at any moment to embarrassment and hindrance in the city that was the capital of both Prussia and the Reich. The matter was particularly delicate because von Papen, the aristocrat, had to remain as Reich Commissioner of Prussia. To remove him would risk disapproval and even countermeasures by President von Hindenburg.

Hitler at that point surpassed himself in versatility and guile. By dint of flattery and persuasion, within a month von Papen let himself be gently shoved out the door. Hitler all but dictated for him the text of his letter of resignation of April 7, 1933, in which the Vice Chancellor acknowledged that the Law on the Unification of the Lands of the Reich "was a legal edifice destined to be of great historic importance in the development of the German Reich." He further recognized that "the dualism existing between the Reich and Prussia" had to come to an end. In his letter he even compared Hitler to Prince Otto von Bismarck.

Although von Papen was being nudged out, Hitler soothed his wounded pride by publicly declaring that he never would have been able to carry out the political reunification of the Reich alone; that the great architect of the achievement had been von Papen.

Without turning a hair, Hitler also wrote to Feldmarschall von Hindenburg:

In assuming the functions of Reich Commissioner in Prussia during the difficult period following the 30th of January, Herr von Papen has deserved very great credit for contributing so strongly to the working out of a strict coordination between the policies of the Reich and those of the regional states. His collaboration with the cabinet of the Reich, to which he will henceforth be able to devote himself completely, will be of priceless assistance to me. The feelings I have for him are such that I rejoice in having the benefit of his cooperation, which will be of inestimable value to me.

For his part the aged field marshal responded to this small masterpiece of hypocrisy with one of his own, this one addressed to von Papen:

Dear Herr von Papen,

I have just accepted your request that you be relieved of your duties as Reich commissioner of Prussia. I take this opportunity to thank you, in the name of the Reich and in my own name, for the eminent service you have rendered the nation by eliminating the dualism existing between the Reich and Prussia, and by imposing the idea of a common political direction of the Reich and the regional states. I have learned with satisfaction that you will henceforth be able to devote all your energies to the government of the Reich.

With feelings of sincere comradeship, I remain your devoted

von Hindenburg, President of the Reich

Ex-Chancellor von Papen thus lost the only effective power he still held. Although he remained a member of the inner circle of Hitler's government (but for how long?), he was now really little more than a willing stooge.

Hitler immediately named himself *Statthalter* of Prussia, and Göring as Minister President, thus bringing the greatest German state under firm control.

One after another, the regional states were shorn of their sovereignty. The process was staged like a ballet.

Act One: Regional parliamentary power is transferred smoothly to men who had Hitler's confidence.

Act Two: Each man announces acceptance of the "Law of Unification."

Act Three: Each regional parliament proclaims the of its own state autonomy and sovereignty.

Act Four: In each region, Hitler appoints Reich Commissioner (or *Statthalter*), who is charged with carrying out the Chancellor's political directives.

In the Grand Duchies of Baden and Saxony there were a few verbal skirmishes, but these were quickly squelched. In the Free City of Hamburg (population a million and a half), its leaders grumbled a bit for form's sake, but only a few hours of negotiations were required to make them see the light. In just a few weeks, the entire process was accomplished.

Making use of the sweeping powers granted him by the Reichstag's overwhelming vote of approval on March 23, 1933, within a few months Hitler succeeded in transforming the faltering Reich government into a formidable instrument of action. Thanks to that mandate, and several special decrees signed by the President, he was thus able constitutionally to eliminate the rival authorities of numerous state governments and parliaments.

"It all went much faster than we had dared hope," Goebbels commented with delight, and a shade of sarcasm.

Precisely one year after Hitler had become Chancellor, a "Law for the Rebuilding of the Reich" spelled out the full extent of the change:

1. Representation of the regional states is abolished.
2. (a) The sovereign rights of the regional states are transferred to the government of the Reich.  
(b) The governments of the regional states are subject to the government of the Reich.
3. The governors [*Statthalter*] are subject to the authority of the Reich Minister of the Interior.
4. The government of the Reich may modify the constitutional rights of the regional states.
5. The Minister of the Interior will issue the legal and administrative decrees necessary for the implementation of this law.
6. This law will become effective on the day of its official publication.

Berlin, January 30, 1934

Von Hindenburg, Hitler, Frick

Bismarck, the "Iron Chancellor," could never have dreamed of political reunification on such an authoritarian and hierarchical basis. But Hitler had tried, and succeeded. Germany had now attained a level of concentrated power and authority more profound than any ever achieved in her history. And it had all been accomplished, moreover, by democratic means.

After 1945 the explanation that was routinely offered for all this was that the Germans had lost their heads. Whatever the case, it is a historical fact that they acted of their own free will. Far from being resigned, they were enthusiastic. "For the first time since the last days of the monarchy," historian Joachim Fest has conceded, "the majority of the Germans now had the feeling that they could identify with the state."

But what of the political parties?

Although Hitler had succeeded in transforming the tens of millions of Bavarians, Saxons, Prussians and residents of Hamburg into citizens of one and the same Reich, under a single national administration, and even though the anthill of petty and more or less separatist states had been leveled, there still remained in Germany the contentious and divisive political parties. They had been discredited, to be sure, but the hearty ambitions of impenitent politicians could reawaken to erode the foundations of the new state.

The party leaders were scarcely in a position to protest. On the preceding 23rd of March they themselves had overwhelmingly approved the fateful "Enabling Act." Now, with their wings clipped and their prerogatives taken away, they no longer served any useful purpose. They were not merely superfluous, they had become an encumbrance.

How would Hitler get rid of them?

### **III. Liquidation of the Parties**

On the day in March when the deputies of the Weimar Republic voted to relinquish their power, Hitler, standing before them in their own parliamentary bailiwick, utterly poised in his brown shirt, did not spare them. "It is for you, gentlemen of the Reichstag," he declared, "to decide between war and peace."

But how, one might ask, could they take up the fight now, when they had in fact already given up the fight years earlier?

At this point, Hitler was no longer even willing to let the last recalcitrant Reichstag deputies, the Social Democrats -- by now reduced to representing a mere 17.55 percent of the nation's voters -- assume the martyred pose of a persecuted fringe group.

"You talk about persecution!" he thundered in an impromptu response to an address by the Social Democratic speaker. "I think that there are only a few of us [in our party] here who did not have to suffer persecutions in prison from your side ... You seem to have totally forgotten that for years our shirts were ripped off our backs because you did not like the color . . . We have outgrown your persecutions!"

"In those days," he scathingly continued, "our newspapers were banned and banned and again banned, our meetings were forbidden, and we were forbidden to speak, I was forbidden to speak, for years on. And now you say that criticism is salutary!"

The shoe was now on the other foot.

"From now on we National Socialists will make it possible for the German worker to attain what he is able to demand and insist on. We National Socialists will be his intercessors. You, gentlemen, are no longer needed ... And don't confound us with the bourgeois world. You think that your star may rise again. Gentlemen, Germany's star will rise and yours will sink ... In the life of nations, that which is rotten, old and feeble passes and does not return."

Finally, Hitler dismissed these bankrupt Socialists with the words: "I can only tell you: I do not want



your votes! Germany shall be free, but not through you!"

(Quoted in: J. Fest, *Hitler*, New York: 1974, p. 408 f.)

Within just half a year, Hitler would succeed in liquidating all these now passé and essentially irrelevant political parties. Not just the Socialist Party, already rejected by the people themselves, but all the other conniving party politicians as well: the conservatives, a century behind the times, the myopic nationalists, and the boastful Catholic centrists -- all of them agents and collaborators in Germany's road to ruin between 1919 to 1933.

All of these parties had clearly lost their drive. That some voters still supported them in early 1933, even after Hitler had become Chancellor, was largely out of habit. Their impetus was gone. The parties of the Weimar system had botched everything and let the nation go to ruin. Germany's collapse, her six million unemployed, the widespread hunger, the demoralization of an entire people: all this was their doing. Now that a strong leader with broad national support had taken their place, what could they do? As Joachim Fest would later write, they were "like a spider web with which one hoped to catch eagles."

Hitler's millions of followers had rediscovered the primal strength of rough, uncultured man, of a time when men still had backbone. There was a Dionysian power, one that they would conserve for the great challenges to come: it wouldn't be needed against the political parties. A mere shrug of the shoulders, and those would fall apart.

It was fitting that the first to crumble was the Social Democratic party (SPD). It went out with a whimper.

It had still shown some guts on March 23, when its Reichstag deputies refused to vote Hitler plenary powers. After 1945 the Socialist party would glory in that deed, while at the same time taking care not to add that less than two months later, on May 17, the Social Democratic deputies decided to approve Hitler's major address to the Reichstag on foreign policy. It was as if they felt themselves swept along by the surge of popular support for Hitler, even within the ranks of their own party. Along with the National Socialist deputies, they voiced their approval for Hitler's policy.

From his perch as Reichstag president, Göring turned to glance at the turncoats, and commented: "The world has seen that the German people are united where their destiny is at stake."

Now that the Social Democratic leadership, which for so long had railed against Hitler, decided to back him in the Reichstag, the party's rank and file could hardly be expected to oppose him. That day marked the end of the Social Democratic party's credibility. Following the example of their own party leadership, the large SPD electorate would, understandably, now also vote for Hitler.

After this act of capitulation, it was now child's play for Hitler to liquidate the Social Democratic party. Four weeks later, on June 22, it was officially dissolved. "No one," Fest has observed, "expected any show of resistance on the part of the SPD." The party's initials could more fittingly have been RIP: *resquiescat in pace*.

The peace would be total. Apart from a few leftist members of the Reichstag who went into exile and led isolated and unproductive lives abroad, the now former Socialist deputies continued, each month, to pocket the pensions that Hitler had allowed them. They walked about unmolested on the streets of Berlin. A number of them, some with great success, even threw in their lot with the National Socialists.

Gustav Noske, the lumberjack who became defense minister - and the most valiant defender of the embattled republic in the tumultuous months immediately following the collapse of 1918 - acknowledged honestly in 1944, when the Third Reich was already rapidly breaking down, that the great majority of the German people still remained true to Hitler because of the social renewal he had brought to the working class.

After the "Reds," the "Whites" had their turn. Of the two dozen or so political parties that existed in Germany in 1932-1933, a number of the smaller ones quietly dissolved themselves without anyone even noticing their demise. They had been created for no reason other than to aid the political ambitions of their founders. But now, with no more Reichstag seats in sight, there was no further point in trying to recruit voters.

The parties of the right, formerly important but now abandoned by their voters, were conscious of the futility of expending any further effort or money to subsist artificially. Now lacking any popular support, one after another they, too, voluntarily disbanded. The "German National People's Party," abandoned by its bourgeois supporters, was the first to give up the ghost. A few days later, on June 28, the "State Party" did the same. The "Bavarian People's Party" and the "German People's Party" took the same step on July 4.

Of all the conservative mossbacks, the most difficult to get rid of was Alfred Hugenberg, the media titan who was still a minister in Hitler's cabinet. Nazis rather disrespectfully called him "the old porker in the beet patch." Hugenberg ultimately lost his cabinet post because he overplayed the role of zealous nationalist at a conference in London in June 1933, making a claim, premature to say the least, for the return to Germany of her colonies, and calling for German economic expansion into the Ukraine! Hitler regarded this as totally inopportune, particularly at a time when he was making every effort to reassure his skeptics and critics abroad. After this diplomatic blunder, Hugenberg had no choice but to resign. Thus departed the once powerful capitalist who had vowed, on January 30, to politically muzzle the newly named Chancellor.

His dismissal was a double success for Hitler: by disavowing an international troublemaker, he reassured those outside Germany who had been alarmed by Hugenberg's ill-chosen statements; and he rid himself of a political liability whose diplomatic gaffe had cost him whatever standing he had in von Hindenburg's esteem.

The last political factor to go was the clerico-bourgeois "Center" party. Following its vote on March 23 to give Hitler plenary powers, the Center had forfeited all credibility as an opposition party. Its following dwindled away in indifference. After all, if Center leader Monsignor Kaas decided to side with the Führer in the Reichstag, why shouldn't the party's rank and file do likewise?

Meanwhile, diplomatic negotiations with the Vatican on a concordat to regulate relations between the German state and the Catholic church were close to a favorable conclusion. In this effort, perhaps more than any other, Hitler manifested patience, cunning, and tact. He needed political peace with the Church, at least until, with the help of the hierarchy, he could count completely on the support of Germany's many Catholics.

By voting for Hitler in the Reichstag, Center leader Kaas and his pious clerics had unsuspectingly fallen into a trap. On July 5, 1933, they declared themselves politically neutral and dissolved themselves as a party.

As a contemporary observer noted: "All the things being abolished no longer concerned people very much." With regard to the rapid demise of the political parties and the other political forces of both the right and left, Joachim Fest aptly commented: "If anything could have demonstrated the sapped vitality of the Weimar Republic, it was the ease with which the institutions that had sustained it let themselves be overwhelmed." (Quoted in: J. Fest, *Hitler*, New York: 1974, p. 415.)

To abolish the political parties and swallow up their once vast networks of voters took only a scant half year, and with little damage to life or limb. Hitler had succeeded in winning over or at least neutralizing those who had so recently reviled and jeered him. No one was more astonished at the rapidity with which the political parties had succumbed than Hitler himself. "One would never have thought so

miserable a collapse possible," he remarked in July 1933, after having thrown the last shovelful of dirt on the graves of the Weimar Republic's once mighty parties.

(J. Fest, *Hitler*, p. 415.)

#### **IV. Unification of the Labor Unions**

Only one significant political factor still remained: the Marxist trade unions. For many years they had represented one of the country's most potent forces. Although nominally only an economic factor, they had also been a major political factor, furnishing the Communists with their militants and the Social Democrats with the bulk of their voters.

For fifteen years they had been a constant and fanatical pressure group, stirring up turmoil in the streets and formulating ever greater demands. The unions had long provided the Left with large amounts of money, funds that were continually replenished by the contributions of millions of union members.

Here again, well before the collapse of party-ridden Weimar Republic, disillusion with the unions had become widespread among the working masses. They were starving. The hundreds of Socialist and Communist deputies stood idly by, impotent to provide any meaningful help to the desperate proletariat.

Their leaders had no proposals to remedy, even partially, the great distress of the people; no plans for large-scale public works, no industrial restructuring, no search for markets abroad.

Moreover, they offered no energetic resistance to the pillaging by foreign countries of the Reich's last financial resources: this a consequence of the Treaty of Versailles that the German Socialists had voted to ratify in June of 1919, and which they had never since had the courage effectively to oppose.

The few palliative modifications that had been won, wrested with great difficulty from the rapacious Allies, had been achieved by Gustav Stresemann, the conservative foreign affairs minister. Although he enjoyed little or no support, even from the politicians, Stresemann fought stubbornly, in spite of faltering health, to liberate the Reich. Enduring fainting fits, and with a goiter, growing ever more enormous, knotted around his neck like a boa constrictor, Stresemann, even as he was dying, was the only Weimar leader who had seriously attempted to pry away the foreign talons from the flesh of the German people.

In 1930, 1931 and 1932, German workers had watched the disaster grow: the number of unemployed rose from two million to three, to four, to five, then to six million. At the same time, unemployment benefits fell lower and lower, finally to disappear completely. Everywhere one saw dejection and privation: emaciated mothers, children wasting away in sordid lodgings, and thousands of beggars in long sad lines.

The failure, or incapacity, of the leftist leaders to act, not to mention their insensitivity, had stupefied the working class. Of what use were such leaders with their empty heads and empty hearts -- and, often enough, full pockets?

Well before January 30, thousands of workers had already joined up with Hitler's dynamic formations, which were always hard at it where they were most needed. Many joined the National Socialists when they went on strike. Hitler, himself a former worker and a plain man like themselves, was determined to eliminate unemployment root and branch. He wanted not merely to defend the laborer's right to work, but to make his calling one of honor, to insure him respect and to integrate him fully into a living community of all the Germans, who had been divided class against class.

In January 1933, Hitler's victorious troops were already largely proletarian in character, including

numerous hardfisted street brawlers, many unemployed, who no longer counted economically or socially.

Meanwhile, membership in the Marxist labor unions had fallen off enormously: among thirteen million socialist and Communist voters in 1932, no more than five million were union members. Indifference and discouragement had reached such levels that many members no longer paid their union dues. Many increasingly dispirited Marxist leaders began to wonder if perhaps the millions of deserters were the ones who saw things clearly. Soon they wouldn't wonder any longer.

Even before Hitler won Reichstag backing for his "Enabling Act," Germany's giant labor union federation, the ADGB, had begun to rally to the National Socialist cause. As historian Joachim Fest acknowledged: "On March 20, the labor federation's executive committee addressed a kind of declaration of loyalty to Hitler." (J. Fest, *Hitler*, p. 413.)

Hitler then took a bold and clever step. The unions had always clamored to have the First of May recognized as a worker's holiday, but the Weimar Republic had never acceded to their request. Hitler, never missing an opportunity, grasped this one with both hands. He did more than grant this reasonable demand: he proclaimed the First of May a national holiday.

Just as the Socialist party had gone from a vote in the Reichstag against Hitler (March 23, 1933) to a vote of support (May 17, 1933), so did the union leaders make a 180-degree turn within weeks. At one stroke, Hitler granted to the union what they had vainly asked of every previous government: a holiday celebrated by the entire nation. He announced that in order to honor Labor, he would organize the biggest meeting in Germany's history on the First of May at Tempelhof airfield in Berlin. Caught unprepared, but on the whole very pleased to take advantage of the situation by throwing in their lot with National Socialism and, what is more, to take part in a mass demonstration the like of which even Marxist workers could scarcely imagine, the union leadership called upon their leftist rank and file to join, with banners flying, the mass meetings held that May Day across Germany, and to acclaim Hitler.

I myself attended the memorable meeting at the Tempelhof field in 1933. By nine o'clock that morning, giant columns, some of workers, others of youth groups, marching in cadence down the pavement of Berlin's great avenues, had started off towards the airfield to which Hitler had called together all Germans. All Germany would follow the rally as it was transmitted nationwide by radio.

By noon hundreds of thousands of workers -- Hitlerites and non-Hitlerites - were massed on the vast field. The demonstrators observed impeccable order. Hundreds of tables, quickly set up by the Party, provided the ever-increasing throngs with sandwiches, sausages, and mugs of beer at cost, to refresh the new arrivals after their march.

Everyone, of course, was standing, and would remain so for up to fourteen hours.

A fabulous speaker's platform stood out against the sky, three stories high, flamboyant with huge flags, as impressive as a naval shipyard. As the hours went by, thousands of prominent figures took their seats, including many members of the foreign diplomatic corps. By the close of the day, a million and a half spectators stretched to the outermost edges of the immense plain. Soldiers and civilians mingled together. Fanfares sounded repeatedly. A political meeting no longer, it had become a festival, a sort of fantastic Bruegelian kermess, where middle-class burghers, generals and workers all met and fraternized as Germans and as equals.

Night fell and Hitler appeared. His speaker's rostrum was indeed like the prow of a giant ship. The hundreds of beacons which had illuminated the great sea of humanity were now extinguished. Suddenly, Hitler burst forth from the dark, a solitary figure, high in the air, lit by the dazzling glare of spotlights.

In the dark, a group of determined opponents could easily have heckled Hitler or otherwise sabotaged the meeting. Perhaps a third of the onlookers had been Socialists or Communists only three months previously. But not a single hostile voice was raised during the entire ceremony. There was only universal acclamation.

Ceremony is the right word for it. It was an almost magical rite. Hitler and Goebbels had no equals in the arranging of dedicatory ceremonies of this sort. First there were popular songs, then great Wagnerian hymns to grip the audience. Germany has a passion for orchestral music, and Wagner taps the deepest and most secret vein of the German soul, its romanticism, its inborn sense of the powerful and the grand.

Meanwhile the hundreds of flags floated above the rostrum, redeemed from the darkness by arrows of light.

Now Hitler strode to the rostrum. For those standing at the edge of the field, his face must have appeared vanishingly small, but his words flooded instantaneously across the acres of people in his audience.

A Latin audience would have preferred a voice less harsh, more delicately expressive. But there was no doubt that Hitler spoke to the psyche of the German people.

Germans have rarely had the good fortune to experience the enchantment of the spoken word. In Germany, the tone has always been set by ponderous speakers, more fond of elephantine pedantry than oratorical passion. Hitler, as a speaker, was a prodigy, the greatest orator of his century. He possessed, above all, what the ordinary speaker lacks: a mysterious ability to project power.

A bit like a medium or sorcerer, he was seized, even transfixed, as he addressed a crowd. It responded to Hitler's projection of power, radiating it back, establishing, in the course of myriad exchanges, a current that both orator and audience gave to and drew from equally. One had to personally experience him speaking to understand this phenomenon.

This special gift is what lay at the basis of Hitler's ability to win over the masses. His high-voltage, lightning-like projection transported and transformed all who experienced it. Tens of millions were enlightened, riveted and inflamed by the fire of his anger, irony, and passion.

By the time the cheering died away that May first evening, hundreds of thousands of previously indifferent or even hostile workers who had come to Tempelhof at the urging of their labor federation leaders were now won over. They had become followers, like the SA stormtroopers whom so many there that evening had brawled with in recent years.

The great human sea surged back from Tempelhof to Berlin. A million and a half people had arrived in perfect order, and their departure was just as orderly. No bottlenecks halted the cars and busses. For those of us who witnessed it, this rigorous, yet joyful, discipline of a contented people was in itself a source of wonder. Everything about the May Day mass meeting had come off as smoothly clockwork.

The memory of that fabulous crowd thronging back to the center of Berlin will never leave me. A great many were on foot. Their faces were now different faces, as though they had been imbued with a strange and totally new spirit. The non-Germans in the crowd were as if stunned, and no less impressed than Hitler's fellow countrymen.

The French ambassador, André François-Poncet, noted:

The foreigners on the speaker's platform as guests of honor were not alone in carrying away the impression of a truly beautiful and wonderful public festival, an impression that was created by the regime's genius for organization, by the night time display of uniforms, by the play of lights, the rhythm of the music, by the flags and the colorful fireworks; and they

were not alone in thinking that a breath of reconciliation and unity was passing over the Third Reich.

"It is our wish," Hitler had exclaimed, as though taking heaven as his witness, "to get along together and to struggle together as brothers, so that at the hour when we shall come before God, we might say to him: 'See, Lord, we have changed. The German people are no longer a people ashamed, a people mean and cowardly and divided. No, Lord! The German people have become strong in their spirit, in their will, in their perseverance, in their acceptance of any sacrifice. Lord, we remain faithful to Thee! Bless our struggle!'" (A. François-Poncet, *Souvenirs d'une ambassade à Berlin*, p. 128.)

Who else could have made such an incantatory appeal without making himself look ridiculous?

No politician had ever spoken of the rights of workers with such faith and such force, or had laid out in such clear terms the social plan he pledged to carry out on behalf of the common people.

The next day, the newspaper of the proletarian left, the "Union Journal," reported on this mass meeting at which at least two thirds -- a million -- of those attending were workers. "This May First was victory day," the paper summed up.

With the workers thus won over, what further need was there for the thousands of labor union locals that for so long had poisoned the social life of the Reich and which, in any case, had accomplished nothing of a lasting, positive nature?

Within hours of the conclusion of that "victory" meeting at the Tempelhof field, the National Socialists were able to peacefully take complete control of Germany's entire labor union organization, including all its buildings, enterprises and banks. An era of Marxist obstruction abruptly came to an end: from now on, a single national organization would embody the collective will and interests of all of Germany's workers.

Although he was now well on his way to creating what he pledged would be a true "government of the people," Hitler also realized that great obstacles remained. For one thing, the Communist rulers in Moscow had not dropped their guard -- or their guns. Restoring the nation would take more than words and promises, it would take solid achievements. Only then would the enthusiasm shown by the working class at the May First mass meeting be an expression of lasting victory.

How could Hitler solve the great problem that had defied solution by everyone else (both in Germany and abroad): putting millions of unemployed back to work?

What would Hitler do about wages? Working hours? Leisure time? Housing? How would he succeed in winning, at long last, respect for the rights and dignity of the worker?

How could men's lives be improved -- materially, morally, and, one might even say, spiritually? How would he proceed to build a new society fit for human beings, free of the inertia, injustices and prejudices of the past?

"National Socialism," Hitler had declared at the outset, "has its mission and its hour; it is not just a passing movement but a phase of history."

The instruments of real power now in his hands -- an authoritarian state, its provinces subordinate but nonetheless organic parts of the national whole -- Hitler had acted quickly to shake himself free of the last constraints of the impotent sectarian political parties. Moreover, he was now able to direct a cohesive labor force that was no longer split into a thousand rivulets but flowed as a single, mighty current.

Hitler was self-confident, sure of the power of his own conviction. He had no intention, or need, to resort to the use of physical force. Instead, he intended to win over, one by one, the millions of Germans who were still his adversaries, and even those who still hated him.

His conquest of Germany had taken years of careful planning and hard work. Similarly, he would now realize his carefully worked out plans for transforming the state and society. This meant not merely changes in administrative or governmental structures, but far-reaching social programs.

He had once vowed: "The hour will come when the 15 million people who now hate us will be solidly behind us and will acclaim with us the new revival we shall create together." Eventually he would succeed in winning over even many of his most refractory skeptics and adversaries.

His army of converts was already forming ranks. In a remarkable tribute, historian Joachim Fest felt obliged to acknowledge unequivocally:

Hitler had moved rapidly from the status of a demagogue to that of a respected statesman. The craving to join the ranks of the victors was spreading like an epidemic, and the shrunken minority of those who resisted the urge were being visibly pushed into isolation -- The past was dead. The future, it seemed, belonged to the regime, which had more and more followers, which was being hailed everywhere and suddenly had sound reasons on its side.

And even the prominent leftist writer Kurt Tucholsky, sensing the direction of the inexorable tide that was sweeping Germany, vividly commented: "You don't go railing against the ocean." (J. Fest, *Hitler*, pp. 415 f.)

"Our power," Hitler was now able to declare, "no longer belongs to any territorial fraction of the Reich, nor to any single class of the nation, but to the people in its totality."

Much still remained to be done, however. So far, Hitler had succeeded in clearing the way of obstacles to his program. Now the time to build had arrived.

So many others had failed to tackle the many daunting problems that were now his responsibility. Above all, the nation demanded a solution to the great problem of unemployment. Could Hitler now succeed where others had so dismally failed?

#### V. Where To Find The Billions?

As he stood, silent and preoccupied, at his chancellery window on that January evening, receiving the acclaim of the crowd, Hitler was seized with anxiety -- and not without reason.

In his memoirs, Dr. Hjalmar Schacht recalled: "I had the impression that he was a man fairly crushed by the weight of the responsibility he was taking on -- That profound emotional upheaval of which I was a witness could not possibly have been mere playacting: it betrayed true feelings." (H. Schacht, *Mémoires d'un magicien*, vol. II, p. 52.)

Hitler, however, was a man capable of overcoming such anxieties. Although he faced an agonizing national tragedy -- immense unemployment, general misery, almost total industrial stagnation -- which no other politician had been able even to ameliorate, this youthful leader would take on this challenge with an extraordinary sense of purpose and will.

Hitler had no sooner been voted plenary powers than he rolled up his shirt-sleeves, and begun to carry out his well-laid plans.

Unlike the other responsible -- or irresponsible -- politicians of twentieth-century Europe, Hitler did not believe that fighting for his country's economic health meant having to impassively accept one setback

after another, stand idly by while industries died, or look on as millions of unemployed workers tramped the streets.

In those days, the only solution to these problems that was accepted by politicians and economists in the democracies was to drastically cut spending, both governmental and private. Belt-tightening was the agreed-upon remedy.

Thus, Germany's leaders prior to Hitler had cut salaries by 25 percent, limited payment of unemployment benefits to six months, and reduced total private investment by five sixths. The country's standard of living had collapsed like a deflated balloon. At the end of six months the unemployed obviously had not found new jobs. To the contrary, they were joined by long lines of new unemployed. Deprived of all means of subsistence, they gravitated to the welfare offices.

People spent less and less, with the inevitable consequence that industries producing consumer goods closed their doors, one after another, for lack of orders, thereby sending thousands more unemployed into the streets. In 1932, Germany's industries were languishing, their production reduced by half.

Yearly private investment had fallen from three billion marks to barely 500 million. No new blood had been injected into the industrial system, no workplaces modernized. The economy stagnated.

The government not only lacked any new initiatives, it was almost bankrupt. Fiscal receipts had fallen to ten billion marks, of which the meager and short-term unemployment benefits alone absorbed two thirds.

Germany couldn't wait for a business upswing to get the economy moving again. As Hitler had long understood, the government had to bring economic renewal by bold action and imaginative enterprise.

Unemployment could be combated and eliminated only by giving industry the financial means to start up anew, to modernize, thus creating millions of new jobs.

The normal rate of consumption would not be restored, let alone increased, unless one first raised the starvation-level allowances that were making purchases of any kind a virtual impossibility. On the contrary, production and sales would have to be restored before the six million unemployed could once again become purchasers.

The great economic depression could be overcome only by restimulating industry, by bringing industry into step with the times, and by promoting the development of new products.

Because Germany had no petroleum, for example, the production of synthetic gasoline (from coal) should be encouraged as much as possible. The technique was already known, but it needed to be applied. Similarly, Germany was able to produce an artificial substitute for rubber, "Buna." But the plans for its development and production were still stored away in file cabinets. Only a small percentage of practical new inventions ever left the records files.

Great public works projects were another way to create new jobs, stimulate industrial activity, and revive the economy. For one thing, Germany's mediocre roads needed vast improvement. Moreover, the demands of the time called for the construction of a national network of modern highways. Radiating thousands of kilometers, these great concrete lifelines would encourage increased commerce and communication among the Reich's many regions.

New highways would also encourage increased automobile production. Considering the potential, Germany was still quite backward in automobile production. It manufactured only one-fifth as many cars as France.

Nearly ten years earlier, while in his prison cell, Hitler had already envisioned a formidable system of national highways. He had also conceived of a small, easily affordable automobile (later known as the



"Volkswagen"), and had even suggested its outline. It should have the shape of a June bug, he proposed. Nature itself suggested the car's aerodynamic line.

Until Hitler came to power, a car was the privilege of the rich. It was not financially within the reach of the middle class, much less of the worker. The "Volkswagen," costing one-tenth as much as the standard automobile of earlier years, would eventually become a popular work vehicle and a source of pleasure after work: a way to unwind and get some fresh air, and of discovering, thanks to the new Autobahn highway network, a magnificent country that then, in its totality, was virtually unknown to the German worker.

From the beginning, Hitler wanted this economical new car to be built for the millions. The production works would also become one of Germany's most important industrial centers and employers.

During his imprisonment, Hitler had also drawn up plans for the construction of popular housing developments and majestic public buildings.

Some of Hitler's rough sketches still survive. They include groups of individual worker's houses with their own gardens (which were to be built in the hundreds of thousands), a plan for a covered stadium in Berlin, and a vast congress hall, unlike any other in the world, that would symbolize the grandeur of the National Socialist revolution.

"A building with a monumental dome," historian Werner Maser has explained, "the plan of which he drew while he was writing *Mein Kampf*, would have a span of 46 meters, a height of 220 meters, a diameter of 250 meters, and a capacity of 150 to 190 thousand people standing. The interior of the building would have been 17 times larger than Saint Peter's Cathedral in Rome." (W. Maser, *Hitler, Adolf*, p. 100.)

"That hall," architect Albert Speer has pointed out, "was not just an idle dream impossible of achievement."

Hitler's imagination, therefore, had long been teeming with a number of ambitious projects, many of which would eventually be realized.

Fortunately, the needed entrepreneurs, managers and technicians were on hand. Hitler would not have to improvise.

Historian Werner Maser, although quite anti-Hitler -- like nearly all of his colleagues (how else would they have found publishers?) - has acknowledged: "From the beginning of his political career, he [Hitler] took great pains systematically to arrange for whatever he was going to need in order to carry out his plans."

"Hitler was distinguished," Maser has also noted, "by an exceptional intelligence in technical matters." Hitler had acquired his knowledge by devoting many thousands of hours to technical studies from the time of his youth.

"Hitler read an endless number of books," explained Dr. Schacht. "He acquired a very considerable amount of knowledge and made masterful use of it in discussions and speeches. In certain respects he was a man endowed with genius. He had ideas that no one else would ever have thought of, ideas that resulted in the ending of great difficulties, sometimes by measures of an astonishing simplicity or brutality."

Many billions of marks would be needed to begin the great socioeconomic revolution that was destined, as Hitler had always inted, to make Germany once again the European leader in industry and commerce and, most urgently, to rapidly wipe out unemployment in Germany. Where would the money be found? And, once obtained, how would these funds be allotted to ensure maximum effectiveness in

their investment?

Hitler was by no means a dictator in matters of the economy. He was, rather, a stimulator. His government would undertake to do only that which private initiative could not.

Hitler believed in the importance of individual creative imagination and dynamism, in the need for every person of superior ability and skill to assume responsibility.

He also recognized the importance of the profit motive. Deprived of the prospect of having his efforts rewarded, the person of ability often refrains from running risks. The economic failure of Communism has demonstrated this. In the absence of personal incentives and the opportunity for real individual initiative, the Soviet "command economy" lagged in all but a few fields, its industry years behind its competitors.

State monopoly tolls the death of all initiative, and hence of all progress.

For all men selflessly to pool their wealth might be marvelous, but it is also contrary to human nature. Nearly every man desires that his labor shall improve his own condition and that of his family, and feels that his brain, creative imagination, and persistence well deserve their reward.

Because it disregarded these basic psychological truths, Soviet Communism, right to the end, wallowed in economic mediocrity, in spite of its immense reservoir of manpower, its technical expertise, and its abundant natural resources, all of which ought to have made it an industrial and technological giant.

Hitler was always adverse to the idea of state management of the economy. He believed in elites. "A single idea of genius," he used to say, "has more value than a lifetime of conscientious labor in an office."

Just as there are political or intellectual elites, so also is there an industrial elite. A manufacturer of great ability should not be restrained, hunted down by the internal revenue services like a criminal, or be unappreciated by the public. On the contrary, it is important for economic development that the industrialist be encouraged morally and materially, as much as possible.

The most fruitful initiatives Hitler would take from 1933 on would be on behalf of private enterprise. He would keep an eye on the quality of their directors, to be sure, and would shunt aside incompetents, quite a few of them at times, but he also supported the best ones, those with the keenest minds, the most imaginative and bold, even if their political opinions did not always agree with his own.

"There is no question," he stated very firmly, "of dismissing a factory owner or director under the pretext that he is not a National Socialist."

Hitler would exercise the same moderation, the same pragmatism, in the administrative as well as in the industrial sphere.

What he demanded of his co-workers, above all, was competence and effectiveness. The great majority of Third Reich functionaries - some 80 percent -- were never enrolled in the National Socialist party. Several of Hitler's ministers, like Konstantin von Neurath and Schwerin von Krosigk, and ambassadors to such key posts as Prague, Vienna and Ankara, were not members of the party. But they were capable.

While Hitler kept a close eye on opportunists (such as Franz von Papen, who was both intelligent and clever) he knew how to make the best use of such men, and to honor them and recognize their achievements.

Similarly, he did not hesitate to keep on competent bureaucrats chosen by his predecessors. A good example was Dr. Otto Meissner, who had headed the presidential chancellery under the socialist Ebert and the conservative von Hindenburg, and who had done everything in his power, up to the last minute, to torpedo Hitler's accession to power. But Meissner knew his work, and Hitler wisely kept him on the

job. Hitler treated him with respect and confidence, and Meissner served the the Führer faithfully and efficiently for twelve years.

Perhaps the most remarkable such case is that of Dr. Hjalmar Schacht, the most discerning and competent of Germany's financiers in 1933. A Hitler supporter? By no means! Schacht never was and never would be a supporter of anyone but himself. But he was the best in the business: for getting the Reich's economy moving again, he had no equal.

Ten years earlier, at the of 1923, Schacht had financially rescued the Weimar Republic by helping to invent the "Rentenmark." He was shrewd and imaginative, and thus capable of understanding and implementing the boldest of Hitler's plans.

Schacht's personal ambition was immense, but this was yet another reason for Hitler to give him every possibility to rise as high as he could. Within weeks of taking power, Hitler appointed him President of the Reichsbank, and then, a year later, as Economics Minister as well. Schacht couldn't be happier.

Dangerous? Of course! Doubly so, inasmuch as Schacht was a capitalist to the core, with close ties to major foreign banking interests, not excluding Jewish financiers in London and New York. Moreover, Schacht cared little for Hitler's revolutionary program, which regarded labor as the true source of national wealth.

Hitler called on the brilliant Dr. Schacht to devise new ways of acquiring the funds necessary for what he inted to accomplish. That was a great deal, but it was all. The collaboration went no further: Schacht was never permitted to intervene in political matters. When Schacht's financial formulas had served their purpose, the collaboration would. Until he was dismissed as Reichsbank president in 1939, Hitler made good use of his extraordinary talents. But Schacht never forgave his dismissal, and would nurse a seething resentment.

Determined to conjure up billions of marks as quickly as possible, and by any means available, in early February 1933 Hitler summoned Schacht's predecessor as Reichsbank president, Dr. Hans Luther, to his office. Luther, who had been appointed to his post in 1930 by a previous administration, had old-fashioned views of extreme prudence in the management of state funds. Since the state's coffers were nearly empty, he was all the more prudent. His detachable collar, stiff as a calling card, proclaimed the rigidity of his principles. He belonged to the old school of accountants who spend a dollar only when they have a dollar.

Hitler was well aware that this capable man was not happy to be presiding over a central bank that lacked funds. It was not, however, to have Luther empty the state treasury that Hitler had summoned him, but to ask him to devise new means of financing Germany's recovery.

It was a question of imagination, but Luther's brain was not a volcano of new ideas; it was a calculator.

"How much money," Hitler asked him, "can you put at my disposal for creating jobs?" Luther Hesitated to respond immediately; his mental calculator began functioning. After working out the calculations in his mind, he responded as though speaking to the director of a large financial firm: "One hundred and fifty million."

An eloquent answer, it showed just how completely Hitler's predecessors and their colleagues were lacking in their understanding of the scope of the resources that would be needed to save the Reich. One hundred and fifty million, at a time when the German government was pouring a billion marks every three months into unemployment benefits alone!

With a budget of 150 million marks, the German treasury would have been hard put to spare even three or four marks a day to the five or six or seven million unemployed over one short week.

Clearly, this question had never been put to Dr. Luther, and no Reich leader before Hitler had ever troubled to learn how to go about raising the funds that would be indispensable for carrying out a serious program to put Germany back to work.

Obviously, then, Dr. Luther was not the person to put Hitler's program into effect. The new Chancellor then thought of Schacht, the sly old fox. He was always good for a trick, and now Hitler needed some of his magic.

"Herr Schacht," he said, "we are assuredly in agreement on one point: no other single task facing the government at the moment can be so truly urgent as conquering unemployment. That will take a lot of money. Do you see any possibility of finding it apart from the Reichsbank?" And after a moment, he added: "How much would it take? Do you have any idea?"

Wishing to win Schacht over by appealing to his ambition, Hitler smiled and then asked: "Would you be willing to once again assume presidency of the Reichsbank?" Schacht let on that he had a sentimental concern for Dr. Luther, and did not want to hurt the incumbent's feelings. Playing along, Hitler reassured Schacht that he would find an appropriate new job elsewhere for Luther.

Schacht then pricked up his ears, drew himself up, and focused his big round eyes on Hitler: "Well, if that's the way it is," he said, "then I am ready to assume the presidency of the Reichsbank again."

His great dream was being realized. Schacht had been president of the Reichsbank between 1923 and 1930, but had been dismissed. Now he would return in triumph. He felt vindicated. Within weeks, the ingenious solution to Germany's pressing financial woes would burst forth from his inventive brain.

"It was necessary," Schacht later explained, "to discover a method that would avoid inflating the investment holdings of the Reichsbank immoderately and consequently increasing the circulation of money excessively."

"Therefore," he went on, "I had to find some means of getting the sums that were lying idle in pockets and banks, without meaning for it to be long term and without having it undergo the risk of depreciation. That was the reasoning behind the Mefo bonds."

What were these "Mefo" bonds? Mefo was a contraction of the *Metallurgische Forschungs-GmbH* (Metallurgic Research Company). With a startup capitalization of one billion marks - which Hitler and Schacht arranged to be provided by the four giant firms of Krupp, Siemens, Deutsche Werke and Rheinmetall -- this company would eventually promote many billions of marks worth of investment.

Enterprises, old and new, that filled government orders had only to draw drafts on Mefo for the amounts due. These drafts, when presented to the Reichsbank, were immediately convertible into cash. The success of the Mefo program depended entirely on public acceptance of the Mefo bonds. But the wily Schacht had planned well. Since Mefo bonds were short-term bonds that could be cashed in at any time, there was no real risk in buying, accepting or holding them. They bore an interest of four percent -- a quite acceptable figure in those days -- whereas banknotes hidden under the mattress earned nothing. The public quickly took all this into consideration and eagerly accepted the bonds.

While the Reichsbank was able to offer from its own treasury a relatively insignificant 150 million marks for Hitler's war on unemployment, in just four years the German public subscribed more than 12 billion marks worth of Mefo bonds!

These billions, the fruit of the combined imagination, ingenuity and astuteness of Hitler and Schacht, swept away the temporizing and fearful conservatism of the bankers. Over the next four years, this enormous credit reserve would make miracles possible.

Soon after the initial billion-mark credit, Schacht added another credit of 600 million in order to

finance the start of Hitler's grand program for highway construction. This Autobahn program provided immediate work for 100,000 of the unemployed, and eventually assured wages for some 500,000 workers.

As large as this outlay was, it was immediately offset by a corresponding cutback in government unemployment benefits, and by the additional tax revenue generated as a result of the increase in living standard (sping) of the newly employed.

Within a few months, thanks to the credit created by the Mefo bonds, private industry once again dared to assume risks and expand. Germans returned to work by the hundreds of thousands.

Was Schacht solely responsible for this extraordinary turnaround? After the war, he answered for himself as a Nuremberg Tribunal defendant, where he was charged with having made possible the Reich's economic revival:

I don't think Hitler was reduced to begging for my help. If I had not served him, he would have found other methods, other means. He was not a man to give up. It's easy enough for you to say, Mr. Prosecutor, that I should have watched Hitler die and not lifted a finger. But the entire working class would have died with him!

Even Marxists recognized Hitler's success, and their own failure. In the June 1934 issue of the *Zeitschrift für Sozialismus*, the journal of the German Social Democrats in exile, this acknowledgement appears:

Faced with the despair of proletarians reduced to joblessness, of young people with diplomas and no future, of the middle classes of merchants and artisans condemned to bankruptcy, and of farmers terribly threatened by the collapse in agricultural prices, we all failed. We weren't capable of offering the masses anything but speeches about the glory of socialism.

## **VI. The Social Revolution**

Hitler's tremendous social achievement in putting Germany's six million unemployed back to work is seldom acknowledged today. Although it was much more than a transitory achievement, "democratic" historians routinely dismiss it in just a few lines. Since 1945, not a single objective scholarly study has been devoted to this highly significant, indeed unprecedented, historical phenomenon.

Similarly neglected is the body of sweeping reforms that dramatically changed the condition of the worker in Germany. Factories were transformed from gloomy caverns to spacious and healthy work centers, with natural lighting, surrounded by gardens and playing fields. Hundreds of thousands of attractive houses were built for working class families. A policy of several weeks of paid vacation was introduced, along with week and holiday trips by land and sea. A wide-ranging program of physical and cultural education for young workers was established, with the world's best system of technical training. The Third Reich's social security and workers' health insurance system was the world's most modern and complete.

This remarkable record of social achievement is routinely hushed up today because it embarrasses those who uphold the orthodox view of the Third Reich. Otherwise, readers might begin to think that perhaps Hitler was the greatest social builder of the twentieth century.

Because Hitler's program of social reform was a crucially important - indeed, essential -- part of his life work, a realization of this fact might induce people to view Hitler with new eyes. Not surprisingly, therefore, all this is passed over in silence. Most historians insist on treating Hitler and the Third Reich

simplistically, as part of a Manichaeic morality play of good versus evil.

Nevertheless, restoring work and bread to millions of unemployed who had been living in misery for years; restructuring industrial life; conceiving and establishing an organization for the effective defense and betterment of the nation's millions of wage earners; creating a new bureaucracy and judicial system that guaranteed the civic rights of each member of the national community, while simultaneously holding each person to his or her responsibilities as a German citizen: this organic body of reforms was part of a single, comprehensive plan, which Hitler had conceived and worked out years earlier.

Without this plan, the nation would have collapsed into anarchy. All-encompassing, this program included broad industrial recovery as well as detailed attention to even construction of comfortable inns along the new highway network.

It took several years for a stable social structure to emerge from the French Revolution. The Soviets needed even more time: five years after the Bolshevik revolution of 1917, hundreds of thousands of Russians were still dying of hunger and disease. In Germany, by contrast, the great machinery was in motion within months, with organization and accomplishment quickly meshing together.

The single task of constructing a national highway system that was without parallel in the world might have occupied a government for years. First, the problem had to be studied and assessed. Then, with due consideration for the needs of the population and the economy, the highway system had to be carefully planned in all its particulars.

As usual, Hitler had been remarkably farsighted. The concrete highways would be 24 meters in width. They would be spanned by hundreds of bridges and overpasses. To make sure that the entire Autobahn network would be in harmony with the landscape, a great deal of natural rock would be utilized. The artistically planned roadways would come together and diverge as if they were large-scale works of art. The necessary service stations and motor inns would be thoughtfully integrated into the overall scheme, each facility built in harmony with the local landscape and architectural style.

The original plan called for 7,000 kilometers of roadway. This projection would later be increased to 10,000, and then, after Austria was reunited with Germany, to 11,000 kilometers.

The financial boldness equalled the technical vision. These expressways were toll free, which seemed foolhardy to conservative financiers. But the savings in time and labor, and the dramatic increase in traffic, brought increased tax revenues, notably from gasoline.

Germany was thus building for herself not only a vast highway network, but an avenue to economic prosperity.

These greatly expanded transport facilities encouraged the development of hundreds of new business enterprises along the new expressways. By eliminating congestion on secondary roads, the new highways stimulated travel by hundreds of thousands of tourists, and with it increased tourism commerce.

Even the wages paid out to the men who built the *Reichsautobahn* network brought considerable indirect benefits. First, they allowed a drastic cut in payments of unemployment benefits, or 25 percent of the total paid in wages. Second, the many workers employed in constructing the expressways -- 100,000, and later 150,000 -- spent much of the additional 75 percent, which in turn generated increased tax revenues.

Imagine the problems, even before the first road was opened for traffic, posed by the mobilization of so many tens of thousands set to work in often uninhabited regions, in marshy areas, or in the shadows of Alpine peaks! It's hard enough for 150,000 men to leave their homes and camp out in often rough terrain. But in addition, it was necessary, from the outset, to insure tolerable living conditions for the

columns of men who had agreed to work by the sweat of their brows under the open sky.

In France, it was all but unthinkable in those days for a man out of work to move even 20 kilometers away to search for a new job. He was practically glued to his native village, his garden, and the corner cafe. The Germans were fundamentally no different, but by 1933 they were fed up with their enforced idleness. By pouring concrete, using a pick, or whatever it took, this hard-pressed people would bring dignity back in their lives.

No one balked at the inconvenience, the absence from home, or the long journey. The will to live a productive and meaningful life outweighed all other considerations.

To keep up the worker's morale and spirit, lest he feel isolated or that he was merely being exploited, no effort was spared to provide material comfort, entertainment and instruction. The world had never before seen its like in any great construction project. At last, workers felt they were being treated like respected human beings who had bodies to be satisfied, hearts to be comforted, and brains to be enlightened.

Camp sites, supply bases, and recreation facilities were systematically set up, with everything moving forward methodically as the construction advanced. Fourteen mobile crews that provided motion picture entertainment traveled along, moving from one construction site to the next. And always and everywhere, labor was honored and celebrated.

Hitler personally dug the first spadeful of earth for the first Autobahn highway, linking Frankfurt-am-Main with Darmstadt. For the occasion, he brought along Dr. Schacht, the man whose visionary credit wizardry had made the project possible. The official procession moved ahead, three cars abreast in front, then six across, spanning the entire width of the autobahn.

The Second World War would abruptly halt work on this great construction undertaking. But what was envisioned and created remains as a deathless testimony to a man and an era.

Hitler's plan to build thousands of low-cost homes also demanded a vast mobilization of manpower. He had envisioned housing that would be attractive, cozy, and affordable for millions of ordinary German working-class families. He had no intention of continuing to tolerate, as his predecessors had, cramped, ugly "rabbit warren" housing for the German people. The great barracks-like housing projects on the outskirts of factory towns, packed with cramped families, disgusted him.

The greater part of the houses he would build were single story, detached dwellings, with small yards where children could romp, wives could grow vegetable and flower gardens, while the bread-winners could read their newspapers in peace after the day's work. These single-family homes were built to conform to the architectural styles of the various German regions, retaining as much as possible the charming local variants.

Wherever there was no practical alternative to building large apartment complexes, Hitler saw to it that the individual apartments were spacious, airy and enhanced by surrounding lawns and gardens where the children could play safely.

The new housing was, of course, built in conformity with the highest standards of public health, a consideration notoriously neglected in previous working-class projects.

Generous loans, amortizable in ten years, were granted to newly married couples so they could buy their own homes. At the birth of each child, a fourth of the debt was cancelled. Four children, at the normal rate of a new arrival every two and a half years, sufficed to cancel the entire loan debt.

Once, during a conversation with Hitler, I expressed my astonishment at this policy. "But then, you never get back the total amount of your loans?," I asked. "How so?" he replied, smiling. "Over a period

of ten years, a family with four children brings in much more than our loans, through the taxes levied on a hundred different items of consumption."

As it happened, tax revenues increased every year, in proportion to the rise in expenditures for Hitler's social programs. In just a few years, revenue from taxes tripled. Hitler's Germany never experienced a financial crisis.

To stimulate the moribund economy demanded the nerve, which Hitler had, to invest money that the government didn't yet have, rather than passively waiting -- in accordance with "sound" financial principles -- for the economy to revive by itself.

Today, our whole era is dying economically because we have succumbed to fearful hesitation. Enrichment follows investment, not the other way around.

Since Hitler, only Ronald Reagan has seemed to understand this. As President, he realized that to restore prosperity in the United States meant boldly stimulating the economy with credits and a drastic reduction in taxes, instead of waiting for the country to emerge from economic stagnation on its own.

Even before the year 1933 had ended, Hitler had succeeded in building 202,119 housing units. Within four years he would provide the German people with nearly a million and a half (1,458,128) new dwellings!

Moreover, workers would no longer be exploited as they had been. A month's rent for a worker could not exceed 26 marks, or about an eighth of the average wage then. Employees with more substantial salaries paid monthly rents of up to 45 marks maximum.

Equally effective social measures were taken in behalf of farmers, who had the lowest incomes. In 1933 alone 17,611 new farm houses were built, each of them surrounded by a parcel of land one thousand square meters in size. Within three years, Hitler would build 91,000 such farmhouses. The rental for such dwellings could not legally exceed a modest share of the farmer's income. This unprecedented ownership of land and housing was only one feature of a revolution that soon dramatically improved the living standards of the Reich's rural population.

The great work of national construction rolled along. An additional 100,000 workers quickly found employment in repairing the nation's secondary roads. Many more were hired to work on canals, dams, drainage and irrigation projects, helping to make fertile some of nation's most barren regions.

Everywhere industry was hiring again, with some firms -- like Krupp, IG Farben and the large automobile manufacturers -- taking on new workers on a very large scale. As the country became more prosperous, car sales increased by more than 80,000 units in 1933 alone. Employment in the auto industry doubled. Germany was gearing up for full production, with private industry leading the way.

The new government lavished every assistance on the private sector, the chief factor in employment as well as production. Hitler almost immediately made available 500 million marks in credits to private business.

This start-up assistance given to German industry would repay itself many times over. Soon enough, another two billion marks would be loaned to the most enterprising companies. Nearly half would go into new wages and salaries, saving the treasury an estimated three hundred million marks in unemployment benefits. Added to the hundreds of millions in tax receipts spurred by the business recovery, the state quickly recovered its investment, and more.

Hitler's entire economic policy would be based on the following equation: risk large sums to undertake great public works and to spur the renewal and modernization of industry, then later recover the billions invested through invisible and painless tax revenues. It didn't take long for Germany to see the results



of Hitler's recovery formula.

Economic recovery, as important as it was, nevertheless wasn't Hitler's only objective. As he strived to restore full employment, Hitler never lost sight of his goal of creating a organization powerful enough to stand up to capitalist owners and managers, who had shown little concern for the health and welfare of the entire national community.

Hitler would impose on everyone -- powerful boss and lowly wage earner alike -- his own concept of the organic social community. Only the loyal collaboration of everyone could assure the prosperity of all classes and social groups.

Consistent with their doctrine, Germany's Marxist leaders had set class against class, helping to bring the country to the brink of economic collapse. Deserting their Marxist unions and political parties in droves, most workers had come to realize that the less strikes and grievances their leaders incited only crippled production, and thus the workers as well.

By the of 1932, in any case, the discredited labor unions were drowning in massive debt that realistically could never be repaid. Some of the less scrupulous union officials, sensing the oncoming catastrophe, had begun stealing hundreds of thousands of marks from the workers they represented. The Marxist leaders had failed: socially, financially and morally.

Every joint human activity requires a leader. The head of a factory or business is also the person naturally responsible for it. He oversees every aspect of production and work. In Hitler's Germany, the head of a business had to be both a capable director and a person concerned for the social justice and welfare of his employees. Under Hitler, many owners and managers who had proven to be unjust, incompetent or recalcitrant lost their jobs, or their businesses.

A considerable number of legal guarantees protected the worker against any abuse of authority at the workplace. Their purpose was to insure that the rights of workers were respected, and that workers were treated as worthy collaborators, not just as animated tools. Each industrialist was legally obliged to collaborate with worker delegates in drafting shop regulations that were not imposed from above but instead adapted to each business enterprise and its particular working conditions. These regulations had to specify "the length of the working day, the time and method of paying wages, and the safety rules, and to be posted throughout the factory," within easy access of both the worker whose interests might be angered and the owner or manager whose orders might be subverted.

The thousands of different, individual versions of such regulations served to create a healthy rivalry, with every factory group vying to outdo the others in efficiency and justice.

One of the first reforms to benefit German workers was the establishment of paid vacations. In France, the leftist Popular Front government would noisily claim, in 1936, to have originated legally mandated paid vacations -- and stingy ones at that, only one week per year. But it was actually Hitler who first established them, in 1933 -- and they were two or three times more generous.

Under Hitler, every factory employee had the legal right to paid vacation. Previously, paid vacations had not normally exceed four or five days, and nearly half of the younger workers had no vacation time at all. If anything, Hitler favored younger workers; the youngest workers received more generous vacations. This was humane and made sense: a young person has more need of rest and fresh air to develop his maturing strength and vigor. Thus, they enjoyed a full 18 days of paid vacation per year.

Today, more than half a century later, these figures have been surpassed, but in 1933 they far exceeded European norms.

The standard vacation was twelve days. Then, from the age of 25 on, it went up to 18 days. After ten years with the company, workers got a still longer vacation: 21 days, or three times what the French

socialists would grant the workers of their country in 1936.

Hitler introduced the standard forty-hour work week in Europe. As for overtime work, it was now compensated, as nowhere else in the continent at the time, at an increased pay rate. And with the eight-hour work day now the norm, overtime work became more readily available.

In another innovation, work breaks were made longer: two hours each day, allowing greater opportunity for workers to relax, and to make use of the playing fields that large industries were now required to provide.

Whereas a worker's right to job security had been virtually non-existent, now an employee could no longer be dismissed at the sole discretion of the employer. Hitler saw to it that workers' rights were spelled out and enforced. Henceforth, an employer had to give four weeks notice before firing an employee, who then had up to two months to appeal the dismissal. Dismissals could also be annulled by the "Courts of Social Honor" (*Ehrengerichte*).

This Court was one of three great institutions that were established to protect German workers. The others were the "Labor Commissions" and the "Council of Trust."

The "Council of Trust" (*Vertrauensrat*) was responsible for establishing and developing a real spirit of community between management and labor. "In every business enterprise," the 1934 "Labor Charter" law stipulated, "the employer and head of the enterprise (*Führer*), the employees and workers, personnel of the enterprise, shall work jointly toward the goal of the enterprise and the common good of the nation."

No longer would either be exploited by the other -- neither the worker by arbitrary whim of the employer, nor the employer through the blackmail of strikes for political ends.

Article 35 of the "Labor Charter" law stated: "Every member of an enterprise community shall assume the responsibility required by his position in said common enterprise." In short, each enterprise would be headed by a dynamic executive, charged with a sense of the greater community -- no longer a selfish capitalist with unconditional, arbitrary power.

"The interest of the community may require that an incapable or unworthy employer be relieved of his duties," the "Labor Charter" stipulated. The employer was no longer unassailable, an all-powerful boss with the last word on hiring and firing his staff. He, too, would be subject to the workplace regulations, which he was now obliged to respect no less than the least of his employees. The law conferred the honor and responsibility of authority on the employer only insofar as he merited it.

Every business enterprise of twenty or more persons now acquired a "Council of Trust" (*Vertrauensrat*), two to ten members of which were chosen from among the staff by the chief executive. The law's implementation ordinance of March 10, 1934, further stated:

The staff shall be called upon to decide for or against the proposed list in a secret vote, and all salaried employees, including apprentices of twenty-one years of age or older, will take part in the vote. Voting is done by putting a number before the names of the candidates in order of preference, or by striking out certain names.

Unlike the enterprise councils (*Betriebsräte*) of pre-Hitler Germany, the Council of Trust was no longer a tool of one class. Comprising members from all levels of the enterprise, it was now an instrument of teamwork between classes. Obligated to coordinate their interests, former adversaries in the workplace now cooperated in establishing, by mutual consent, the regulations which determined working conditions.

The Council has the duty to develop mutual trust within the enterprise. It will advise on all

measures serving to improve carrying out the work of the enterprise, and on standards relating to general work conditions, in particular those that concern measures tending to reinforce feelings of solidarity between the members themselves and between the members and the enterprise, or tending to improve the personal situation of the members of the enterprise community. The Council also has the obligation to intervene to settle disputes. It must be heard before the imposition of fines based on workshop regulations.

The law further required that, before assuming their duties, members of the Work Council had to take an oath before all their fellow workers to "carry out their duties only for the good of the enterprise and of all citizens, setting aside any personal interest, and in their behavior and manner of living to serve as model representatives of the enterprise."

Every 30th of April, on the eve of the great national holiday of labor, Council terms ended and new elections were held. This helped to weed out incompetence, overcome stagnation, and prevent arrogance or careerism on the part of Council members.

The business enterprise paid a salary to each Council member, just as if he were employed in the office or on the shop floor, and had to "assume all costs resulting from the regular fulfillment of the duties of the Council."

The second institution established to insure the orderly development of the new German social system was the "Labor Commission" (*Reichstreuhänder der Arbeit*), the members of which were essentially conciliators and arbitrators. They were charged with dealing with and overcoming the inevitable frictions of the workplace. It was their function to see to it that the Councils of Trust functioned harmoniously and efficiently, and to ensure that a given business enterprise's regulations were carried out to the letter.

Each of the thirteen Labor Commissions operated in its own district of the Reich. As arbitrators, they were independent of owners and employees. Appointed by the state, they represented rather the interests of everyone in the enterprise, and the interests of the national community. To minimize arbitrary or unfounded rulings, the Labor Commissions relied on the advice of a "Consultative Council of Experts," consisting of 18 members selected from a cross section of the economy in each territorial district. As a further safeguard of impartiality, a third agency was superimposed on the Councils of Trust and the thirteen Commissions: the Tribunals of Social Honor.

Through these institutions, the German worker, from 1933 on, could count on a system of justice created especially for him, empowered to "adjudicate all grave infractions of the social duties based on the enterprise community." Examples of such "violations of social honor" were cases in which an employer, abusing his power, mistreated his staff, or impugned the honor of his subordinates; in which a staff member threatened the harmony of the workplace by spiteful agitation; or in which a Council member misused or published confidential business information discovered in the course of his work.

Thirteen "Courts of Social Honor," corresponding to the 13 Commissions, were established. The presiding judge was not a party hack or ideologue; he was a career jurist, above narrow interest. The enterprise concerned played a role in the Tribunal's proceedings: two assistant judges, one representing management, the other a member of the Council of Trust, assisted the presiding judge.

Each Court of Social Honor (*Ehrengericht*), like any other court of law, had the means to enforce its decisions. There were nuances, though. In mild cases, decisions might be limited to a reprimand. In more serious cases, the guilty party could be fined up to 10,000 marks. Special sanctions, precisely adapted to the circumstances, were provided for. These included mandatory change of employment and dismissal of a chief executive, or his agent, who was found delinquent in his duty. In the event of a contested decision, the finding could be appealed to a Supreme Court in Berlin -- yet another level of

protection.

In the Third Reich, the worker knew that "exploitation of his physical strength in bad faith or in violation of his honor" was no longer tolerated. He had obligations to the community, but he shared these obligations with every other member of the enterprise, from the chief executive to the messenger boy. Finally, the German worker had clearly defined social rights, which were arbitrated and enforced by independent agencies. And while all this had been achieved in an atmosphere of justice and moderation, it nevertheless constituted a genuine social revolution.

By the of 1933, the first effects of Hitler's revolution in the workplace were being felt. Germany had already come a long way from the time when grimy bathrooms and squalid courtyards were the sole sanitary and recreational facilities available to workers.

Factories and shops, large and small, were altered or transformed to conform to the strictest standards of cleanliness and hygiene: interiors, so often dark and stifling, were opened up to light; playing fields were constructed; rest areas where workers could unbend during break, were set aside; employee cafeterias and respectable locker rooms were opened. The larger industrial establishments, in addition to providing the normally required conventional sports facilities, were obliged to put in swimming pools!

In just three years, these achievements would reach unimagined heights: more than two thousand factories refitted and beautified; 23,000 work premises modernized; 800 buildings designed exclusively for meetings; 1,200 playing fields; 13,000 sanitary facilities; 17,000 cafeterias.

To assure the healthy development of the working class, physical education courses were instituted for younger workers. Some 8,000 were eventually organized. Technical training was equally emphasized. Hundreds of work schools, and thousands of technical courses were created. There were examinations for professional competence, and competitions in which generous prizes were awarded to outstanding masters of their craft.

Eight hundred departmental inspectors and 17,300 local inspectors were employed to conscientiously monitor and promote these improvements.

To provide affordable vacations for German workers on a hitherto unprecedented scale, Hitler established the "Strength through Joy" program. As a result, hundreds of thousands of workers were now able to make relaxing vacation trips on land and sea each summer. Magnificent cruise ships were built, and special trains brought vacationers to the mountains and the seashore. In just a few years, Germany's working-class tourists would log a distance equivalent to 54 times the circumference of the earth! And thanks to generous state subsidies, the cost to workers of these popular vacation excursions was nearly insignificant.

Were Hitler's reforms perfect? Doubtless there were flaws, blunders and drawbacks. But what were a few inevitable mistakes beside the immense achievements?

Was Hitler's transformation of the lot of the working class authoritarian? Without a doubt. And yet, for a people that had grown sick and tired of anarchy, this new authoritarianism wasn't regarded as an imposition. In fact, people have always accepted a strong man's leadership.

In any case, there is no doubt that the attitude of the German working class, which was still two-thirds non-Nazi at the start of 1933, soon changed completely. As Belgian author Marcel Laloire noted at the time:

When you make your way through the cities of Germany and go into the working-class districts, go through the factories, the construction yards, you are astonished to find so many workers on the job sporting the Hitler insignia, to see so many flags with the

swastika, black on a bright red background, in the most densely populated districts.

Hitler's "German Labor Front" (*Deutsche Arbeitsfront*), which incorporated all workers and employers, was for the most part eagerly accepted. The steel spades of the sturdy young lads of the "National Labor Service" (*Reichsarbeitsdienst*) could also be seen gleaming along the highways.

Hitler created the National Labor Service not only to alleviate unemployment, but to bring together, in absolute equality, and in the same uniform, both the sons of millionaires and the sons of the poorest families for several months' common labor and living.

All performed the same work, all were subject to the same discipline; they enjoyed the same pleasures and benefited from the same physical and moral development. At the same construction sites and in the same barracks, Germans became conscious of what they had in common, grew to understand one another, and discarded their old prejudices of class and caste.

After a hitch in the National Labor Service, a young worker knew that the rich man's son was not a pampered monster, while the young lad of wealthy family knew that the worker's son had no less honor than a nobleman or an heir to riches; they had lived and worked together as comrades. Social hatred was vanishing, and a socially united people was being born.

Hitler could go into factories -- something few men of the so-called Right would have risked in the past -- and hold forth to crowds of workers, at times in the thousands, as at the huge Siemens works. "In contrast to the von Papens and other country gentlemen," he might tell them, "in my youth I was a worker like you. And in my heart of hearts, I have remained what I was then."

During his twelve years in power, no untoward incident ever occurred at any factory he visited. Hitler was at home when he went among the people, and he was received like a member of the family returning home after making a success of himself.

But the Chancellor of the Third Reich wanted more than popular approval. He wanted that approval to be freely, widely, and repeatedly expressed by popular vote. No people was ever be more frequently asked for their electoral opinion than the German people of that era -- five times in five years.

For Hitler, it was not enough that the people voted from time to time, as in the previous democratic system. In those days, voters were rarely appealed to, and when they expressed an opinion, they were often ill-informed and apathetic. After an election, years might go by, during which the politicians were heedless and inaccessible, the electorate powerless to vote on their actions.

To enable the German public to express its opinion on the occasion of important events of social, national, or international significance, Hitler provided the people a new means of approving or rejecting his own actions as Chancellor: the plebiscite.

Hitler recognized the right of all the people, men and women alike, to vote by secret ballot: to voice their opinion of his policies, or to make a well-grounded judgment on this or that great decision in domestic or foreign affairs. Rather than a formalistic routine, democracy became a vital, active program of supervision that was renewed annually.

The articles of the "Plebiscite Law" were brief and clear:

1. The Reich government may ask the people whether or not it approves of a measure planned by or taken by the government. This may also apply to a law.
2. A measure submitted to plebiscite will be considered as established when it receives a simple majority of the votes. This will apply as well to a law modifying the Constitution.
3. If the people approves the measure in question, it will be applied in conformity with article III of the Law for Overcoming the Distress of the People and the Reich.

The Reich Interior Ministry is authorized to take all legal and administrative measures necessary to carry out this law.

Berlin, July 14, 1933.

Hitler, Frick

The electoral pledge given by Hitler that day was not vain rhetoric. One national referendum followed another: in 1933, in 1934, in 1936, and in 1938, not to mention the Saar plebiscite of 1935, which was held under international supervision.

The ballot was secret, and the voter was not constrained. No one could have prevented a German from voting no if he wished. And, in fact, a certain number did vote no in every plebiscite. Millions of others could just as easily have done the same. However, the percentage of "No" votes remained remarkably low - usually under ten percent. In the Saar region, where the plebiscite of January 1935 was supervised from start to finish by the Allies, the result was the same as in the rest of the Reich: more than 90 percent voted "Yes" to unification with Hitler's Germany! Hitler had no fear of such secret ballot plebiscites because the German people invariably supported him.

From the first months of 1933, his accomplishments were public fact, for all to see. Before end of the year, unemployment in Germany had fallen from more than 6,000,000 to 3,374,000. Thus, 2,627,000 jobs had been created since the previous February, when Hitler began his "gigantic task!" A simple question: Who in Europe ever achieved similar results in so short a time?

More than two and a half million working-class homes once again knew bread and joy; more than ten million men, women and children of the working class, after years of want, had regained their vigor, and had been returned to the national community.

Hitler's popularity took on some astonishing, indeed comical, aspects. "A brand of canned herring," Joachim Fest relates, "was called 'Good Adolf.' Coin banks were made in the form of SA caps. Bicarbonate of soda was recommended with the advertising slogan 'My Struggle (Mein Kampf) against flatulence!' Pictures of Hitler appeared on neckties, handkerchiefs, pocket mirrors, and the swastika decorated ash trays and beer mugs, or served as an advertisement for a brand of margarine." Annoyed by such fawning (and exploitative) use of his name, and the emblem of his party, Hitler ordered that it be discontinued immediately.

The economic and social transformation of the Reich impressed observers no less than the political transformation wrought by the leader of National Socialism. Gottfried Benn, Germany's greatest poet of that era -- and a man of the Left -- wrote to an expatriate friend, Klaus Mann:

I personally declare myself in favor of the new State, because it is my people that is making its way now. Who am I to exclude myself; do I know anything better? No! Within the limits of my powers I can try to guide the people to where I would like to see it -- My intellectual and economic existence, my language, my life, my human relationships, the entire sum of my brain, I owe primarily to this nation. My ancestors came from it; my children return to it -- There are moments in which this whole tormented life falls away and nothing exists but the plains, expanses, seasons, soil, simple words: my people. (See: J. Fest, *Hitler*, New York: 1974, p. 428.)

In his detailed and critical biography of Hitler, Joachim Fest limited his treatment of Hitler's extraordinary social achievements in 1933 to a few paragraphs. All the same, Fest did not refrain from acknowledging:

The regime insisted that it was not the rule of one social class above all others, and by granting everyone opportunities to rise, it in fact demonstrated class neutrality -- These measures did indeed break through the old, petrified social structures. They tangibly improved the material condition of much of the population. (J. Fest, Hitler, pp. 434-435.)

Not without reason were the swastika banners waving proudly throughout the working-class districts where, just a year ago, they had been unceremoniously torn down.

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