

*“They write politics, we write government”*

# FOUR MONTHS IN 1933

## Springtime for Hitler

*“The composition of the Cabinet leaves Herr Hitler no scope for gratification of any dictatorial ambition.” –  
The New York Times, January 31, 1933*

The Weimar Republic has gotten a bad rap. Created following a sudden defeat, replacing the 400-year-old Hohenzollern dynasty, and attached to the crushing reparations debt of Versailles, the leaders of the first representative government of the Germanic people faced obstacles that would crush any new nation. It made mistakes and had failures, but it also achieved a golden era of economic stability and burgeoning culture. It was no more destined to fail than any other new state.

Adolf Hitler rose to become *fürher und Reichskanzler* through (mostly) legal means. The majority of the German people – at least in 1933 – were not blind followers of a murderous dictator. They were frustrated with crushing unemployment, austerity and deflation; in modern parlance, they felt “economic anxiety”. Yet despite never receiving more than 44% of the vote in a contested election, Hitler was able to utilize the legal machinery of the Republic to poison and destroy it.

- What was the Weimar Republic?
- How did Hitler become Chancellor?
- What did he do then?

### What was the Weimar Republic?

On November 11, 1918, the German people suffered a shock. Just four months earlier, in a great offensive, they pierced the trench line at the joint between the French Army and British Expeditionary Force. They overran the defenses and stood on the doorsteps of Paris, nearing the breakthrough denied to them four years prior. It nearly struck a fatal blow to the Triple Alliance.

But by September, the German Supreme Army Command decided that the position was hopeless.<sup>1</sup> On October 3<sup>rd</sup>, a new Prime Minister was installed,

tasked with negotiating a cease fire. By the end of October, German sailors at the Kiel naval base mutinied against preparations to leave port. Their revolt soon controlled the city of Kiel and began to spread. The two weeks following were a whirlwind: revolution spread across Germany; the Kaiser abdicated and fled; the Republic was declared; a cease fire was signed with the Allies in the forest of *Compiègne*. In January, a National Assembly was elected. They met in Weimar and created a Republic.<sup>2</sup>

<sup>1</sup> Germany’s loss in the War was attributable to the military situation; there was no “stab in the back” by the politicians or other groups.

<sup>2</sup> As my major resource for the structure and history of the Weimar Republic, I’m referring to this [GCSE History](#) resource, which is affiliated with the BBC.

Viewed contemporaneously, the Weimar Constitution appeared well crafted. It was a liberal<sup>3</sup> document, establishing the equality of citizens and rule of law. The basic structure included:

- Separation of Powers: The states of the German Empire had always maintained significant autonomy in various matters and this was preserved.
- Parliament: The Reichstag would be elected proportionally across Germany with no threshold for membership. It would select a Chancellor, who would act as Head of Government via a cabinet of ministers.
- President: As Head of State, the President was elected to a seven-year term and eligible to be re-elected once. Critically, Article 48 permitted the President to suspend portions of the Constitution in an emergency, ruling by decree.<sup>4</sup>

The document also created many basic freedoms which Germans had never previously possessed. They now had the right of habeas corpus, freedom of speech, privacy in their homes and communications, freedom of the press and of assembly, and a right to property. Religious and national minorities were full citizens and received specific protection.

Given its eventual end, it is understandable that the Weimar Republic is considered a failure today. But this is only known in hindsight. So before looking into its demise, it is important to consider the history of Weimar, which conveniently splits into 3 eras.

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<sup>3</sup> I use liberal in the classical sense, meaning “broad-minded” as in definition number 5 at [Merriam-Webster](#).

<sup>4</sup> Back to [Wikipedia](#), if you would like more details about the structure of Weimar.

<sup>5</sup> Ludendorff, victor of Liège and Tannenberg, became a symbolic leader of right-wing nationalists causes in Weimar Germany. His tacit support would give other conservatives cover to radicalize and destroy the State.

<sup>6</sup> The first Weimar President, Friedrich Ebert, is not well known today. But he is an interesting guy - originally from

### *1919-1923: Crisis and Inflation*

The Weimar Republic generally had a centrist Chancellor and cabinet, which was opposed by both left-wing and right-wing radicals. As a new system, in a country with little democratic history, the earliest years involved several attempts to overthrow the government.

- Spartacist Uprising: Left-wing, 1919. A splinter group of radical Communists erects barricades in Berlin. Center-left government reacts violently, deploying the army to restore order. Leading “moderate Communists” were killed in police custody (despite being opposed to the uprising).
- Kapp Putsch: Right-wing, 1920. Paramilitary groups revolted against the government, who they viewed responsible for the humiliating Versailles Treaty. Significant portions of the army, including General Erich Ludendorff,<sup>5</sup> were sympathetic. Without army support, the government was forced to flee Berlin. The President of the Republic<sup>6</sup> called for a general strike, crippling the country and ending the coup. The eponymous leader was permitted to reach exile in Sweden before returning to Germany to continue political work.<sup>7</sup>
- Beer Hall Putsch: Right-wing, 1923. Adolf Hitler<sup>8</sup> and a group of about 2,000 followers marched to the center of Munich with the goal of taking control of the Bavarian state. After provoking a clash with local troops, in which 20 people were killed, the crowd dispersed. Hitler was sent to Landsberg

the far left, he worked with right and nationalist elements to try to establish a successful Republic. Of course, he also invoked emergency powers 134 times – a dangerous precedent. Vilified by right-wing opponents despite a special type of patience with their violent form of politics, he died in office in 1925. An interesting historical “what if”: Would Ebert have been able to resist Hitler’s rise more effectively than his successor?

<sup>7</sup> By standing for trial for his role in the Putsch.

<sup>8</sup> Well look who showed up!

Prison for a little while, but then released to continue political activity. From then on, he vowed, he would attempt to gain power only via legal means.

Although Weimar had another 10 years to live, we can already see a pattern: left-wing groups are put down violently and excluded from the political arena while right-wing groups are given slaps on the wrist and allowed to re-establish.<sup>9</sup>

At the same time, the Republic was to face a challenge of a different type. A combination of war reparations, a shortage of raw materials and the French occupation of the industrial Ruhr Valley caused Weimar's most famous feature, hyperinflation:

*"The budget deficit almost doubled, to around \$1.5 billion. To finance this shortfall required the printing of ever-increasing amounts of ever more worthless paper marks...*

*The task of keeping Germany adequately supplied with currency notes became a major logistical operation involving '133 printing works with 1783 machines...and more than 30 paper mills.'*...

*Basic necessities were now priced in the billions – a kilo of butter cost 250 billion; a kilo of bacon 180 billion; a simple ride on a Berlin street car, which had cost 1 mark before the war, was now set at 15 billion...*

*In the time that it took to drink a cup of coffee in one of Berlin's many cafes the price might have doubled...Economic existence*

*became a rat race. Workers, once paid weekly, were now paid daily with large stacks of notes. Every morning big trucks loaded with laundry baskets full of notes rolled out of the Reichsbank printing offices and drove from factory to factory, where someone would clamber aboard to pitch great bundles to the sullen crowds of workers, who would then be given half an hour to rush out and buy something before the money became worthless."*<sup>10</sup>

#### *1924-1929: The Golden Age of Weimar*

Somehow, they ended the inflation.<sup>11</sup> The German people, although shocked by the episode, began to settle into a period of normalcy. Only six years after the shocking defeat and five years after the humiliation at Versailles, Weimar was secure, prosperous and happy:

- Foreign Affairs: Proper action on the international stage allowed modifications to the Treaty of Versailles, helping the balance of payments. Germany signed onto several agreements to control armaments and promote collective security in Europe.
- Political: Although they were short-lived, a pattern formed of shared government between center-right and center-left parties. Radicals still existed but there were no more serious coups.
- Economic: With the currency stabilized, economic growth rebounded quickly and standards of life neared parity with other Western nations.
- Social: Weimar took advantage of the stability to create unemployment insurance,

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<sup>9</sup> Please see: [Shirer, William L. 1960. The rise and fall of the Third Reich; a history of Nazi Germany. New York: Simon and Schuster.](#) One of the first historical accounts to be written of Hitler's rise, written by a journalist working in Germany at the relevant time. Shirer considered the disparate treatment of the left and right a key factor in the rise of Hitler. Written over fifty years ago, it is still one of the most important books that you can read.

<sup>10</sup> [Ahamed, Liaquat. 2009. Lords of finance: the bankers who broke the world. New York: Penguin Press.](#) I'm sorry to quote at such length. His story of Weimar hyperinflation runs pages 116-129, and is worth the full price of the book.

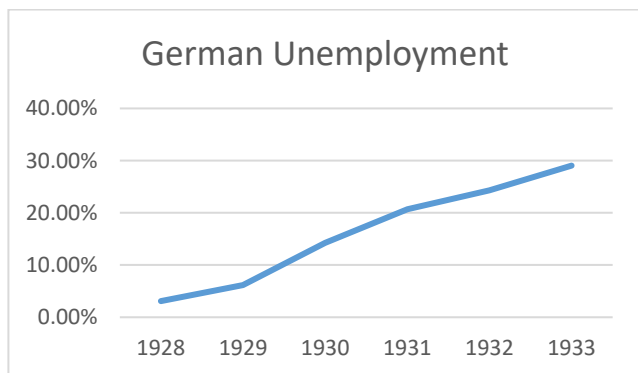
<sup>11</sup> If you want the full story, rather than my hand waving, it's in Lords of Finance.

a welfare system and worker protections. The housing stock greatly improved and there was even an attempt to achieve universal health care.<sup>12</sup>

- Arts: All types flourished, as the Cabaret culture of Berlin became a center of the visual and performing arts world. Dada, German Expressionism and New Objectivism were centered in Weimar.
- Science: Einstein had already published General Relativity, but was still in residence. Heisenberg and Born were critical to the development of particle physics. Fromm and Weber headlined the Frankfurt School of Philosophy. Göttingen, although below its 19<sup>th</sup>-century heights,<sup>13</sup> was still a top university.

#### 1929-1933: Deflation and Suicide

One critical factor in Germany's recovery was public and private lending from the United States. After the stock market crash in 1929, American banks tightened credit to Germany, uniquely susceptible to such a shock. The Great Depression hit Germany harder than other European countries:<sup>14</sup>



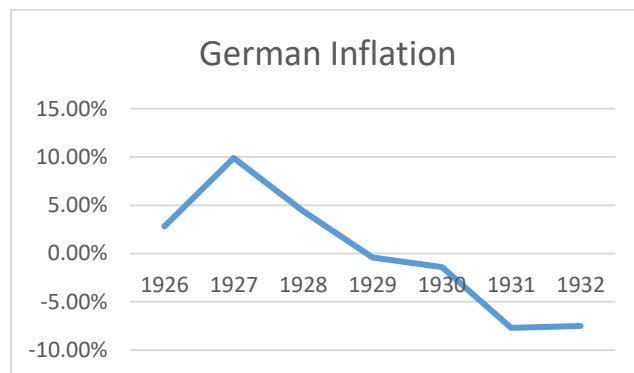
<sup>12</sup> See LobbySeven Commentary, Vol 2, 4 and 6.

<sup>13</sup> Everything is below Göttingen's 19<sup>th</sup>-century heights. It's math department featured Gauss, Dirichlet, Dedekind and Riemann.

<sup>14</sup> I found some disagreement on German unemployment levels, but I used [this one](#), which is a representative if not exact.

<sup>15</sup> Heinrich Brüning. Also little known today, but he deserves the ignominy.

Weimar responded by installing a so-called finance expert as Chancellor.<sup>15</sup> He responded in the classical, conservative manner: implementing austerity to eliminate budget deficits and restore confidence. Instead, it led to massive deflation, worsening the real debt burden, which decreased demand and increased unemployment.<sup>16</sup>



The situation again ripe for revolution. Adolf Hitler, his Nazi party steadily gaining in the polls, had been waiting patiently.<sup>17</sup>

<sup>16</sup> I think that in [Tabelle 2 on page 206](#), "Veränderung gegenüber dem Vorjahr" is an inflation measure, but my German could use some refreshing.

<sup>17</sup> It's important to note that today's German insistence on contained inflation in the Eurozone flows from a spectacular mis-reading of history. Hitler didn't rise to power during Weimar's hyperinflation – it was a decade later during a period of high unemployment and **deflation**. See [The Economist making this point at length](#).

## How did Hitler become Chancellor?

As we've seen, Hitler and the Nazis first came to the notice of the world during the Beer Hall Putsch of 1923. During his time in Landsberg prison, he composed his treatise,<sup>18</sup> describing in lurid detail the plan he wanted to implement in Germany. Even though virtually all of his future crimes were spelled out precisely, it would be almost twenty years before people would take his campaign promises literally.

*"Adolph [sic] Hitler, once the demi-god of the reactionary extremists...He looked a much sadder and wiser man today...His behavior during imprisonment convinced authorities that, like his political organization, known as the Völkischer, was no longer to be feared. It is believed he will retire to private life and return to Austria, the country of his birth."<sup>19</sup>*

Being a master manipulator of public opinion, with a reckless disregard for the truth, Hitler set about building his organization. I think of his work as involving three constituencies and one enemy:

### *Constituency 1: The Junkers*

During the Prussian Era, the wealth of the nation became concentrated in a small group of landed nobility, known as the "Junkers".<sup>20</sup> After the unification of Germany,<sup>21</sup> as the new Empire began to industrialize, their wealth moved to industry, specifically armaments. The coming of the Republic took their political power; the limitation of the military after Versailles hit them in the pocketbook. Monarchists at heart, they were susceptible to an authoritarian figure who promised military contracts. Financing the Nazi Party was just good business sense.

### *Constituency 2: The Army*

That Germany's loss in World War I was due to military failure didn't dissuade Army leaders from promoting the myth of "stab in the back". And with the *Reichswehr* limited to 100,000 troops, there were more senior Army officers around than troops to be led. Their prestige was ripe to be marshalled to destroy the Republic. Their acquiescence would be necessary for anyone looking to take power.

### *Constituency 3: The People*

Recall that after the hyperinflation subsided, the German people achieved great economic gains through the mid-1920s. Reforms which limited the power of the Junkers and the Army mechanically increased the power of the average *landser* or *hausfrau*. Winning over the working classes would require an economic shock. Nazi Party fortunes fluctuated as its leaders waited for an opportunity.

But until the opportunity came, Hitler would meticulously lay groundwork. He held rallies, whipping crowds into a frenzy, promoting violence against Jews, Socialists and political opponents. He began his private security force, the SA, which would soon create civil terror across the country. But he held out his wildest invective for...

### *Enemy 1: The Institutions*

In the view of Hitler, all institutions<sup>22</sup> were corrupt and the enemy of the people. Only he could fix them. He railed against the Government, the bureaucrats, the professionals, the scientists, the racial and ethnic minorities, and the Western Democracies of France and England. But his fiercest criticism was of the press.

*Lügenpresse*, or "lying press" was the word used by Hitler and the increasingly powerful Joseph Goebbels. What began as words soon moved to

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<sup>18</sup> For obvious reasons I will neither name, quote, nor link to this.

<sup>19</sup> [New York Times](#), "Hitler Tamed by Prison", December 21, 1924.

<sup>20</sup> I believe it's pronounced with a soft "J".

<sup>21</sup> Accomplished by the most famous Junker, Otto von Bismarck.

<sup>22</sup> Except for the Army, of course. Hitler needed the Army.

physical violence, as blacklisted reporters required security guards to report on Nazi Party activities. In the place of the lying press, Hitler promoted “fake news”; with generous subsidies, these Nazi-affiliated newspapers soon became lucrative business ventures.<sup>23</sup>

Hitler’s words were clear, he had no purpose other than to destroy the Republic. His SA began to intimidate neutral local leaders and elections turned violent. His Reichstag members became unruly, closing the legislature to any business. Compromise with the Establishment was an anathema – after all, they were Enemy #1.

These same Institutions reacted...complacently. The Executive, Judicial and Military leaders who violently put down revolts from the left took little action against the Nazis. Some of them were Anti-Semitic and some were anti-Republican, but most just did not take the threat seriously. They thought they could control him, use his movement for their own purposes,<sup>24</sup> and gain back power.<sup>25</sup>

This came to a head after the election of November 1932. The Nazis were the largest party in the new Reichstag, but with only 33% of the vote.<sup>26</sup> The right-wing parties were still outnumbered by the center-left. However, outgoing Chancellor Franz van Papen saw in a coalition with Hitler the ability for the conservative elements to maintain power. President Paul von Hindenburg, an old and tired monarchist, became convinced that Hitler’s extreme positions were merely campaign rhetoric. The man he had derisively called the “Austrian Corporal” would be a figurehead, surrounded and controlled by a cabinet of good, old conservatives.

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<sup>23</sup> Again, I’m not giving the names or linking to Nazi Party propaganda. Hitler’s personal finances, tenuous until he became Chancellor, improved as he handed out printing contracts. See Rise and Fall.

<sup>24</sup> Such as eliminating government sponsored health care, lowering taxes on the wealthy, eliminating government regulation of industry and promoting growth of the military.

## What did he do then?

Like every faux-populist demagogue-authoritarian that I can think of, Hitler did not permit himself to be co-opted. He implemented precisely the plan he had explained over the previous decade. He began to gather all of the power of the State. To do so, first he needed a crisis.

The history books may tell you that there are doubts as to who started the Reichstag fire of February 27, 1933. But I think it is clear enough. A troubled Dutch Communist was certainly there and he certainly set a fire. But it burned too fast to be the work of one man. There was a tunnel directly from where the fire was set to offices controlled by the Nazis. We know what happened – it was not planned by three Bulgarian Comintern members, as the Nazis claimed.<sup>27</sup> But Hitler took full advantage.

Passed on February 28<sup>th</sup>, the Reichstag Fire Decree devolved power to the Interior Minister, who just happened to be Nazi Hanz Frick. With new elections just a week away, 4,000 opposition leaders were imprisoned, their parties removed from the ballots. Ordered by Prussian Minister Hermann Göring, SA and SS elements “monitored” the balloting. Violence was of course directed against the Communist “enemy”, but also against the centrist parties. The resources of the Junkers were thrown behind Hitler, who promised that this would be the last election. Despite all of this, the Nazis were only able to gain 44% of the vote. However, Hitler was able to establish a coalition with the sympathetic People’s Party, enabling him to form a majority government, finally controlling the cabinet.

<sup>25</sup> This Volume is a bit long, but Shirer takes 300 pages on Hitler’s rise, so I’ve really restrained myself.

<sup>26</sup> This was actually a slight decrease from their July 1932 result.

<sup>27</sup> Hilariously, even a show trial, completely under Hitler’s thumb, couldn’t convict the purported masterminds of starting the fire.



After this election, there remained three Reichstag parties preventing Hitler from gaining full legislative control. The 100 Communist members never took their seats; they were quickly jailed or went into hiding. The Catholic Center was placated when Hitler agreed to sign a treaty with the Vatican. This gave Hitler the two-thirds majority necessary to pass the Enabling Act, moving all Legislative power to the cabinet, which he controlled. Germany was now a dictatorship.

Of course there were still threats to Hitler's absolute power, but Hitler could take his time to deal with them. Trade unions survived until May; they were disbanded and replaced by the German Labor Front. In July, the Nazi Party became the only legal political party; new elections gave them a majority of 92%. Opposition and neutral press offices were raided and shut down; editors who valued their business or personal freedom began to take orders from the Propaganda Minister. In 1934, the traditional states were replaced with a new system of "*Gaue*", with each *Gauleiter* answering directly to the Nazi Party. The Night of the Long Knives (June 1934) neutered the SA, eliminating the possibility of rebellion from within the Party. On the death of Hindenburg, the offices of President were merged with those of Chancellor and Hitler became *führer* of the German State. He waited until 1938 to deal with the military; a fake scandal allowed him to push out the high command, naming himself Commander in Chief. With all power bases under his personal control, Hitler could begin to expand his plan outside of Reich borders.

"So what?" you ask. "Are you going to be the 10,000<sup>th</sup> person to tell me that some modern-day person is the second coming of Hitler?"

No, I don't plan to do this.<sup>28</sup> But I do want to scare you.

When talking about the state of the world, and my deep concern, a frequent response is that "they" won't let this happen, there are "things" in place to prevent it, it could never "happen" here. When that guy said those things, it was just the campaign, he didn't mean them, don't take him so literally, give him a chance.

Obviously, the United States is a more stable nation than Weimar Germany. But it still has in its structure the ability to be legally transformed into an authoritarian dictatorship.<sup>29</sup> There are no institutional "guardrails" to protect us. The best defense we have against a tyrant is to not elect one President.

While writing this, the historical parallels proved more on point than I realized at the start. Disparate treatment of opposition from the left (e.g. Black Lives Matter) and the right (Tea Party) is common. The press, which has strained to maintain false balance during the campaign, is undermined any time they dare to report critical items.<sup>30</sup> A candidate makes specific promises to eliminate freedoms and norms, but we are told not to take them seriously.

We can learn something from the demise of Weimar.

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<sup>28</sup> In fact, I actually think a better historical comparison is Neville Chamberlain, who, in the interest of "making good deals", sold out traditional allies and handed Hitler the means to enslave most of Europe.

<sup>29</sup> It isn't the purpose of this commentary to go into hypotheticals, but I would be happy to write about how this could happen.

<sup>30</sup> Nobody has bent over backwards like [CNN](#).