COMMAND AND CONTROL IN NAZI GERMANY

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Carlisle Barracks, Pennsylvania
8 February 1973
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COMMAND AND CONTROL IN NAZI GERMANY

A MONOGRAPH

by

Lieutenant Colonel Winfield A. Holt
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ABSTRACT

Considers means employed by Adolf Hitler to establish control over Germany period 1933-1938. Identifies methods and means used with different groups. Specific groupings considered: Military, Economic, Press. Investigates relationship between *Mein Kampf*, Nazi Party Platform (pre 1933), and various communication control laws and dictates enacted post-1933. Traces development of relationship between State and Army from November 1918 to September 1938. Discusses military relationship to purge of SA, effect of Military oath to Hitler, military reaction to Hitler's revelation of aggressive plans. Considers Hitler's relation to Economic advisers, methods for seizing control of Labor Unions, methods of capturing support of industrial leaders. Concludes that Hitler succeeded through a combination of: quasi legal powers granted by an intimidated parliament; appeals to Nationalistic spirit; feeding the greed of special interest groups; playing one group off against another.
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CHAPTER I

INTRODUCTION

The history of Nazi Germany is a dark tale. And the delver into the facts of those years finds a new horror behind every fact until finally the mind is numbed with incomprehensible statistics. Yet this history is one of deep and lasting interest to Americans, for our own history has been profoundly involved with that of Germany.

In 1945 it seemed safe to believe that Germany would never again rise to dominate Europe. However, in 1972, it no longer seems so safe to believe in a quiescent Germany. Thus, a study of German leadership is doubly germane today: first, to better understand those forces which in so large measure decided the world which we inhabit and second, to better understand the institutions and leaders which shaped the youthful environment of those who lead the recrudescent Germany of the '70s.

Further, a study of Nazi Germany, its leaders and their methods of command and control, is a fruitful source of self-examination for persons charged with leadership under any government.

Telford Taylor has said that:

It will be written that liberty and decency in Germany under Hitler were the victims of a collapse in leadership. Jurists, doctors, professors, civil officials, business magnates and—in Germany most honored of all—generals, alike . . . sold themselves, their callings, and their country into slavery.
True as that may be, there must have been a force to have caused
the collapse, and that force must have emanated from a leader or
body of leaders. It is the purpose of this paper to study that
force; to investigate the means and the success of Hitler's command
and control.

I have applied two principal means of narrowing the scope of
this paper. First, a narrowing in time. I have selected 30 September
1938 as the cutoff date, since this date marks the culmination of
Hitler's "bloodless" acquisitions of new territory. There is a
rising scale to the gambles which Hitler took with the peace of
Europe, and that scale was marked on each occasion by increased
opposition from his generals, industrialists and diplomats. Begin¬
ning with the re-militarization of the Rhineland in 1936, thence to
the annexation of Austria in March of 1938, followed by the occupa¬
tion of the Sudetenland on 1 October of 1938, the world external
to Germany had been largely apathetic toward Hitler. However,
within Germany, he had been generally held in great disdain and
in varying degree had been opposed by industrial, diplomatic and
military leaders. Bullock's estimate is typical of scholars of
the Nazi era who appear unanimous in agreement that on 30 September
of 1938 "Hitler's prestige rose to new heights in Germany, where
relief that war had been avoided was combined with delight in the
gains that had been won on the cheap." Ritter is convincing in
his assertion that September of 1938 was the last time when there
was a chance "without fierce civil strife, shattering the
Hitler regime and saving Germany and Europe." Further,
as the Second World War began, Hitler more and more divorced himself from the German nation at large, becoming preoccupied with military affairs and more and more leaving all other facets of Government in the hands of men such as Goebbels, Goering, Himmler, Bormaun and Speer. As a leader he thus tends to have less personal impact on German internal affairs. Also, the war itself became a great coalescing factor for the German populace in general. Particularly, the early success in Poland and France provided a great self-generating support for Hitler, which allowed of no opposition and which required little finesse to harness. For these two reasons, then: change in internal opposition and the self-generating force of the war, 30 September 1938 seems to be a useful cutoff date in studying Hitler's methods.

A second limiting factor for this paper lies in the selection of approaches to Hitler's leadership. Here the limiting factor may be more arbitrary than in the choice of a cutoff date. I have chosen to focus on Hitler's manipulation of the military, the German economy and the communication media. In so limiting myself, I neglect the church, the Civil Service, the Foreign Service, and foreign opinion, among others. However important these neglected factors may be, they lack the capacity for shaping the course of a nation which is implicit in the money of the economy, the arms of the military or communication's influence of domestic opinion.

Further, in studying the face of pre and post-1933 Germany, it is evident that of the three bodies I have chosen to examine
it is the military which presents the only truly cohesive aspect. The press, by nature inquiring, argumentative, and independent, presented no coherent force. Yet, as we shall see, it could be all too easily marshalled to provide a uniform and uncritical voice. It is not normal to think of a national economy as a coherent body. However, National Socialism represented itself as an economic ideology and it can hardly be ignored in its economic sense here. Further, the power of industry to shape the political fate of a nation, and the difficulties inherent in manipulating an economy, demand that it be studied here.

One further note of introduction is necessary. This paper does not concern itself with the crimes against humanity perpetrated in the names of Adolf Hitler and National Socialism, since those thoroughly documented crimes lie outside the scope. Their absence from these pages should in no way be construed as condoning those crimes.
CHAPTER I

FOOTNOTES

On 4 February 1938, Hitler announced to his cabinet that he had appointed himself to fill the vacated post of Defense Minister and that the post would hereafter be known as the Minister of War. On the same date, the War Ministry Staff was transformed into the High Command, Oberkommando der Wehrmacht (OKW), of the Armed Forces. With that move Hitler finally captured complete control of the German military. The steps which led him to that post provide one measure of him as a leader. An understanding of the progressive steps stem from an understanding of what the German military, and especially its officer corps, had become by 1938. With the air arm a new creation, for practical purposes, under the leadership of Goering, and the Navy a relatively weak stepchild, it is to the Army we must look for the best view of Hitler at work.

The Army which Hitler inherited as Chancellor in 1933 was a vastly different Army from the Army of 1938. It is fair to say that they were two distinct German Armies. The Army of '33 still resembled and in large measure thought of itself as the Imperial Army. The Army of '38 was a National Socialist Army, in its mass, with its generals still largely of the Imperial mold. The development to '33 and the transition from '33 to '38 are two very separate stories and, I believe, they should be looked at separately with, finally, the interconnecting strands developed, since Hitler's
transformation of the Army of '33 to the Army of '38 represents one of his greatest triumphs of leadership.

Much was to be made during the 1945-46 Nuremberg Trials of the holy oath which the Army swore to Hitler on 2 August 1934. Apparently those who defended themselves with that oath and the Prussian traditions of the Oath to the Head of State, had forgotten 9 November 1918. On that occasion Groener, Ludendorf's replacement as Quarter Master General, the Prussian equivalent of Chief of the General Staff, asked the Army and Army group commanders if the troops would remain loyal to the Emperor if they were used to put down the growing revolution. The answer was negative. The generals could not trust their troops. The Emperor reminded the assembled generals of the duty imposed by the Soldier's Oath, but Groener told him that in the prevailing circumstances the oath must be looked upon as a fiction. The breaking of that oath must be held as an interesting sidelight to this paper, but the separation of the generals from their troops is crucial and will reoccur. It is part of the collective memory which lies behind many decisions which are to follow to the final acts in 1945.

It has been said that the last military achievement of the Prussian General Staff during the 1914-18 War was to bring the troops back across the Rhine quietly and in good order. However quiet that return was, by 16 December 1918 all order had been lost as the Army began to dissolve. Formations which President Ebert had met at the Brandenburg gate, including elements of the Prussian guard, heard Ebert cry: "You have been unconquered in the field,"
but they ignored his pleas to remain quietly in the ranks. Huge quantities of weapons and ammunition were thrown away as troops simply demobilized themselves by walking away. By 23 December 1918, when the Volks-Marine Division (itself a force composed of self-organized, self-demobilized mutinous elements) revolted against the People's Delegates, and blockaded Ebert in the Wilhelmstrasse, there were no Army formations capable, or reliable enough, to be used to disperse the Volks-Marine. The People's Delegates were forced to call on the Freikorps for aid.

These volunteer groups had been formed at the call of the provisional government and at the suggestion of Hindenburg. Germany was in chaos, revolution was spawning counterrevolution, and counter-counterrevolution, arms were available to anyone simply for walking into half abandoned Government installations and Government was largely powerless to govern. Thus private armies sprung up overnight wherever some convincing voice was raised that could draw a crowd. The Freikorps, as they became more organized, were drawn under the influence of the General Staff and eventually became part of defensive War Planning. Nevertheless, until their final dissolution they remained barely under control, always available for political murder or terror.

In South Bavaria where the sullen hostility of this southern country against the revolutionary north was especially bitter, the most powerful of the Freikorps was headed by one Captain Rohm. On paper this army had a strength of two-hundred thousand and it may have had an effective strength of one-hundred thousand by 1920.
Although it was based in Bavaria, Rohm’s Army had ramifications through the whole of Germany, and even in Austria. A loosely knit organization connected the Bavarian nucleus with the more clandestine organizations in northern Germany. Although its members were to change, and its goals to change with amazing fluidity, this was the first element of the SA, the *Sturm Abteilung*, Hitler’s Brownshirt Army.5

It is difficult, if not impossible, for one trained to think in terms of regular formations, raised in law and responding to carefully established relations between military and civil power, to comprehend the *Freikorps* or the German era of the '20's. It helps if one considers the importance of the Weimar Republic. This body, a creation of defeat and counterrevolution, had looked to the Wehrmacht for internal order. Yet the Wehrmacht had fallen apart in 1918 and in 1920 the Reichswehr was held to a strength of one-hundred thousand, clearly unable to deal with armed freebooters outnumbering them by many times. Further, the officers could never be sure when they ordered regular units out on riot duty that they would be obeyed. Thus the uneasy wedding between the General Staff and the *Freikorps* was consumated.

In Bavaria this was a very uneasy wedding indeed. However, an ironic twist provided a link between the Bavarian SA and the General Staff. The link lay in the person of Ludendorf, the Great Quartermaster General of the war, and a saying, which legend has it, sprang from his meeting with a former enemy. During a visit by Sir Neill Malcolm, an English general:
Ludendorf began indulging in the most violent abuse both of his government and people, who, he claimed had left him in the lurch, proving themselves no longer worthy of their warrior ancestors. General Malcolm thereupon asked, "Are you endeavoring to tell me, General, that you were stabbed in the back?" Ludendorf was delighted with the phrase. "That's it!" he shouted. "They gave me a stab in the back—a stab in the back!"

In 1923 Ludendorf was in Munich, and he and an Austrian corporal at the head of the SA walked out of the Burgerbrau to the steps of the Feldherrenhall to mount a Putsch. Hitler allied himself with Ludendorf to achieve the aura of legality and respect stemming from the famous man. Ludendorf sought to capitalize on Hitler's demagogic appeal. Together they would "save Germany from the traitorous red menace, the stab in the back." When the shooting began, Hitler, the decorated combat soldier, had the sense to dive for cover. Ludendorf, the staff man, simply kept walking forward until he was respectfully captured by the police. The Putsch collapsed, but Hitler's first overt attempt to seize national power had succeeded in pulling together natural enemies in his support.

The pressures which brought the revered Prussian Ludendorf to conspire with the Austrian corporal, Hitler and his band of thugs are manifold and complex, yet they provide a coherence which helps to sort the tangled thread leading to Hitler's rise to power.

After the 1918 war German Army men knew they were isolated. It is not true they lost access to the seat of power. Especially in the immediate post-war era the Army command were to a large
extent the co-rulers of Germany. However, they knew they were no longer able to lead the people into a continuation of the war, although the military hierarchy, and especially the Staff, would not accept that the war had been lost. It was not wholly without reason that they looked on the war as militarily unlost, "for the last battle had never been fought, /at the time of the Armistice/ the front was still unbroken. . . ." What they needed was an ideology which would once again unleash a nationalistic spirit. It was Adolf Hitler, himself nurtured on the ideology of the old Army, who helped form the spirit.

When asked at the trial of the Putsch conspirators why he had conspired with Hitler, General von Lossow, Commander of all (Reich's) troops in Bavaria, declared frankly:

We had realized that there was a healthy kernal in the Hitler movement. We saw this kernal in the fact that the movement possessed the power to make converts among the workers for the cause of nationalism.

Ludendorf told the same court essentially the same thing:

The nationalistic movement which Hitler led did not intend to be an end in itself . . . it was determined to create a strong, militant Germany. It saw in "the Prussian Militarism" the salvation for the future.9

With the collapse of the Beer Hall Putsch, though not because of it, the conditions which had supported the chaos of the Freikorps era began to erode. The French evacuation of the Ruhr, following the Dawes Plan in 1924 which started the flow of money into Germany, established the basis for economic recovery. The Mark began to recover meaning, employment rose
markedly and removed the pressure for revolution inherent in millions of unemployed.10

Concurrently with the stabilizing of the economy, the Reichswehr itself began to stabilize. This perfectly suited the personality, plans, and view of future combat held by General Hans von Seeckt, who had become Chief of Staff in 1919. The Army was to become a new imperium in imperio, which would maintain touch with any organization that had the defense of the country at heart; but, it would not commit itself politically one way or another.11

At the time of the Kapp putsch, March 1920, in Berlin, Seeckt had largely been responsible for the failure of the Reichswehr to deal with the mutinous elements. His remark "Truppe schiesst nicht auf Truppe," or, German troops don't shoot at each other, underlines Seeckt's view of political use of troops. All he cared for was the preservation of the Army, that is to say of his own special instrument.12 Characteristically, Seeckt procured immunity from trial for high military persons who had taken part in the anti-Republican Kapp putsch. Seeckt went so far in his anti-Republican gestures that he prevented decorations in the Republic's Red, Black and Gold from being introduced in the army. He did his utmost to prevent President Ebert from being present at maneuvers and parades. The Republic was to be strictly prevented from having any attractions for the Army.13 Seeckt, writing of the relationship between Army and State, established the political stance of the Army: "In any healthy political
organism, the government whatever its form, disposes of all the resources of the State, and therefore of the Army, too." A few paragraphs later he is even clearer: "'Hands off the Army!' is my cry to all parties. The Army serves the state alone, for it is the state."14

Seeckt left no doubt of the relationship he desired between the Republican government and his Army. On 9 November 1923, at the time of the Hitler Beer Hall Putsch, Berlin learned of the uprising late in the afternoon.

The government met at midnight under chairmanship of President Ebert. The men in Berlin understood the problem of the hour as well as Hitler in Munich. The President asked General von Seeckt: "Tell us, please, General, whom does the Reichswehr obey? Does it obey the laws and the government, or the mutineers?" Seeckt looked coldly through his monocle and answered: "The Reichswehr obeys me, Herr Reichs President." The answer hit the nail on the head. The Reichswehr obeyed its own interests.15

Thus, in his own actions and his writings, Seeckt established both the moral and physical Army Hitler was to find ready for his leadership. First, the Army was theoretically nonpolitical, yet it was anti-Republican. Second, the Army would remain clear of all parties (thus becoming naively vulnerable to the propaganda of any one party once the barrier was broken). Third, the Army was a state within a state, and would act to support government when it suited the Army.

Having established the political stance for the Reichswehr, how did Seeckt shape its military purpose? The problem of the Versaille abolition of the Prussian General Staff was easily
overcome. For practical purposes the officers of the Imperial Great General Staff were very largely simply transferred to the Reichswehr Truppenamt. In fact, the reorganization provided the opportunity to weed out the incompetent. Shortly, the Truppenamt became the carrier of the traditions of uniform operational thought which had been the General Staff’s strongest characteristic. The names which were to become familiar during the second World War were largely present by 1923. Blomberg, von Leeb, von Bork, von Falkenhauen, von Rundstedt, von Brauchitsch, Kesselring, Beck, von Fritsch and Guderian had all been earmarked for, or were serving with, the Truppenamt in 1923.¹⁶

These officers learned quickly to do apparently contradictory things. Namely, to preserve the monarchical ethos of the Prussian officer while they served a Republican order which was alien to their innermost selves. Moreover, all of them were thoroughly trained to use the methods of conspirators in order to provide the basis for future expansion and to test the new weapons, formations, and equipment forbidden them. They all nurtured a double resentment: against their own government on the one hand, and on the other against the foreign signatories of the Treaty which so hampered them.¹⁷ The capacity to hold innermost belief isolated from concept of duty was to return to haunt many of these men.

The history of the development of Reichswehr doctrine and equipment—that is to say the involvement with such covert activities as testing tanks and aircraft in Russia, the building of anti-tank guns in Sweden, the plans for "tractors" developed
under the nose of the Control Commission, these and many other subterfuges--lie outside the scope of this paper. However, what does develop from the aura of subterfuge and conspiracy is a viewpoint. In this case a view that ends justify means and that the sought after end was a rearmed Germany, a Germany once again capable of making alliances as a World Power.

A study of the part the Army, and in particular the General Staff (I drop the cover name of Truppenamt) played in the fall of the Weimar Republic will richly repay the serious student of political-military affairs. In essence, the economic collapse of 1929, felt especially strongly in a German economy built largely on US loans, paved the way for revolution once more. Thus by 1932, the Sturm Abteilung, Hitler's Brownshirted SA and its inner elite, the SS, had grown to at least three-hundred thousand. Pictures of the era show SA with machine guns, armored cars and artillery. A potent force, three times as large as the Reichswehr, though poorly led in a military sense. Once more, as in the early '20's, Germans were despairing of achieving the order and stability necessary to coherent life. As one government succeeded another in 1932, the two most cohesive elements remaining were, on one hand, the swelling ranks of the National Socialists, the Nazis, backed by the street violence of the SA; and on the other hand the Reichswehr, apparently imperturbable behind the traditional Seecktarian non-political mask.

On 13 April 1932, Chancellor Bruning outlawed the SA and the SS, whose street riots and threatening gestures toward the Parliament
had become intolerable. However, the outlawing of the SA and the SS, part of the machinations of von Schleicher, Chief, Armed Forces Department, or Wermachtamt, were then publically opposed by Schleicher, who called on Hindenburg to protect the private army. Schleicher pled that the SA were necessary to defend the Eastern Border. Hindenburg, well into senility, supported the removal of the ban on the SA and SS when von Papen became Chancellor in June.

Although the substance of Schleicher's secret meeting with Hitler in April of 1932 is not known, it appears clear that there is a direct relationship between the recovery of the SA and the support Schleicher sought from Hitler to further his own political aims. (The fate of Schleicher, and that of his close friend and Special Intelligence Section Chief, Breedow, during the SA purge, indicates Hitler wanted to keep his relations with Schleicher forever a mystery.) During 1932, Schleicher moved rapidly from Chief of Armed Forces Department, to Defense Minister in June, thence to Chancellor in December. However, Schleicher was unable to form a government, and on 30 January 1933, Hindenburg in desperation appointed Adolf Hitler Reich's Chancellor.

In 1933, then, the Reichswehr over which Adolf Hitler exercised constitutional control was:

1. Theoretically nonpolitical. Soldiers could not belong to political parties.
2. Well versed in the political role of king making.
3. Contemptuous of the Republic. Steeped in the tradition that the well-being of the Army came first.
4. Accustomed to conspiracy and chicanery in its daily struggle to achieve modern experience and weaponry.
5. Vastly outnumbered by the private Army of Hitler.
The coming to power of the Nazi party brought mixed blessings to the Army. While the Army could expect, and did receive, greater freedom from foreign influence, the SA began to challenge the Army from within Germany itself. The SA in theory answered to no one but Hitler, and it seemed unlikely that Hitler would strike down the faithful party troops who had fought the Nazi's street battles for so many years.

Very quickly, as early as March of 1933, problems began to arise. Blomberg, lately of the General Staff and new Minister of Defense, was confronted with a demand from Rohm, now commander of the SA, that all national youth organizations come under the control of the SA. On 17 May 1933, an agreement was reached which placed the SA under the Reichswehr for military matters, but left it autonomous in political matters. Thus, while the Army theoretically scored a victory, a very curious situation had developed. With Hitler's concurrence, and at Rohm's insistence, the "purely political" SA had achieved recognition as a military force; had secured legal basis for training of its members by the Reichswehr; and had secured control over all Youth Groups in Germany. Now, recruits for the Army would come increasingly from young people who were more and more coming under the political teachings of the Nazis. The Reichswehr, in attempting to secure its freedom from clashes with the SA, had insured that the Army would become more and more Nazi in its lower ranks. As the Hitler Youth Groups became formalized, and with the achievement of the Reichs Arbeits Dienst (roughly, a Nazi nonvolunteer equivalent of the US Civilian Conservation Corps)
coupled with the outlawing of all political parties but the Nazi party on 14 July 1933, the Army was sure to receive only recruits who had been increasingly politicized during its threefold expansion of 1934.22

Had SA Fuehrer Rohm been able to control his hunger for power the Reichswehr might have found itself in serious difficulty. However Rohm, who was becoming an embarrassment with his homosexual proclivities and his male harem, chose to hang himself by appearing to challenge Hitler to a power struggle. On 6 August 1933, Rohm made a speech in which he declared the tasks of the SA were not finished, and stated that the "old fighters, the street-warriors," would carry the party to victory in the still unfinished revolution.23 Hitler, who with his own legal accession to the Chancellorship perceived the revolution as ended, a success, was never mentioned in the speech. Rohm had twice erred badly. First, the omission of the Fuehrer from a Party policy speech in Germany was imprudent at best. Second, and more imprudent, Hitler understood the manipulation of crisis while Rohm understood only the creation of crisis. Hitler knew he had come to power because there was continual crisis. Now continual crisis must end. Germany must be made to see the Fuehrer not as the center of created crisis but as the omnipotent and omniscient leader solving every crisis. Further, Hitler had no illusions about the sort of thugs on whose backs he rode to power. They were very skillful at torture, intimidation and extortion, but they could not make a government and they must go. Rohm would never understand the need for the appearance of

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legality—in fact he mocked Hitler as "Adolf Legalitie." But Hitler, through manipulation of crises such as the Reichstag fire, was making himself a dictator through means which could be described as legal by such a skillful magician with words as Goebbels.

Typically, it took Hitler seven months to formally meet the challenge. Far from being the dealer of "lightening swift blows," as he liked to style himself, Hitler was basically a procrastinator, he never lost the traits of the Burgerbrau conspirator. Thus, it was not until March of 1934, that Hitler publically stated the position which was to place him with the Reichswehr in opposition to an armed SA.24

In a speech made in the Reichswehr Ministry and delivered to both the Military District Commanders and the SA leadership, he stated flatly that the Reichswehr was henceforth to be the sole bearer of the nation's arms. He charged the SA with the nebulous task of being the "Shock Troops of the Nation's Weltanschaunung." The lines were clearly drawn and Rohm's response must have been clearly foreseen by Hitler. Rohm could either quietly acquiese, and thus fade from the scene of power, or he could fight. The old street fighter would never give up without a struggle, thus Hitler had maneuvered Rohm into openly challenging Der Fuehrer.

Immediately subsequent to the speech, Hitler had a five hour conference with Rohm. No records have been preserved, but eaves-droppers reported the session as a stormy, two-sided shouting match. It appears proper to infer that Rohm's fate, and the solid allegiance of the Reichswehr to Hitler, was sealed that night.
Three months later, the leadership of the SA was purged. There is considerable disagreement among the scholars as to how many died on the Night of the Long Knives, 30 June 1934, and during the executions of the days immediately following. Some say as few as fifty, others say there were hundreds. For the Reichswehr, and this paper, the important point is not the numbers but the effect.

The leadership of the SA was purged, the SA was disarmed and never again would it challenge the Reichswehr. A crucial relationship was established between Hitler and his generals. Although I am unable to prove direct conspiracy between the generals and Hitler, there certainly was great complacency and some rejoicing over the murders. General von Witzleben, Commander of the Third Military District, upon hearing the leaders of the SA were being shot, declared he was delighted and remarked that he wished he could be there. Fritsch, then Army Commander in Chief, declared he could take no action without direction from Reich President Hindenburg, who declared that the affair was solely an internal matter for the Nazi party, and therefore not a matter for him. The fact that Schleicher and Bredow, both ex-General Staff and General Officers, were murdered was hushed up and officers who protested were pressured into silence. The broad consensus was that the purge of SA had benefited the Army and thus the Army should view the matter with favor. The fact that many, if not most, of the men murdered were themselves thugs and criminals of the worst sort, with countless murders to their own account, is
not material. The officer corps had itself condoned, if not conspired at, murder on large scale. The ends, they said, justified the means.\textsuperscript{25}

The officers of the Army were given little time to reflect on their attitude toward the Purge. During July of 1934, it became obvious that President Hindenburg was failing rapidly and that a successor to "Der Alte" would have grave implications for the Army. Hitler would need to move skillfully to close the gap left by the figurehead who for many was the last visible residue of the Emperor and Imperial Prussian grandeur.

It is clear that a successful leader needs luck to season his skill, and in the timing of Hindenburg's death Hitler was monumentally lucky. There is no evidence he arranged the timing, though it could not have served him better. In order to commemorate the Twentieth Anniversary of the outbreak of the First World War, orders had been given late in July that parades were to be held by all Army units on 2 August, the date of mobilization for the war. Accordingly, rehearsals were held during July. Suddenly, in the early hours of 2 August, the death of Hindenburg was announced and new orders for Parades of Remembrance were issued with great speed. The Reichswehr Ministry was not unprepared for the situation; Reichnau had been planning for it by preparing an oath of allegiance for the Reichswehr to swear to the person of Adolf Hitler. Reichnau disliked the form of the oath of the Weimar Republic, which had been sworn to the Constitution, not to the Head of State, and which broke with German
military tradition. Reichnau's readiness may be partly explained by a desire to renew the widespread (not exclusively German) tradition of taking the oath to a new monarch immediately on the death of the old. Apparently the oath had been composed entirely on Reichnau's initiative, without suggestion from Hitler, although presumably Hitler had agreed in principal some time before Hindenburg's death.26

Thus, on 2 August 1934, occurred a confluence of events which must have reinforced Der Fuehrer's belief in the inevitability of his regime. Hindenburg's death was a sharp and powerful break with the old monarchy, clearing the way for the new National Socialist Order; the Army swore a holy oath of unconditional obedience to Adolf Hitler personally, under the most solemn and formal of circumstances; Hitler proclaimed himself as Head of State as well as Chancellor.

It is a mark of the leader to be at the decisive point, to do the decisive thing at precisely the crucial moment. Hitler obviously knew this truth. A less skillful—or less ruthless—man would have declared a day of national mourning, rather than use the occasion to raise himself. A less skillful man might have lost the impact of the confluence of events. The sense of the dramatic, the sense of timing, were among Hitler's greatest assets and he used them with skill. I do not think too much can be made of this point. Beck, then and until August 1938, Chief of Staff, had great reservations about taking the oath. He later called it "the blackest day of my life." Still, without time to
reflect, and after hurried conference with Fritsch, he took the oath. Had Beck had time to reflect there might have been opposition in the Army. Carried along by the rush of events, the Army found itself bound to Hitler on its own word of honor.

I do not mean to infer that I accept the Nuremberg Trial arguments of the inviolability of the Officer's Oath. As noted earlier, on 9 November 1918, the Army had shown itself perfectly willing to discard an oath of much longer standing, and one steeped in much more widely revered tradition. Nevertheless, the Hitler oath had been freely taken before the troops and in great solemnity. It should not be lightly regarded and the occasion should be regarded as one of Hitler's triumphs of leadership. The swift capitalization of onrushing events is Hitler's mark. In some instances he created the events. In other instances he grasped them. The leader must do both.

Hitler had one more major crisis to overcome in his relations with the Army between August of 1934 and October of 1938. The crisis has become known as the Fritsch-Blomberg Crisis and first came to light at what is called the Hossbach Conference of 5 November 1937. Again, as in the past, Hitler turned the crisis to his advantage through a combination of luck, leadership, and the cupidity of others.

The expansion of the Army between '34 and '37 is critical to understanding the resolution of the crisis. In August of 1934, the Army was composed of seven divisions of Infantry and three divisions of Cavalry, three Panzer divisions and ten separate
Infantry brigades organized into three Corps. By the Fall of 1937, at the time of the Blomberg-Fritsch Crisis, the Army had been expanded to Fifteen Corps-equivalents commanding thirty-three Infantry divisions, four Cavalry divisions, three Panzer divisions and eleven separate Infantry brigades. Thus, in just over three years, the Army had gone from thirteen divisions equivalent to forty-four divisions; from three very light corps headquarters to fifteen quite heavy corps headquarters, and in addition had supplied significant numbers of officers to lead the Luftwaffe.28

Thousands of officers were called back to active duty and for hundreds, two or three promotions during the three years were not uncommon. The effect on the Army was overwhelming from two aspects. First, the promotions, the new equipment, the spurning of the hated Treaty of Versailles, were all heady stuff. They spoke of a resurgent Germany regaining her place as a World Power. Hitler accrued great loyalty during those years. Even though Beck and Fritsch opposed the expansion as too rapid to permit orderly process, they were delighted with growth and delighted at their apparent autonomy. These were the golden years when they felt no interference from Hitler; when the SA had been beheaded and the SS was no more than a spot on an otherwise clear horizon. Small wonder Army leaders grew smug and accepted the excesses of early Nazism as necessary to rebuild Germany after the debacle of Weimar.

There was a second effect of the rapid expansion which the Army leadership apparently chose to ignore. Though Rohm was
gone, the recruiting agreements made before his death were still in effect. In essence, as discussed earlier, these agreements insured that every new recruit was either a Party member or had been in a thoroughly politicized Party-led organization before he joined the Army. Once again, as it had in 1918, the senior leadership was largely politically separated from the Army it led.

On 5 November 1937, Hitler convened the Hossbach Conference in Berlin. Present were Goering, Minister of Economics and Chief of the Luftwaffe, as well as the second man in the Party; Blomberg, Minister of Defense; Fritsch, Commander in Chief of the Army; Raeder, Chief of the Navy; Neurath, Foreign Minister; and Hossbach, Hitler's military adjutant. Hossbach's notes of the conference were made five days after the occasion, but no reason has arisen to doubt them. According to Hossbach, Hitler explained that in the event of his death what he was to say should be looked upon as his last will and testament. That the matter was so important that it must be discussed in the small group present, rather than before the entire cabinet. He then launched at once into his favorite subject: Lebensraum. The German economic and social situation could never be bettered within the present boundaries of Germany; it was necessary to annex both Austria and Czechoslovakia. As he saw the then current political situation in Europe, tension over Spain might lead to war involving Italy, France, and England. In that event the Fuehrer would take advantage of the situation and strike at once. Perhaps as early as the Summer of 1938, the opportunity would come to settle "the Czechoslovakia and Austrian questions."
It is unfortunate that the record of the ensuing discussions is sketchy, but the substance is that Raeder's reaction, if he spoke, was not recorded and that Goering limited himself to observing that in view of Hitler's thoughts, further aid to Spain should be reduced. Typically, Hitler postponed that decision. Blomberg, Fritsch, and Neurath, however, opposed Hitler. Both Blomberg and Fritsch challenged Hitler on military terms. Neurath objected that the split between France and England of which Hitler spoke did not appear at all imminent.

This is the essence of the "Hossbach Protocol," and little new light has been shed on the meeting by research subsequent to the war. Goering, however, testified at Nuremberg that Hitler had held the meeting in order to bring pressure on Fritsch to increase the pace of rearmament. Raeder's testimony essentially supported Goering's. Blomberg and Neurath both testified that this meeting was the first occasion on which Hitler's aggressive plans became apparent. Throughout the course of the following days Blomberg, Fritsch, and Neurath sought audience with, and argued with, Hitler about his plans. Their only effect was to harden him in his resolve to move against Austria and the Czechs at the earliest moment and, clearly, to find the means to rid himself of their obstruction at the earliest moment. 30

Again, the confluence of events and Hitler's ruthless sense for the moment to strike coincided. The story of Blomberg's unsuitable marriage and the accusation of homosexual behavior on the part of Fritsch are well known. Both were disgraced
and dismissed, though Blomberg apparently felt (incorrectly as it turned out) that he would later be reinstated. Fritsch, of course, was found innocent of a trumped-up charge, but never again was he given a post of responsibility.

Hitler's handling of the affair showed his innate abilities at manipulation. To the post of Commander in Chief, Army, he appointed Walter von Brauchitsch, who had known Party sympathies; to the post vacated by Blomberg he appointed himself. The changes were announced in Cabinet on 4 February 1938, and announced to the public on the same day amidst a welter of changes. Funk became Economic Minister, Ribbentrop became Foreign Minister, the military departments were reorganized, with virtual creation of a new staff as Reichskriegsministerium (RKM) became Oberkommando der Wehrmacht (OKW). All newspaper focus was placed on the concentration of power in Der Fuehrer's capable hands. Those who disappeared from power were said to have resigned for reasons of ill health.

In spite of Hitler's adroit move, the officer corps was discontent, and vocal resentment began to build. Predictably, Brauchitsch demanded an end to the comment. Had Brauchitsch possessed any loyalty or sense of decency, he would not have accepted a permanent appointment as Commander in Chief under the circumstances. To have served temporarily would have been defensible. But Brauchitsch accepted the permanent post as a successor to a man against which there were only unproven charges soon demonstrated as shameful and deliberate fabrication.31
Brauchitsch's dubious action in accepting money from Hitler and Goering to aid him in a messy divorce was well known in the officer corps; but ambition like his for rank and station in the corps was prevalent rather than the exception. Brauchitsch, Rundstedt, Bock, List, Reichnau, Keitel, Gossler, Wietersheim, Schroth, Halder, Schobert, Busch, Guderian, Manstein and dozens of others at lower levels all advanced in rank or assignment as a result of the Blomberg-Fritsch Crisis.  

Outwitted, demoralized and bribed, the officer corps accepted its humiliation. In fact, had they chosen to move against Hitler it is very doubtful that their thoroughly politicized Army would have followed them. The corporate memory of an Army they could not lead in 1918 to put down a revolutionary mob was still strong. In 1933 Fritz von Papen, late of the General Staff, had disdainfully said, "We have merely hired Herr Hitler." In 1938, Hitler might have disdainfully, and much more accurately than Papen, said, "I have merely hired an officer corps." His control of the Army was complete.
CHAPTER II

FOOTNOTES

1. Walter Goerlitz, History of the German General Staff, p. 201.

2. Ibid., p. 209.


8. Goerlitz, p. 204.


12. Ibid., p. 221.

13. Ibid., p. 225.


18. Goerlitz provides an excellent capsule summary of the fall of Bruning and the part which Schleicher played in the status of the SA, p. 265.


22. Ibid., p. 34.


25. Goerlitz, p. 287; Heiden, p. 752; O'Neill, p. 50, all provide essentially the same material. Heiden says hundreds were murdered as a result of the SA purge.


27. Goerlitz, p. 290.


CHAPTER III

THE PRESS

The Official Twenty-Five Point Program of the Nazi Party, proclaimed publically at Munich on 24 February 1920,

... was little more than an effective, persuasive propaganda weapon for mobilizing and manipulating the masses. Once it had brought Hitler to power it became pure decoration. It had fulfilled its role as a background and pseudo-theory against which the future dictator could unfold his rhetorical and dramatic talents.\(^1\)

However, one of the Twenty-Five Points of the Program was carried forward into the Dictatorship and was ruthlessly applied. In part, Point Twenty-Three stated:

We demand legal opposition to known lies and their promulgation through the press. In order to enable the provision of a German Press, we demand that

a. all writers and employees of the newspapers appearing in the German language be members of the race;

b. non-German newspapers be required to have the express permission of the State to be published. They may not be printed in the German language;

c. non-Germans are forbidden by law any financial interest in German publications. ...;

d. publications which are counter to the general good are to be forbidden. We demand legal prosecution of artistic and literary forms which exert a destructive influence on our national life, and the closure of organizations opposing our demands.\(^2\)

Point Twenty-Three provides the earliest evidence of Hitler's clear understanding of the need of the dictator for control of all news media.

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Hitler understood the power of the spoken, as well as the written word. His control of radio and film paralleled his control of the press, and his understanding of the power of the mass meeting is perhaps unsurpassed by any other leader. However, Germany is a country of unusually numerous newspapers. In 1933 there were 3097 newspapers in Germany, to the 1911 in the US and the 1500 in France. Thus, Hitler had a very diverse group to control. A group with great recognized potential. Since the newspapers were much more numerous and thus much more difficult to control than radio or film, I narrow my focus to the press.

Mein Kampf provides us Hitler's personal view of the use and control of the press. He divided newspaper readers into three groups:

First, into those who believe everything they read; second into those who have ceased to believe anything; third, into the minds which critically examine what they read, and judge accordingly.³

In Hitler's estimation the first group, the undiscerning, was by far the largest and represented the great mass of the people. Since, as he saw it, this mass is neither able nor willing to examine what is set before it, their whole attitude "towards the problems of the day" can be reduced almost exclusively to the outside influence of others. "This can be advantageous when their enlightenment is provided by a serious and truth-loving party. . . ." Obviously, Hitler saw the NSDAP as the only serious and truth-loving party available to the German people. Thus, as Hitler continues in Mein Kampf, the state:

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... must exercise particularly strict control over the press, for the influence of the press on the mass is by far the strongest and most penetrating... the state must not forget that all means must serve an end; it must not let itself be confused by the drivel about so-called "freedom of the press!" It must make sure of this instrument of popular education, and place it in the service of the state and nation.4

Upon his accession to the Chancellorship, and it must never be forgotten that Hitler's appointment as Chancellor had all the trappings of legality, the Party apparatus for press and propaganda was quickly installed as the State apparatus. As he had with the Army, Hitler moved to identify government and party as one. Thus Party doctrine and policy, which faced widespread opposition in Germany in 1933, enjoyed the aura of a larger, over-arching demand for loyalty to the German State.

The blurring of division between Party and State was not left to chance by the Reich Ministry of Public Enlightenment and Propaganda. The Ministry was created by a 13 March 1933 decree signed by Hitler as Reich Chancellor 42 days after he took office and further countersigned by Hindenburg as Reich President. Note the continuing "aura of legality." The decree established the initial basis for media control. The Ministry's stated purpose was "enlightenment and information amongst the population concerning the policies of the Reich Government and the reconstruction of the German State."5 The stated purpose was sufficiently vague so that no opposition to the decree was heard in the press.

A following decree, of 30 June 1933, defined the powers of the Ministry of Public Enlightenment and placed Dr. Goebbels, its
Minister, "in charge of all institutions serving the purpose of spiritual enlightenment." This decree extended the powers of the ministry, obviously, but retained the element of generality which had made its predecessor appear innocuous.

However, bit by bit, Hitler was legally circumscribing the press. The final enactment came with the Editorial Control Law of 4 October 1933. This law was so sweeping and so all inclusive that it insured the absolute end of press freedom in Germany.

There are 47 lengthy Sections in the Control Law. A comparison with Point Twenty-Three of the 1920 Party Platform, noted above, page 31, is striking. Two of these Sections would have been sufficient to end freedom of the press and to establish the goals of the Platform.

From Section 5(3): Persons who can be editors are only those who are of Aryan descent and who are married to a person of Aryan descent. From Section 20(1): Editors of a newspaper are responsible under professional, civil and criminal law for its content as though they themselves wrote or selected it. From Section 40: Editors are especially bound to keep out of the newspapers anything which:

(1) in any manner is misleading to the public, mixes selfish aims with community aims.
(2) tends to weaken the strength of the German Reich, outwardly or inwardly, the common will of the German people, the German defense ability . . . .
(5) or is immoral for other reasons.

Punishment for abrogation of the strictures of the law ranged from admonition of the editor to imprisonment and suppression of the offending journal.6

The structure of Ministry and law provided not only suppressive control but opportunity for positive manipulation of content of all news. To insure uniformity of editorial viewpoint, and to
insure that the appropriate news item achieved the "correct" attention, Goebbels established the position of Reich Press Chief. Otto Dietrich, who filled the position from its inception, was empowered to "direct . . . the guiding principles for the entire editorial work . . . of the press." To insure thoroughness, Dietrich established the Daily Press Conferences of the Reich Government. There is no question that Dietrich was thorough and displayed great ability as an administrator.7

The Daily Press Conference, attended by representatives of all German Newspapers, took place at noon each day in Berlin. Questions were not invited. Rather, the presiding officer merely transmitted directives of the Reich Press Chief to the assembled press. In order to avoid slips, before each conference representatives of each Ministry (Wermacht, Labor, Economy, etc.) reviewed the releases to be made and certified that they were in accord with the directives of the Press Chief.8

The directives were known as the Tages Parole, and the Nuremberg Trial Court stated in its findings that the Tages Parole "directed the press to present to the people certain themes, such as the leadership principle . . . the problem of living space and other standard Nazi ideas."8 These directives were secret and were to be destroyed on penalty of a charge of treason. However, a lower Rhine newspaperman, Theodore Oberheitmann, discovered that the local Nazi Press Office charged with inspecting his records was lax. Thus, a nearly
complete set of the Tages Parole were preserved to be entered as evidence at Nuremberg.

A portion of Oberheitmann's testimony at the Nuremberg Trials follows.

Q. Did all the newspapers have to comply with these Directives?
A. Yes, all the papers had to adhere to them.

Q. What happened if a paper did not comply . . . ?
A. If a paper did not comply it was admonished, if it was not a serious case. I have already pointed out that the President of the Daily Press Council would then publicly refer to the offense of the paper. In grave cases punishment could be imposed or the paper would be confiscated. At the beginning most important papers would be seized. Later on this policy was gradually abandoned because if a paper was discontinued all readers would notice it and it became a public affair; but if an editor was struck from the list of editors only the editor himself and his few colleagues would notice it.9

The triad of Propaganda Ministry, Editorial Control Law and Tages Parole gave Hitler total control of the press. The lengthy quote which follows, extracted from the Volkscher Boebachter, provides excellent illustration of the use of the manipulated press to generate the psychological preparation of a people for war.

<table>
<thead>
<tr>
<th>Issue Date</th>
<th>Headlines</th>
</tr>
</thead>
<tbody>
<tr>
<td>1 July 1938</td>
<td>Czech Teachers Preach Hatred</td>
</tr>
<tr>
<td>6 July</td>
<td>Czech Imperialism</td>
</tr>
<tr>
<td>15 July</td>
<td>A New Agitator Against Peace. Pierre Cot Recommends Czechoslovakia As Base for Soviet Air Raids on Germany</td>
</tr>
<tr>
<td>17 July</td>
<td>Another Frontier Violation of Czech Aircraft</td>
</tr>
</tbody>
</table>
18 July  | Czech Troop Movements on Reich Frontier
23 July  | Czech Libel Songs Against the Führer, Training for National Hatred in School and Army. More Instances of Insolent Provocations of the Sudeten German Population by Czechs
4 Aug    | New Unheard of Provocation by the Czechs
5 Aug    | Extremely Severe Protest in Prague Against the Czech Provocations
13 Aug   | Blood, Death and Suffering of the Sudeten Germans
21 Aug   | The Provocations Continue. Sudeten Germans Attacked by Drunken Czechs
31 Aug   | New German Protest Against the Czech Provocation Campaign
4 Sept   | Another German Customs Official Shot by Czech Borderers
13 Sept  | The Memorable Congress Speech: The Führer Demands Autonomy for the Sudeten Germans
17 Sept  | The Defenseless Sudeten Germans are at the Mercy of the Czech-Communist Murderers. Prague Arms the "Red Guard." Sudeten Germans Forbidden to Carry Arms
21 Sept  | German Frontier Districts Attacked by Czech Assassin Bands. Many Persons Seriously and Slightly Injured by Czech Bullets. Moscow Incites Prague to Greater Provocations
27 Sept  | We are Resolved! Now Benes May Choose! Adolf Hitler: "I am Now Leading My People As Their First Soldier and Behind Me--The Whole World May Know--1s Now Marching a People, and a Different One From the Year 1918!"
On 1 October 1938, German troops marched without opposition into the Sudetenland. Hitler had grasped as no one before him what could be done with a combination of propaganda and terrorism. The complement to the great spectacles of marching troops, forests of banners and the sense of power they presented was the propaganda which magnified their effect. In his final speech at the Nuremberg Trials, Albert Speer, Hitler's Minister for Armaments, said:

Hitler's dictatorship was different in one fundamental point from all its predecessors. ... His was the first ... which made complete use of all technical means for the domination of its own country. ... The means of communication alone make it possible to mechanize the lower leadership. As a result of this there arises the new type of the uncritical recipient of orders. ...


CHAPTER IV
THE ECONOMY

The structure of the economic life of a country cannot be neatly divided into subelements. Indeed, it may not be possible to identify all the subelements of an economy, much less to see them in isolation. However, three elements seem to rank above others in importance. I have chosen to approach the German economy through the three elements of Labor, Industry, and Capital. Clearly these elements interact at every turn, but Hitler's approach to each can be substantially isolated, and thus provides a view of his methods.

Karl Bracher has asserted, in his convincing study, that: "At no time did National Socialism develop a consistent economic theory." Indeed, the basically anticapitalist tenants of the Party had been sacrificed by the summer of 1933, never again to be seriously considered.1 Exactly as the "legal" revolution had succeeded in overthrowing a political order with the instruments of that order, so the economic realm was to be the scene of a paradoxical revolution. The ideology called for a fight against the bourgeoisie and industrialized society—but the fight was to be conducted with the tools and technology of industry in the hands of the bourgeoisie. The fight was never made. As a political organization, and in its totalitarian rule, National Socialism made singularly effective use of modern industrial and technological methods.2 Hitler's reverence of technology, the
Autobahns, the Four Year Plans, the drive for autarchy, the new industrial plants, all testify to National Socialism's basically industrial and technological implementations of its philosophy. This implementation produced clear effects on labor.

The theoretical problems of achieving a people's utopia for the German labor force were never allowed to stand in the way of the solution of the practical problems of autarchy, rearmament, and an unfavorable balance of trade. The individual member of the middle class and the individual worker never reaped the promised benefits of National Socialism. Indeed, the index of gross national wages, normalized to account for changes in the consumer price index, shows that wages rose from a weekly average of 92.5 Marks in 1933 to only 107.5 in 1938. However, these figures become potent support for Hitler when the decline in unemployed and the rise of the number employed across the period are considered. In 1933 there were 14.5 million persons employed and 3.7 million unemployed. In 1938 there were 20.8 million employed and only 0.2 million unemployed. While the gross weekly rate rose to 107.5, the percentage of national income realized in wages and salaries fell from 64% to 57% in 1938. Though few were unemployed, many millions, (the figures are not reliable enough to be meaningful) were employed by the Labor Service (Arbeitsdienst) at 25 pfennig a day.\(^4\)

Parenthetically, it should be noted that figures on employment and wages during the Nazi regime are highly suspect. Those given above are from the post-war official publications of the German
Democratic Republic, but are at wide variance with those of the Federal Republic of Germany which assert a much higher (5-7 million) unemployed in 1933. Other discrepancies exist, but do not war with the thesis that the German worker reaped little benefit from being employed under Nazism as opposed to being employed under Wiemar. On the contrary, one of Hitler's early laws, 4 April 1933, stated that strikes were evidence of Marxist activity and authorized the immediate dismissal of Communist workers. Since an "unemployed" worker was soon enrolled in the Labor Service, strikes were effectively curtailed without the need to outlaw them. Later, when the regime was firmly in power, strikes would be outlawed, rather than frowned on as evidence of non-Germanic behavior.

The control of the worker was achieved from a threefold basis. First, the hypnotic effect of the mass meeting, coupled with the trappings of power and the control of the newspapers, in large measure deprived the worker of a psychological desire to resist. Second, it was indisputable that under Hitler millions had gone back to work who had been idle months before. Third, the Labor Unions, denounced as Marxist, were subsumed under the German Labor Front (DAF).

This last step was most effective. If Hitler was to break Marxism in Germany, and most central to his own aims, if he was to establish his dictatorship, it was absolutely essential that he break the independent power of the enormous German trade-union movement, which was the foundation of the Social Democratic
Party. In March and April of 1934, the SA broke into and looted the offices of many local trade-union branches. Although there was increasing terrorism, many trade-union leaders still hoped they could coexist with a Nazi Government; "after all, no previous German Government had gone so far as to touch the unions. They, too, were soon disillusioned." The Nazis declared May Day of 1934 a national holiday, and held enormous worker's rallies all over the country. The largest rally, held in Berlin, was addressed by Hitler. On the morning of the next day, labor officials returned to find their offices occupied by SA and SS troops. Many union officials disappeared into concentration camps and the unions were quickly subsumed in the new DAF. "Once the trade unions are in our hands," Geobbels commented, "the other parties and organizations will not be able to hold out long... In a year's time Germany will be entirely in our hands."7

Hitler was careful not to put the unions under the existing National Socialist Factory Cell Organization, which he considered tainted with Socialist ideals. He gave control of the DAF to Robert Ley who, in his initial proclamation, swore that "we will build up the protection and rights of the workers even further." Hitler gave similar assurances when he addressed the First Congress of German Workers on 10 May. The intentions behind Hitler's talk of honoring labor and abolishing class war were not long concealed. Before the month was out a new law ended collective bargaining and appointed Labor Trustees, under Government's orders, to settle conditions of work.8
The DAF offered much as a substitute to conceal the fact that the worker had lost his freedom. Appeals to national pride, the work ethos of the "soldiers of labor," culture and sports installations, vacation trips under the "Strength through Joy" program, the promise of the Volkswagen, all several to pacify and unify a traditionally turbulent and independent class. The "battle of labor" was largely won on the basis of rearmament and universal service, but by 1935 the regime had won a great psychological as well as physical battle.9

In the early summer of 1933, the revolutionary wave of terrorism seemed inexhaustible, and it appeared that every institution was to be remodeled and brought under Nazi control. However, there was a point beyond which this could not be allowed to go without causing severe damage to the State and disrupting the economy.10

In a speech of 6 July, that summer, Hitler began to put the brakes on the assaults which the Nazis had unleashed on the major capitalists.

"The revolution is not a permanent affair," he said, "and must not be allowed to develop into such a state. . . . We must not dismiss a businessman if he is a good businessman. . . . The ideas of the program do not require us to act like fools. . . . In the long run our political power will be all the more secure the more we underpin it economically. . . . History will not judge us on the number of economists we have imprisoned . . . but on whether we have provided work."11

Hitler's words were quickly followed with action. Hugenberg, an early Party sycophant though a businessman, was replaced as Minister of Economy and Trade by Dr. Schmitt, the director of the
largest insurance company in Germany. Feder, one of the oldest of NSDAP economic ideologists was given only an undersecretaries position and his radical economic panaceas silenced. Krupp von Bohlen remained as the President of the Reich Corporation of German Industry and Thyssen became chairman of two powerful Rhineland industrial groups. On 7 July the militant Combat League of Middle Class Tradespeople was dissolved; in August, Hess, the deputy leader of the Party forbade members of the Party to take action against department stores and similar enterprises. Schmitt let it be known that there would be no further experiments in the corporate development of the national economy and Hess banned such talk in the Party.12

Each of these moves was reassuring to the industrialists of the Third Reich, and Hitler was careful to continue to placate their fears. Building on the platform of mutual trust which he had called forth in his Industrial Club speech of 22 January 1933, Hitler ostentatiously continued to seek the support and advice of his senior industrialists.13

Although they distrusted his foreign exchange policy, and feared the juggling of exchange credits manipulated by Reichsbank President Hjalmar Schacht, they could not deny that smokestacks all over Germany were again belching smoke under the impetus of full employment and that Schacht's manipulations were much to the advantage of large industries.

Although the surge of full employment was praiseworthy, the pressures on the economy were dangerously inflationary. Also,
because of the nature of the majority of the goods being produced—state capital assets such as roads, arms and fortifications—the balance of trade was suffering badly by 1934. Further, because of the added pressure of recall of foreign credit, foreign exchange reserves were depleted by September 1934.\textsuperscript{14} In addition the major industrial countries, following the lead of England, devalued their currencies in 1934, leaving the Reichmark greatly overvalued. Thus, the import/export balance suffered even more.

Reichsbank President Schacht devised his New Plan for the implementation of a monopolistic trade scheme. For decades the expression "Schachtianism" was used to characterize a policy of tricks, discrimination and ruthless pursuit of nationalistic aims.\textsuperscript{15}

The methods used by Schacht involve complicated clearing agreements, barter agreements, import licensing and export subsidies. Their intricacies are beyond the scope of this paper, yet they are revealing of Hitler in two respects. When Schacht attempted to explain them to Hitler, he found Hitler uninterested but for two aspects. First, would they support rearmament and second, would they alienate big business? Schacht reassured Hitler that rearmament would go forward rapidly and that far from alienating big business, the giants would be enriched. Hitler was satisfied. In fact, Schacht later wrote, "Hitler never interfered with my work . . . he let me carry out my own ideas in my own way. . . ."\textsuperscript{16}

Hitler's policy of a free hand for Schacht was short lived, however. In May of 1935, the man who had designed the trickery which supported rearmament had begun to write a series of letters
and memoranda to Hitler in which he showed himself more and more critical of the methods by which rearmament was being pushed forward. Schacht had set up the Mefo-bills, which enabled Hitler to rearm without excessive inflation, he had set up the complex scheme of barter, blocked accounts, clearinghouse agreements and controls of import/export which had provided a new basis for German trade. In short, German bankers had been indispensable to Hitler and they had enjoyed a unique freedom of criticism in the Third Reich. By April of 1936 Schacht asked for relief from duties as Minister of Economics. Hitler was extremely reluctant to let him go, for Schacht was loyal, but after a stormy meeting at the Berghof in August of 1937 Hitler agreed to Schacht's resignation during December. The post was given to Walther Funk in February of 1938, but only after a thorough reorganization which transferred the major powers to Goering.17

By the time of Schacht's resignation the German economy had been thoroughly Nazified. Labor was controlled by the DAF; Industry by its contracts and the all-pervasive bludgeon of the Enabling Law; Capital by the web of Schachtianism, now in the thoroughly Nazi hands of Goering.
CHAPTER IV

FOOTNOTES

2. Ibid., p. 331.
4. Ibid., p. 133.
7. Ibid., p. 249.
8. Ibid., p. 248.
11. Ibid., p. 256.
17. Schweitzer, p. 351.
CHAPTER V

CONCLUSION

As the preceding chapters have shown, a consistent pattern of Hitler's leadership, or command and control techniques, is difficult to discern. It is all too easy to label him as a demagogue who appealed to the base elements in man, though he certainly was a demagogue. It is too simplistic to say, as some have, that he succeeded through intimidation and violence, though he never hesitated to intimidate or to destroy those who stood in his way. Equally, those who say the generals "made" Hitler so they could launch the second campaign of the war begun in 1914 neglect significant opposition to Hitler. The theory that the industrialists "wanted" Hitler is convenient for the Marxists, but fails to explain the loyalty of labor to Hitler.

As each "school" attempts to explain Hitler's ability to establish the German totalitarian state, it reveals its own bias. The picture which emerges is one of denying Hitler's great sophistication. Of attempting to limit his abilities so that whichever group is identified with, or against, somehow bears too great a share of culpability. For example, I consider O'Neill a clear case of the apologist for the special group. The picture O'Neill draws of the Officer Corps is one of a group of basically well intentioned men unfortunately too busy with their daily tasks to see the sum of those tasks. Telford Taylor, on the other hand, totally condemns the Officer Corps. Lochner's picture of the
industrialists seems to be a special pleading, while Manchester makes the industrialists among the chief architects of the Nazi State.

No group, and that includes Church, Foreign Service, Civil Service, Agriculture, Military, Industry, Press or Labor, can escape some degree of culpability in Hitler's rise to power. However, culpability is not what we are trying to assess. Further, assigning culpability for Hitler's rise is precisely that act which obscures Hitler's many strengths as a leader. His greatest strength is just what makes him so difficult to categorize neatly: he was adaptable. Hitler could give men, in special groups, in masses, or individually, what they believe they wanted. No group strong enough to oppose him lacked his special favor, unless it could be emasculated because its members belonged to other, more easily manipulated groups or were opposed by more cohesive groups. Further, at every opportunity Hitler erected a mask of legality. The mask gave the greedy or the weak a straw to grasp at in excusing their own actions.

Langer's report, *The Mind of Adolf Hitler* (which was prepared in 1943, though not published until 1972) stands up very well in historical perspective and underlines the thesis of adaptive manipulation. In describing the Hitler the German people saw, Langer says he was:

*Hitler the fiery orator, tirelessly rushing from one meeting to another, working himself to the point of exhaustion in their behalf. Hitler . . . who struggled endlessly . . . to open their eyes to the truth. Hitler the courageous who dared . . . to defy the international*
oppressors. Hitler could lead them back to self respect because he had faith in them.¹

Hitler's adaptive manipulation was masterful: he gave the generals a large army; he gave the capitalists a system which favored their enrichment; he gave industry huge orders; he gave labor jobs; he removed the guilt of defeat from the mass; he gave the mass a sense of power and majesty. Then, and while he gave them these things, he converted them to his own use for his own purpose.

Hitler had no use for consistency except in one thing: as each group was enriched or empowered it was manipulated so that it became an instrument of the Party, and thus each group became a supportive instrument for the power of the Party's Leader: Adolf Hitler.

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CHAPTER V

FOOTNOTES

SELECTED BIBLIOGRAPHY


   (An excellent work on the origins of National Socialism.)


   (I am highly indebted to this excellent work, especially for the Nazi period 1933-1934.)


   (Published during the War, suffers from lack of documents available post-war.)


   (A thorough study of the General Staff, with surprisingly little comment on Nazi impact. Highly valuable.)


(An excellent appreciation of the chaotic period 1918-1923; particularly useful in understanding the Freikorps.)


(An exhaustive treatment of the subject, presented with apparent dispassion.)


