



■ A British cartoonist's view of the reparations problem following World War I.

million to Germany, Germans saw the twentieth century stretching before them as year after year of nothing but humiliating reparations payments. To make matters worse, after 1928 American private loans shriveled in Germany as American investors sought the higher yields of a booming stock market at home.

Europe as a whole made rapid progress in manufacturing production during the second half of the decade, and by 1929 it had surpassed its prewar (1913) per capita income. Yet structural weaknesses were present, although they went almost unnoticed. The false security of a new gold standard masked the instability and interdependence of currencies. Low prices prevailed in the agricultural sector, keeping the incomes of a significant segment of the population depressed. But the low rate of long-term capital investment was obscured in the flurry of short-term loans, whose disappearance in 1928 spelled the beginning of the end for European recovery. The protectionist trade policy of the United States conflicted with its insistence on repayment of war debts. Germany's resentment over reparations was in no way alleviated by the Dawes and Young repayment plans. The irresponsibility of American speculation in the stock market pricked the bubble of prosperity. None of those factors operated in isolation to cause the collapse that began in 1929. Taken together, however, they caused a depression of previously unimagined severity in the international economic system.

## The Great Depression

In the history of the Western world, the year 1929 has assumed mythic proportions. During one week in October of that year, the stock market in the United States collapsed. That

crash set off the **Great Depression** in an international economic system already plagued with structural problems. It also marked the beginning of a long period of worldwide economic stagnation and depression.

**Dependence on the American Economy.** A confluence of factors made Europe and the rest of the world vulnerable to reversals in the American economy. Heavy borrowing and reliance on American investment throughout the 1920s contributed to the inherent instability of European economies. Even Great Britain, itself a creditor, relied on short-term loans; "borrowing short and lending long" proved to be disastrous when loans were recalled. Excessive lending and leniency were fatal mistakes of creditor nations, especially the United States. When, in the summer of 1929, American investors turned off the tap of the flow of capital to search for higher profits at home, a precarious situation began to get worse.

- This poster for the October 1931 British General Election reflects the National Government's concern over mass unemployment and industrial stagnation. The coalition National Government swamped the opposition Labour Party, taking 556 Parliament seats to Labour's 51.





Oral Account of  
the Great  
Depression

A depression is a severe economic downturn marked by sharp declines in income and production as buying and selling slow down to a crawl. Depressions were not new in the business cycles of modern economies, but what happened in October 1929 was more serious in its extent and duration than any depression before or since. The bottom was not reached until three years after the Great Depression began. In 1932, one in four American

workers was without a job. One in three banks had closed its doors. People lost their homes, unable to pay their mortgages; farmers lost their land, unable to earn enough to survive. The great prosperity of the 1920s had vanished overnight.

The plight of the United States rippled through world markets. Americans stopped buying foreign goods. The Smoot-Hawley Tariff Act, passed by the U.S. Congress in 1930, created an impenetrable tariff fortress against agricultural and

## THE DEPRESSION FOR WOMEN

*Winifred Holtby (1898–1935) was a British novelist, journalist, and social reformer who covered European political events throughout the interwar period. In this selection from her writings she chronicles the differential impact that war and economic depression had on women's lives. Expectations about woman's proper role, whether of housewife and mother or serving her country in the workplace, were profoundly political and hotly contested.*

### Focus Questions

What are the resentments Holtby describes as being caused by the gender division of labor? Why does Holtby place the word "natural" in quotes when speaking of "house-keeping and child-bearing"?

The effect of the slump upon women's economic position is most obvious, not only in the problems of unemployment among both industrial and professional women, but still more in the bitterness surrounding the question of married women's paid employment, "pin money" office girls, unorganized casual female factory labour, and claims to alimony, maintenance, and separation allowances. These are the dilemmas of scarcity. It is here that the shoe pinches when national purchasing power has failed to distribute adequately the products of industry.

During the War, women entered almost every branch of industry and most of the professions. . . . In transport, engineering, chemicals, textiles, tailoring and woodwork, women took the places which, ever since the sorting-out process which followed the first disorganized scramble of the Industrial Revolution, had been reserved to men. They took and they enjoyed them.

Then the men returned, and on demobilization demanded again the jobs which they had left. The position was not simple.

Some of the men had received promises that their work should be kept for them; but of these, some did not return. Some women surrendered their shovels, lathes, and hoes without a grievance. Their work had been "for the duration of the war" and they had no desire to retain it.

But others thought differently. Women, they told themselves, had been excluded from the more highly-skilled and better-paid industrial posts for two or more generations. They had been told that certain processes were beyond their power. It was a lie. During the war they had proved it

to be so, by their own skill and efficiency. Why surrender without a word opportunities closed to them by fraud and falsehood? They had as much right to wheel, loom, or cash-register as any man. Why then pretend that they were intruders in a world which was as much their own as their brothers'? . . .

After 1928, jobs became not duties which war-time propaganda taught girls that it was patriotic to perform, but privileges to be reserved for potential bread-winners and fathers of families. Women were commanded to go back to the home.

The bitterness began which has lasted ever since—the women keeping jobs and the men resenting it—the men regaining the jobs and the women resenting it. . . .

In Italy, Germany, and Ireland a new dream of natural instinctive racial unity was arising, which designed for women a return to their "natural" functions of house-keeping and child-bearing; while in the English-speaking countries a new anti-rational philosophy combined with economic fatalism, militated against the ebullient hopes which an earlier generation had pinned to education, effort, and individual enterprise.

All generalizations are false. In every civilized country are little groups of older women with memories of suffrage struggles, and young women who grew up into the post-war optimism, and whose ideas remain unchanged by the fashions of the hour. It is they who still organize protests against reaction; who in national and international societies defend the political, civil, and economic equality of men and women; who invade new territories of achievement; who look towards a time when there shall be no wrangling over rights and wrongs, man's place and woman's place, but an equal and cooperative partnership, the individual going unfettered to the work for which he is best suited, responsibilities and obligations shared alike.

From Winifred Holtby, *Women in a Changing Civilization* (1934).



manufactured imports and hampered foreign producers. The major trading nations of the world, including Great Britain, enacted similar protectionist measures. American investment abroad dried up as the lifelines of American capital to Europe were cut.

European nations tried to staunch the outward flow of capital and gold by restricting the transfer of capital abroad. Large amounts of foreign-owned gold (\$6.6 billion from 1931 to 1938) nevertheless were deposited in American banks. In 1931, President Herbert Hoover (1874–1964) supported a moratorium on the payment of reparations and war debts. The moratorium, combined with the pooling of gold in the United States, led to a run on the British pound sterling in 1931 and the collapse of Great Britain as one of the world's great financial centers.

**Political Repercussions.** The gold standard disappeared from the international economy, never to return. So, too, did reparations payments and war debts when the major nations of Europe met without the United States at a special conference held in Lausanne, Switzerland, in 1932. Something else died at the end of the 1920s: confidence in a self-adjusting economy, an “invisible hand” by which the business cycle would be righted. During 1932–1933, the Great Depression, showing no signs of

disappearing, reached its nadir and became a global phenomenon. Economic hardship transformed political realities. The Labour cabinet in Great Britain was forced to resign, and a new national government composed of Conservative, Liberal, and Labour leaders was formed to deal with the world economic emergency. Republican government was torn by bitter divisions in France. In the United States, the Republican party, which had been in power since 1920, was defeated in 1932. Franklin D. Roosevelt (1882–1945), a Democrat, was elected president in a landslide victory with a mandate to transform the American economy. German democratic institutions were pulled down in favor of fascist dictatorship.

In the decade following the Great War, peace settlements did not promote a stable international community. Instead, self-determination of peoples created new grounds for national rivalries in eastern Europe, and the lack of any effective means of guaranteeing the peace only exacerbated prewar animosities. The economic interdependence of nation-states through an international system of reparations payments and loans increased the vulnerability of governments to external pressures. With the collapse of the international finance system in 1929, political stability and international cooperation seemed more elusive than ever.

## THE SOVIET UNION'S SEPARATE PATH

In the 1920s, the Soviet state was also faced with solving its economic problems. Lenin's successor, Joseph Stalin (1879–1953), obliged the Soviet people to achieve in a single generation and in isolation what it had taken the West a century and a half to accomplish.

### The Soviet Regime at the End of the Civil War

Echoing Karl Marx, the Bolshevik leader Lenin declared that the revolution and the civil war had been won in the name of “the dictatorship of the proletariat.” The hammer and sickle on the Soviet flag represented the united rule of workers and peasants and were symbolic reminders of the commitment to rule from below. But at the end of the civil war in 1921, the Bolsheviks, not the people, were in charge.

The industrial sector, small as it was, was in total disarray by 1921. Famine and epidemics in 1921–1922 killed and weakened more people than the Great War and the civil war combined. The countryside had been plundered to feed the Red and White armies. The combination of empty promises and a declining standard of living left workers and peasants frustrated and discontented. Urban strikes and rural uprisings defied short-term solutions. The proletarian revolutionary heroes of 1917 were rejecting the new Soviet regime. The Bolshevik party now faced



## CHRONOLOGY

### International Politics

1919	Creation of the League of Nations
1920	War between Poland and Russia
1921	Treaty of Riga
1922	Germany and Russia sign Treaty of Rapallo
1923	French and Belgian troops invade the Ruhr district
1924	Dawes Plan
1925	Locarno Treaties
1928	Kellogg-Briand Pact
1929	Young Plan
October 1929	Collapse of the U.S. stock market; beginning of the Great Depression
1935	Saar region returned to German control
1936	Germany stations troops in the Rhineland in violation of the Versailles Treaty

## CHRONOLOGY

## The Soviet Union's Separate Path

November 1917	Bolsheviks and Red Guard seize power
1919	Creation of the Communist International (Comintern)
1920	Legalization of abortion and divorce
1921	End of the civil war
1921	Introduction of the New Economic Policy
3 April 1922	Stalin becomes secretary general of the Communist party
21 January 1924	Lenin dies
1924–1929	Comintern policy of “Unity of the Working Classes”
1927	Dissatisfied peasants hoard grain
November 1927	Trotsky expelled from Communist party
1928	Stalin introduces grain requisitioning
November 1929	Bukharin expelled from Politburo
1929	Introduction of First Five-Year Plan and the collectivization of agriculture
1929–1933	Comintern policy of noncooperation with Social Democratic parties
1933–1937	Second Five-Year Plan
1934–1938	Great Purge
1936	Abortion declared illegal
1938	Third Five-Year Plan

By the early 1930s, reforms affecting women were in trouble in large part because of a plummeting birthrate. The decline created special worries for Soviet planners, who forecast doom if the trend was not reversed. In 1936, a woman's right to choose to end a first pregnancy was revoked. In the following decade, all abortions were made illegal. Homosexuality was declared a criminal offense. The family was glorified as the mainstay of the communist order, and the independence of women was challenged as a threat to Soviet productivity. While motherhood was idealized, the Stalinist drive to industrialize could not dispense with full-time women workers.

Women's double burden in the home and workplace became heavier during Stalin's reign. Most Russian women held full-time jobs in the factories or on the farms. They also

worked what they called a “second shift” in running a household and taking care of children. In the industrialized nations of western Europe, the growth of a consumer economy lightened to some extent women's labor in the home. In the Soviet Union, procuring the simplest necessities was woman's work that required waiting in long lines for hours. Lack of indoor plumbing meant that women spent time hauling water for their families at the end of a working day. In such ways, rapid industrialization exacted its special price from Soviet women.

In the 1920s and 1930s, the Soviet search for stability and prosperity took the Soviet Union down a path very different from that of the states of western Europe. Rejecting an accommodation with a market economy, Stalin committed the Soviet people to planned rapid industrialization that was accomplished through mass repression and great human suffering. Insulated from world markets and the devastation of the Great Depression, the Soviet Union relied on a massive state bureaucratic system to achieve “socialism in one country” and to make the Soviet state into an industrial giant.

THE RISE OF FASCIST  
DICTATORSHIP IN ITALY

Throughout western Europe, parliamentary institutions, representative government, and electoral politics offered no ready solutions to the problems of economic collapse and the political upheaval on the left and the right. **Fascism** promised what liberal democratic societies failed to deliver—a way out of the economic and political morass. Fascism, which emerged first in Italy out of the political and social upheaval following World War I, is a totalitarian political system that glorifies the state and totally subordinates the individual to the state's needs. Italy was the first fascist state, followed in the 1930s by Germany and Spain. In all three cases, fascist rule meant dictatorship by a strong, charismatic leader. It promised to those subjected to its rule an escape from parliamentary chaos, party wranglings, and the threat of communism. Fascism promised more: by identifying ready enemies—scapegoats for failed economic and national ambitions—fascism promised that it held the answer for those who sought protection and security.

Fascism sounded very like socialism. In the Soviet Union, Bolshevik leaders reassured their people that socialism was the only way of dealing with the weaknesses and inequities of the world capitalist system laid bare in the world war. In their initial condemnations of the capitalist economy and liberal political institutions and values, fascists employed revolutionary language similar to that of the Left while manipulating in radically new ways the political symbols of the Right—the nation, the flag, and the army. However, fascism rejected the socialist tenet of the collective or government ownership of production and property. It was violently opposed to socialist egalitarianism. Instead, fascism promised to steer a course



between the uncertainties and exploitation of a liberal capitalist system and the revolutionary upheaval and expropriation of a socialist system. Fascism was ultranationalist, and the use of force was central to its appeal.

The word *fascism* is derived from the Latin *fascis*, the name for the bundle of rods with ax head carried by the magistrates of the Roman Empire. Fascism was rooted in the mass political movements of the late nineteenth century, which glorified the nation, emphasized antiliberal values, and pursued a politics of violence. The electoral successes of the German variant—National Socialism, or **Nazism**—were just beginning in the late 1920s. In the same period, fascist movements were making their appearance in England, Hungary, Spain, and France. But none was more successful and none demanded more attention than the fascist experiment in Italy, which inspired observers throughout Europe to emulate it.

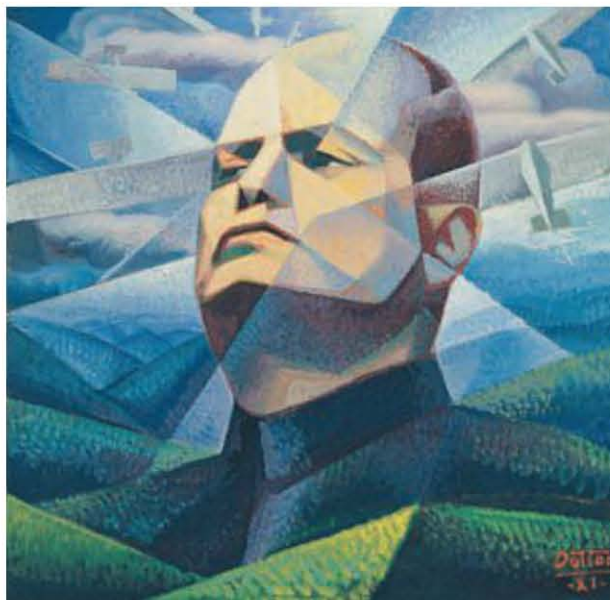
### Mussolini's Italy

Italy was a poor nation. Although Italy was one of the victorious Allies in World War I, Italians believed that their country had been betrayed by the peace settlement of 1919 by being denied the territory and status it deserved. A recently created electoral system based on universal manhood suffrage had produced parliamentary chaos and ministerial instability. The lack of coherent political programs only heightened the general disapproval with government that accompanied the peace negotiations. People were beginning to doubt the parliamentary regime's hold on the future. It was under those circumstances that the Fascist party, led by Benito Mussolini (1883–1945), entered politics in 1920 by attacking the large Socialist and Popular (Catholic) parties.

**The Rise of Mussolini.** Mussolini had begun his prewar political career as a Socialist. The young Mussolini was arrested numerous times for Socialist political activities and placed under state surveillance. An ardent nationalist, he volunteered for combat in World War I and was promoted to the rank of corporal. Injured in early 1917 by an exploding shell detonated during firing practice, he returned to Milan to continue his work as editor of *Il Popolo d'Italia* ("The People of Italy"), the newspaper he founded in 1914 to promote Italian participation in the war.

Mussolini yearned to be the leader of a revolution in Italy comparable to that directed by Lenin in Russia. Although his doctrinal allegiance to socialism was beginning to flag, Mussolini, like Lenin, recognized the power of the printed word to stir political passions. Emphasizing nationalist goals and vague measures of socioeconomic transformation, Mussolini identified a new enemy for Italy—bolshevism. He organized his followers into the Fascist party, a political movement that, by utilizing strict party discipline, quickly developed its own national network.

Many Fascists were former Socialists and war veterans like Mussolini who were disillusioned with postwar government.



■ Gerardo Dottori, *Portrait of the Duce* (1933). Dottori was one of a group of Italian Futurist artists whose works reflected their fascination with aircraft, flight, and extraterrestrial fantasy. In 1929, they published a manifesto in which they launched the idea of an art linked to the most exciting aspect of contemporary life. During the 1930s the artists sought to align themselves with Mussolini's Fascist regime.

They dreamed of Italy as a great world power, as it had been in the days of ancient Rome. Their enemies were not only Communists with their international outlook but also the big businesses, which they believed drained Italy's resources and kept its people poor and powerless. Panicky members of the lower middle classes sought security against the economic uncertainties of inflation and were willing to endorse violence to achieve it. Unions were to be feared because they used strikes to further their demands for higher salaries and better working conditions for their members while other social groups languished. Near civil war erupted as Italian Communists and Fascists clashed violently in street battles in the early 1920s. The Fascists entered the national political arena and succeeded on the local level in overthrowing city governments. In spite of its visibility on the national political scene, however, the Fascist party was still very much a minority party when Mussolini refused to serve as a junior minister in the new government in 1922.

**The March on Rome.** His refusal to serve as representative of a minority party reflected Mussolini's belief that the

Fascists had to be in charge. On 28 October 1922, the Fascists undertook their famous **March on Rome**, which followed similar Fascist takeovers in Milan and Bologna. Mussolini's followers occupied the capital. The event marked the beginning of the end of parliamentary government and the emergence of Fascist dictatorship and institutionalized violence. Rising unemployment and severe inflation contributed to the politically deteriorating situation that helped bring Mussolini to power.

Destruction and violence, not the ballot box, became fascism's most successful tools for securing political power. *Squadristi*—armed bands of Fascist thugs—attacked their political enemies (both Catholic and Socialist), destroyed private property, dismantled the printing presses of adversary groups, and generally terrorized both rural and urban populations. By the end of 1922, Fascists could claim a following of 300,000 members endorsing the new politics of intimidation.

The Fascists achieved their first parliamentary majority by using violent tactics of intimidation to secure votes. One outspoken Socialist critic of Fascist violence, Giacomo Matteotti (1885–1924), was murdered by Mussolini's subordinates. The deed threatened the survival of Mussolini's government as 150 Socialist, Liberal, and Popular party deputies resigned in protest. Mussolini chose that moment to consolidate his position by arresting and silencing his enemies to preserve order. Within two years, Fascists were firmly in control, monopolizing politics, suppressing a free press, creating a secret police force, and transforming social and economic policies. Mussolini destroyed political parties and made Italy into a one-party dictatorship.

**Dealing with Big Business and the Church.** In 1925, the Fascist party entered into an agreement with Italian industrialists that gave industry a position of privilege protected by the state in return for its support. Mussolini presented the partnership as the end to class conflict, but in fact it ensured the dominance of capital and the control of labor and professional groups.

A corrupt bureaucracy filled with Mussolini's cronies and run on bribes orchestrated the new relationship between big business and the state. In spite of official claims, Fascist Italy had not done well in riding out the Great Depression. A large rural sector masked the problems of high unemployment by absorbing an urban work force without jobs. Corporatism, a system of economic self-rule by interest groups promoted on paper by Mussolini, was a sham that had little to do with the dominance of the Italian economy by big business. By lending money to Italian businesses on the verge of bankruptcy, the government acquired a controlling interest in key industries, including steel, shipping, heavy machinery, and electricity.

Mussolini, himself an atheist, recognized the importance of the Catholic Church in securing his regime. In 1870, when Italy had been unified, the pope had been deprived of his territories in Rome. That event, which became known as the

“Roman Question,” proved to be the source of ongoing problems for Italian governments. In February 1929, Mussolini settled matters with Pope Pius XI in the Lateran Treaty and the accompanying Concordat, which granted to the pope sovereignty over the territory around St. Peter's Basilica and the Vatican. The treaty also protected the role of the Catholic Church in education and guaranteed that Italian marriage laws would conform to Catholic dogma.

By 1929, *Il Duce* (the leader), as Mussolini preferred to be called, was at the height of his popularity and power. Apparent political harmony had been achieved by ruthlessly crushing fascism's opponents. The agreement with the pope, which restored harmony with the Church, was matched by a new sense of order and accomplishment in Italian society and the economy.

## Mussolini's Plans for Empire

As fascism failed to initiate effective social programs, Mussolini's popularity plummeted. In the hope of boosting his sagging image, *Il Duce* committed Italy to a foreign policy of imperial conquest.

Italy had conquered Ottoman-controlled Libya in North Africa in 1911. Now, in the 1930s, Mussolini targeted Ethiopia for his expansionist aims and ordered Italian troops to invade the east African kingdom in October 1935. Using poison gas and aerial bombing, the Italian army defeated the native troops of Ethiopian Emperor Haile Selassie (1892–1975). European democracies, under the pressure of public opinion, cried out against the wanton and unwarranted attack, but Mussolini succeeded in proclaiming Ethiopia an Italian territory.

The invasion of Ethiopia exposed the ineffectiveness of the League of Nations to stop such flagrant violations of its covenant. Great Britain and France took no action other than to express their disapproval of Italy's conquest. Yet a rift opened between the two western European nations and Italy. Mussolini had distanced himself from the Nazi state in the first years of the German regime's existence, and he was critical of Hitler's plans for rearmament. Now, in light of disapproval from Britain and France, Mussolini turned to Germany for support. In October 1936, Italy aligned itself with Germany in what Mussolini called the Rome-Berlin Axis. The alliance was little more than a pledge of friendship. However, less than three years later, in May 1939, Germany and Italy agreed to offer support in any offensive or defensive war. The agreement, known as the Pact of Steel, in fact bound Italy militarily to Germany.

Mussolini pursued other imperialist goals within Europe. The small Balkan nation of Albania entered into a series of agreements with Mussolini beginning in the mid-1920s that made it dependent financially and militarily on Italian aid. By 1933, Albanian independence had been undermined by its “friendship” with its stronger neighbor. In order not to be outdone by Hitler, who was at the time dismantling Czechoslovakia, Mussolini invaded and annexed Albania in April 1939, ending the fiction that Albania was an Italian protectorate.





■ Ethiopian chieftain and armed forces wait to encounter Mussolini's invading troops, 1935.

## HITLER AND THE THIRD REICH

Repeated economic, political, and diplomatic crises of the 1920s buffeted Germany's internal stability. Most Germans considered reparations to be an unfair burden, so onerous that payment should be evaded and resisted in every way possible. The German government did not promote inflation in order to avoid paying reparations, but rather to avoid a post-war recession, revive industrial production, and maintain high employment. But the moderate inflation that stimulated the economy spun out of control into destructive hyperinflation.

The fiscal problems of the Weimar Republic obscure the fact that, in the period after World War I, Germany experienced real economic growth. German industry advanced, productivity was high, and German workers flexed their union muscles to secure better wages. Weimar committed itself to large expenditures for social welfare programs, including unemployment insurance. By 1930, social welfare was responsible for 40 percent of all public expenditures, compared to 19 percent before the war. All those changes, apparently fostering the well-being of the German people, aggravated the fears of German big businessmen, who resented the trade unions and the perceived trend toward socialism. The lower middle classes also felt cheated and economically threatened by inflation. They were a politically volatile group, susceptible to the antidemocratic appeals of some of Weimar's critics.

Growing numbers of Germans expressed disgust with parliamentary democracy. The Great Depression dealt a staggering blow to the Weimar Republic in 1929 as American loans were withdrawn and German unemployment skyrocketed. By 1930, the antagonisms among the parties were so great that the parliament was no longer effective in ruling Germany. As

chancellor from 1930 to 1932, Centrist leader Heinrich Brüning (1885–1970) attempted to break the impasse by overriding the Weimar constitution. The move opened the door to enemies of the republic, and Brüning was forced to resign.

## Hitler's Rise to Power

Adolf Hitler (1889–1945) knew how to exploit the Weimar Republic's weaknesses for his own political ends. He denounced reparations. He made a special appeal to Germans who saw their savings disappearing, first in inflation and then in the Great Depression. He promised a way out of economic hardship and the reassertion of Germany's claim to status as a world power.

Hitler was born an Austrian, outside the German fatherland he came to rule. The son of a customs agent who worked on the Austrian side of the border with Germany, he came from a middle-class family with social pretensions. Aimlessness and failure marked Hitler's early life. Denied admission to architecture school, he took odd jobs to survive. Hitler welcomed the outbreak of war in 1914, which put an end to his self-described sleepwalking. He volunteered immediately for service in the German army. Wounded and gassed at the front, he was twice awarded the Iron Cross for bravery in action.

Hitler later described what he had learned from war in terms of the solidarity of struggle against a common enemy and the purity of heroism. The army provided him with a sense of security and direction. What he learned from the peace that followed was an equally powerful lesson that determined his commitment to a career in politics. Hitler profoundly believed in the stab-in-the-back legend: Germany

had not lost the war, he insisted, it had been defeated from within—or stabbed in the back by Communists, Socialists, liberals, and Jews. The Weimar Republic signed the humiliating Treaty of Versailles and continued to betray the German people by taxing wages to pay reparations. Hitler's highly distorted and false view of the origins of the republic and its policies was the basis for his demand that the "Weimar System" must be abolished and replaced by a Nazi regime.

**The Beer Hall Putsch of 1923.** For his failed attempt to seize control of the Munich municipal government in 1923, in an event that became known as the Beer Hall Putsch because of the locale in which Hitler attempted to initiate the "national revolution," he served nine months of a five-year sentence in prison. There he began writing the first volume of his autobiography, *Mein Kampf* ("My Struggle"). In that turgid work, he condemned the decadence of Western society and singled out for special contempt Jews, Bolsheviks, and middle-class liberals. From his failed attempt to seize power, Hitler learned the important lesson that he could succeed against the German republic only from within, by coming to power legally. By 1928, he had a small party of about 100,000 Nazis. Modifying his anticapitalist message, Hitler appealed to the discontented small farmers and tailored his nationalist sentiments to a frightened middle class.

**Hitler as Chancellor.** Adolf Hitler became chancellor of Germany in January 1933 by legal, constitutional, and democratic means. The Nazi party was supported by farmers, small businessmen, civil servants, and young people. In the elections of 1930 and 1932, the voters made the Nazi party the largest party in the country—although not the majority one. President Paul von Hindenburg (1925–1934) invited Hitler to form a government. Hitler claimed that Germany was on the verge of a Communist revolution and persuaded Hindenburg and the Reichstag to consent to a series of emergency laws, which the Nazis used to establish themselves firmly in power. Legislation outlawed freedom of the press and public meetings and approved of the use of violence against Hitler's political enemies, particularly the Socialists and the Communists. Within two months after Hitler came to office, Germany was a police state and Hitler was a "legal" dictator who could issue his own laws without having to gain the consent of either the Reichstag or the president. After carrying out the "legal revolution" that incapacitated representative institutions and ended civil liberties, the Nazis worked to consolidate their position and their power. They abolished all other political parties, established single-party rule, dissolved trade unions, and put their own people into state governments and the bureaucracy.

Many observers at the time considered the new Nazi state to be a monolithic structure, ruled and coordinated from the center. That was not, however, an accurate observation. Hitler actually issued few directives. Policy was set by an often chaotic jockeying for power among rival Nazi factions. Hitler's political alliance with traditional conservative and nationalist

politicians, industrialists, and military men helped give the state created by Adolf Hitler a claim to legitimacy based on continuity with the past. Hitler called that state the **Third Reich**. (The first Reich was the Holy Roman Empire; the second Reich was the German Empire created by Bismarck in 1871.)

The first of the paramilitary groups so important in orchestrating violence to eliminate Hitler's enemies was the SA (Sturmabteilung), or the storm troopers, under Ernst Röhm (1887–1934). Röhm helped Hitler achieve electoral victories by beating up political opponents on the streets and using other thuglike tactics. SA followers, also known as Brownshirts, adopted a military appearance for their terrorist operations. By the beginning of 1934, there were 2.5 million members of the SA, vastly outnumbering the regular army of 100,000 soldiers.

Heinrich Himmler (1900–1945) headed an elite force of the Nazi party within the SA called the SS (Schutzstaffel, or protection squad), a group whose members wore black uniforms and menacing skull-and-crossbones insignia on their caps. Himmler seized control of political policing and emerged as Röhm's chief rival. In 1934, with the assistance of the army, Hitler and the SS purged the SA and executed Röhm, thereby making the SS Hitler's exclusive elite corps, entrusted with carrying out his extreme programs and responsible later for the greatest atrocities of World War II.

## Nazi Goals

Hitler identified three organizing goals for the Nazi state: **Lebensraum** (living space), rearmament, and economic recovery. The goals were the basis of the new foreign policy Hitler forged for Germany, and they served to fuse that foreign policy with the domestic politics of the Third Reich. These goals served the ultimate purpose of securing totalitarian power for the German state. All three were based on Hitler's version of social Darwinism—that the German race was the fittest and would survive and prosper at the expense of others.

**Living Space.** Key to Hitler's worldview was the concept of *Lebensraum*, living space, in which he considered the right and the duty of the German master race to be the world's greatest empire, one that would endure for a thousand years. Hitler first stated his ideals about living space in *Mein Kampf*, where he argued that superior nations had the right to expand into the territories of inferior states. Living space meant for him German domination of central and eastern Europe at the expense of Slavic peoples. The Aryan master race would dominate inferior peoples. Colonies were unacceptable because they weakened rather than strengthened national security; Germany must annex territories within continental Europe. Hitler's primary target was what he called "Russia and her vassal border states."

**Rearmament.** Hitler continued the secret rearmament of Germany begun by his Weimar predecessors in violation of





■ Adolf Hitler salutes a huge crowd of Hitler Youth at a rally. The mass meetings were used by the Nazi mythmakers to enhance Hitler's image as the savior of Germany.

the restrictions of the Treaty of Versailles. He withdrew Germany from the League of Nations and from the World Disarmament Conference, signaling a new direction for German foreign policy. In 1935, he publicly renounced the Treaty of Versailles and announced that Germany was rearming. The following year he openly defied the French and moved German troops into the Rhineland, the demilitarized security zone that separated the armed forces of the two countries. Hitler also reversed the cooperative relationship his nation had established with the Soviet Union in the 1920s. In 1933, the German state was illicitly spending 1 billion

Reichsmarks on arms. By 1939, annual expenditures to prepare Germany for war had climbed to 30 billion.

Hitler knew that preparation for war meant more than amassing weapons; it also required full economic recovery. One of Germany's great weaknesses in World War I had been its dependence on imports of raw materials and foodstuffs. To avoid a repetition of that problem, Hitler instituted a program of autarky, or economic self-sufficiency, by which Germany aimed to produce everything that it consumed. He encouraged the efforts of German industry to develop synthetics for petroleum, rubber, metals, and fats.

#### NATIONAL INCOME OF THE POWERS IN 1937 AND PERCENTAGE SPENT ON DEFENSE

	National Income (billions of dollars)	Percentage Spent on Defense
United States	68	1.5
British Empire	22	5.7
France	10	9.1
Germany	17	23.5
Italy	6	14.5
USSR	19	26.4
Japan	4	28.2

**Economic Recovery.** The state pumped money into the private economy, creating new jobs and achieving full employment after 1936, an accomplishment unmatched by any other European nation. Recovery was built on armaments as well as consumer products. The Nazi state's concentration of economic power in the hands of a few strengthened big businesses. The victims of corporate consolidation were the small firms that could no longer compete with government-sponsored corporations such as the chemical giant I. G. Farben.

In 1936, Hitler introduced his Four-Year Plan, dedicated to the goals of full-scale rearmament and economic self-sufficiency. Before the third year of the Four-Year Plan, however, Hitler was aware of the failure to develop synthetic products sufficient to meet Germany's needs. But if Germany could not create substitutes, it could control territories that provided fuel, metals, and foodstuffs. Germany had been importing raw materials from southeastern Europe and wielding increasing economic influence over the Balkan countries. Hitler now realized that economic self-sufficiency could be directly linked to the main goal of the Nazi state: *Lebensraum*.

Thus Hitler was committed to territorial expansion from the time he came to power. He rearmed Germany for that purpose. When economists and generals cautioned him, he refused to listen. Instead, he informed them of his commitment to *Lebensraum* and of his intention to use aggressive war to acquire it. He removed his critics from their positions of power and replaced them with Nazis loyal to him.

### Propaganda, Racism, and Culture

To reinforce his personal power and to sell his program for the "total state," Hitler created a Ministry of Propaganda under Joseph Goebbels (1897–1945), a former journalist and Nazi party district leader in Berlin. Goebbels was a master of manipulating emotions in mass demonstrations held to whip up enthusiasm for Nazi policies. Flying the flag and wearing the swastika signified identification with the Nazi state. With his magnetic appeal, Hitler inspired and manipulated the devotion of hundreds of thousands of those who heard him speak. Leni Riefenstahl, a young filmmaker working for Hitler, made a documentary of a National Socialist party rally at Nuremberg. In scenes of swooning women and cheering men, her film, called *Triumph of the Will*, recorded the dramatic force of Hitler's rhetoric and his ability to move the German people. Hitler's public charisma masked a profoundly troubled and incomplete individual capable of irrational rage and sick hatred of his fellow human beings. His warped views of the world were responsible for the greatest outrages ever committed in the name of legitimate power. Yet millions, including admirers in western Europe and the United States, succumbed to his appeal.

**Targeting the Young and Women.** Family life, too, was carefully regulated through the propaganda machinery. Loyalty only to the state meant less loyalty to the family. In 1939, 82 percent of all German boys and girls between the



■ The *Frauen Woche* was the Nazi Party's official magazine for women. In this cover from an August 1938 issue, a happy family is presented as the best foundation of the German people.

ages of 10 and 18 were members of Nazi-controlled organizations. Special youth organizations, including the Hitler Youth, indoctrinated boys with nationalistic and military values. Organizations for girls were intended to mold them into worthy wives and mothers. Woman's natural function, Hitler argued, was to serve in the home. Education for women beyond the care of home and family was a waste. Adult women had their own organizations to serve the Nazi state. The German Women's Bureau under Gertrud Scholtz-Klink instructed women in their "proper" female duties. In an effort to promote large families, the state paid allowances to couples for getting married, subsidized families according to their size, and gave tax breaks to large families. Abortion and birth control were outlawed, and women who sought such measures risked severe penalties and imprisonment.

By 1937, the need for women workers conflicted with the goals of Nazi propaganda. With the outbreak of war in 1939, women were urged to work, especially in jobs such as munitions manufacture formerly held by men. For working women with



## ADOLF HITLER ON “RACIAL PURITY”

*The purity of German blood was a recurrent theme in Hitler's speeches and writings from the beginning of his political career. In attacking both liberalism and socialism, Hitler offered racial superiority as the essence of the National Socialist “revolution.” This speech, delivered in Berlin on 30 January 1937, lays out his attack on the concept of individual rights and humanity in favor of the folk community.*

### Focus Questions

In this diatribe, how does race function to promote the “folk” and to undermine the individual's rights? Is Hitler's goal here to create “a better understanding” among nations?

The most important plank in the National Socialist program is to abolish the liberal idea of the individual and the Marxist idea of humanity and to substitute for them the folk community rooted in the soil and held together by the bond of common blood. This sounds simple, but it involves a principle which has great consequences.

For the first time and in the first country our people are being taught to understand that, of all the tasks we have to face, the most noble and the most sacred for all mankind is the concept that each racial species must preserve the purity of blood which God has given to it.

The greatest revolution won by National Socialism is that it has pierced the veil which hid from us the knowledge that all human errors may be attributed to the conditions of the time and hence can be remedied, but there is one error that cannot be set right once it has been made by men—that is, the failure to understand the importance of keeping the blood and the race free from intermingling, and in this way to alter God's gift. It is not for human beings to discuss why

Providence created different races. Rather it is important to understand the fact that it will punish those who pay no attention to its work of creation. . . .

I hereby prophesy that, just as knowledge that the earth moves around the sun led to a revolutionary change in the world picture, so will the blood-and-race doctrine of the National Socialist movement bring about a revolutionary change in our knowledge. . . . It will also change the course of history in the future.

This will not lead to difficulties between nations. On the contrary, it will lead to a better understanding between them. But at the same time it will prevent the Jews, under the mask of world citizenship, from thrusting themselves among all nations as an element of domestic chaos. . . .

The National Socialist movement limits its domestic activities to those individuals who belong to one people. It refuses to permit those of a foreign race to have any influence whatever on our political, intellectual, or cultural life. We refuse to give any members of a foreign race a dominant position in our national economic system.

In our folk community, which is based on ties of blood, in the results which National Socialism has obtained by training the public in the idea of this folk-community, lies the deepest reason for the great success of our Revolution.

families, the double burden was a heavy one, as women were required to work long shifts—60-hour workweeks were not unusual—for low wages. Many women resisted entering the work force if they had other income or could live on the cash payments they received as the wives of soldiers. At the beginning of 1943, the German people were ordered to make sacrifices for a new era of “total war.” Female labor became compulsory, and women were drafted into working for the war.

**Enemies of the State.** Propaganda condemned everything foreign, including Mickey Mouse, who was declared an enemy of the state in the 1930s. Purging foreign influences meant purging political opponents, especially members of the Communist party, who were rounded up and sent to concentration camps in Germany. Communism was identified as an international Jewish conspiracy to destroy the German *Volk*, or people. Nazi literature also identified “asocials,” those who were considered deviant in any way, including homosexuals, who were likewise to be expelled. Euthanasia was used against the mentally ill and the mentally disabled in the 1930s.

Concentration camps were expanded to contain enemies of the state. Later, when concentration camps became sites of extermination and forced labor, gypsies, homosexuals, criminals, and religious offenders had to wear insignia of different colors to indicate the reason for their persecution. The people who received the greatest attention for exclusion from Nazi Germany, and then from Europe, were the Jews.

**Scapegoating Jews.** The first measures against German Jews—their exclusion from public employment and higher education—began almost immediately in 1933. In 1935, the Nuremberg Laws were enacted to identify Jews, to deprive them of their citizenship, and to forbid marriage and extramarital sexual relations between Jews and non-Jews. On the night of 9 November 1938, synagogues were set afire and books and valuables owned by Jews were confiscated throughout Germany. Jews were beaten, about 91 were killed, and 20,000 to 30,000 were imprisoned in concentration camps. The night came to be called *Kristallnacht*, meaning “night of broken glass,” which referred to the Jewish shop windows smashed

under orders from Goebbels. The government claimed that *Kristallnacht* was an outpouring of the German people's will. An atmosphere of state-sanctioned hate prevailed.

Racism was nothing new in European culture, nor was its particular variant, anti-Semitism—hatred of Jews—the creation of the Third Reich. The link the Nazis cultivated between racism and politics was built on cultural precedents. In the 1890s, in France and Austria and elsewhere in Europe, anti-Semitism was espoused by political and professional groups that formed themselves around issues of militant nationalism, authoritarianism, and mass politics. Hitler was a racist and an anti-Semite, and he placed theories of race at the core of his fascist ideology. “Experts” decided that sterilization was the surest way to protect “German blood.” In 1933, one of the early laws of Hitler’s new Reich decreed compulsory sterilization of “undesirables” in order to “eliminate inferior genes.” The Nazi state decided who the undesirables were and forced the sterilization of 400,000 men and women.

The Third Reich was a government that delivered on its promises to end unemployment, to improve productivity, to break through the logjam of parliamentary obstacles, and to return Germany to the international arena as a contender for power. Hitler’s Nazi state ruled by violence, coercion, and intimidation. With a propaganda machine that glorified the leader and vilified groups singled out as scapegoats for Germany’s problems, Hitler undermined democratic institutions and civil liberties in his pursuit of German power.

## DEMOCRACIES IN CRISIS

Democracies in the 1930s turned in on themselves in order to survive. In contrast to the Fascist mobilization of society and the Soviet restructuring of the economy, European democracies took small, tentative steps to respond to the challenges of the Great Depression. Democratic leaders lacked creative vision or even clear policy. Both democratic France and Great Britain were less successful than Nazi Germany in responding to the challenges of the Great Depression. France paid a high price for parliamentary stalemate and was still severely depressed on the eve of war in 1938–1939. Great Britain maintained a stagnant economy and stable politics under Conservative leadership. Internal dissension ripped Spain apart. Its civil war assumed broader dimensions as the Soviet Union, Italy, and Germany struggled over Spain’s future while Europe’s democratic nations stood by and accepted defeat.

### The Failure of the Left in France

France’s Third Republic, like most European parliamentary democracies in the 1930s, was characterized by a multiparty system. Genuine political differences often separated one party from another. The tendency toward parliamentary stalemate was aggravated by the Great Depression and by the increasingly extremist politics on both the left and the right in response to developments in the Soviet Union and Germany.

- This photograph of striking workers at the Argenteuil car factories in Lorraine captures the spirit of optimism that swept France in 1936.

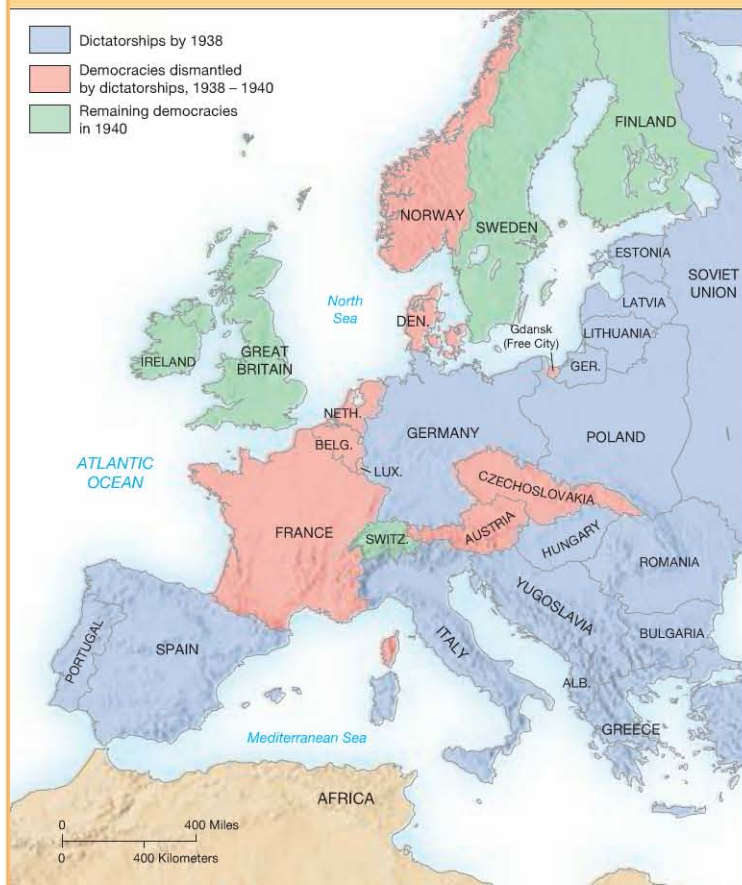




The belief of the French people in a private enterprise economy was shaken by the Great Depression, but no new unifying belief replaced it. Some believed that state planning was the answer; others were sure that state intervention had caused the problem. Distrusting both the New Deal model of the United States and the Nazi response to depression politics, the Third Republic followed a haphazard, wait-and-see policy of insulating the economy, discouraging competition, and protecting favored interests in both industry and agriculture. Stimulating the economy by deficit spending was considered anathema. Devaluation of the franc, which might have helped French exports, was regarded by policy makers as an unpatriotic act. France stood fast as a bastion of liberal belief in the self-adjusting mechanism of the market, and it suffered greatly for it. Party politics worked to reinforce the defensive rather than the offensive response to the challenges of depression and a sluggish economy.

In 1936, an electoral mandate for change swept the Left into power. The new premier, Léon Blum (1872–1950), was a Socialist. Lacking the votes to rule with an exclusively Socialist government, Blum formed a coalition of Left and Center parties intent on economic reforms known as the **Popular Front**. Before Blum's government could take power, a wave of strikes swept France. Although reluctant to intervene in the economy, the Popular Front nevertheless was pushed into some action. It promised wage increases, paid vacations, and collective bargaining to the great public jubilation of workers. The reduced workweek of 40 hours caused a drop in productivity, as did the short-lived one-month vacation policy. The government did nothing to prevent the outflow of investment capital from France. Higher wages failed to generate increased consumer

## MAP DISCOVERY



### Europe: Types of Government

Note the prevalence of dictatorships throughout Europe in 1940. How many democracies were dismantled by dictatorships between 1938 and 1940? What were the similarities and differences among these dictatorships? By 1940, most European nations were ruled by dictatorships. What five countries were the exceptions? What generalizations, if any, might you make about those five democracies?

demand because employers raised prices to cover their higher operating costs.

German rearmament, now publicly known, forced France into rearmament, which it could ill afford. Blum's government failed in 1937, with France still bogged down in a sluggish and depressed economy. The last peacetime government of the

1930s represented a conservative swing back to laissez-faire policies that put the needs of business above those of workers and brought a measure of revival to the French economy.

The radical Right drew strength from the Left's failures. Right-wing leagues and organizations multiplied, appealing to a frightened middle class. The failure of the Socialists, in turn, drove many sympathizers further to the left to join the Communist party. A divided France could not stand up to the foreign policy challenges of the 1930s posed by Hitler's provocations.

### Muddling Through in Great Britain

Great Britain was hard hit by the Great Depression of the 1930s; only Germany and the United States experienced comparable economic devastation. It took a coalition of moderate groups from the three parties—Liberal, Conservative, and Labour—to address the issues of high unemployment, a growing government deficit, a banking crisis, and the flight of capital. The National Government (1931–1935) was a centrist, nonpartisan coalition whose members included Ramsay MacDonald, retained as prime minister, and Stanley Baldwin (1867–1947), a Conservative with a background in iron and steel manufacturing.

**Slow Recovery.** In response to the endemic crisis, the National Government took Britain off the international gold standard and devalued the pound. In order to protect domestic production, tariffs were established. The British economy showed signs of slow recovery, probably due less to the gov-

ernment measures than to a gradual improvement in the business cycle. The government had survived the crisis without resorting to the kinds of creative alternatives devised in the Scandinavian countries, where, for example, consumer and producer cooperatives provided widespread economic relief. Moderates and classical liberals in Great Britain persisted in defending the nonintervention of the government in the economy, despite new economic theories such as that of John Maynard Keynes (1883–1946), who urged government spending to stimulate consumer demand as the best way to shorten the duration of the Great Depression.

**The British Union of Fascists.** In 1932, Sir Oswald Mosley (1896–1980) founded the British Union of Fascists (BUF), consisting of goon squads and bodyguards. The BUF was opposed to free trade liberalism and communism alike. Mosley developed a corporate model for economic and political life in which interest groups rather than an electorate would be represented in a new kind of parliament. He favored, above all, national solutions by relying on imperial development; he rejected the world of international finance as corrupt.

The BUF shared similarities with European Fascist organizations. BUF squads beat up their political opponents and began attacking Jews, especially the eastern European émigrés living in London. The British fascists struck a responsive chord among the poorest working-class people of London's East End; at its peak the group claimed a membership of 20,000. Public alarm over increasingly inflammatory and anti-Semitic rhetoric converged with parliamentary denunciation. Popular support for the group was already beginning to

■ A British Union of Fascists unit salutes founder Sir Oswald Mosley in London, October 1936.

