dled with the huge debt incurred in financing World War I and the misery of soaring inflation, the Weimar Republic (as the parliamentary government of Germany was called from 1919 to 1933) was stressed and strained. To glimpse what was to happen between Gerlich and Hitler, it is important to note in more detail a few of the reasons for Germany's distress at that time.

Jermany's defeat in World War I was officially sealed on Armistice Day, November 11, 1918. Seven months later, on June 28, 1919, the Versailles Treaty, which established the peace terms, was signed in Paris. The treaty pronounced Germany guilty for starting the war and required the Germans to pay for all the damages the Allies had suffered. A reparations commission would determine the amount. The terms of an agree-

ment subsequently reached in London in May 1921 put Germany's war reparations bill at 132 billion gold marks (about \$31 billion at the prevailing exchange rate). The debt was to be paid at

six percent interest over 37 years. The annual payments would amount to two billion gold marks plus 26 percent of German exports. Estimated to be about seven percent of Germany's national

income, the annual payments were judged by British economist John Maynard Keynes to be three times what the country could afford. The financial burden created deep resentment that Hitler

and his Nazi Party would exploit to the fullest.

From the beginning, Germany had difficulty meeting the reparations schedule. Already at the end of 1921, for example, the

government declared that it could not make the payments due in January and February 1922. Several times Germany asked for a moratorium, but France, in particular, saw payment defaults as an



In sharp contrast to the mechanized Nazi *Blitzkrieg* into France 17 years later, French soldiers occupied the Ruhr by bicycle in 1923.

further by reoccupying the Rhine-Ruhr area, a region of industrial and strategic importance for Germany's postwar recovery. On January 11, 1923, using a shortfall in German wood and coal deliveries as his pretext, French Premier Raymond Poincaré sent troops into that part of Germany to oversee French interests.

Unable to offer military resistance to the French occupation, which was augmented by Belgian forces, the Germans responded with passive resistance. When 130,000 German laborers refused to work, the region's productivity declined by half. The French met



Upon their return home from the Great War, German soldiers found that their prospects were limited. Many of them wound up on welfare lines.

to the traditions of the Mosaic laws and seek religious purity among God's chosen people; the Essenes withdraw from society into quasimonastic conclaves; the Zealots agitate for political freedom for Judea from Roman rule; and the Jewish Christians believe Jesus is the promised Messiah.

- Ist century C.E.: About five million Jews live outside Palestine, 80 percent of them within the Roman Empire.
- 70: Following a Jewish revolt, General Titus and his Roman army surround Jerusalem, entrapping the city's population. Jews who try to escape are killed. The rest are held

under siege for several months before being attacked by the army. Between starvation and slaughter, at least 600,000 Jews die. The Romans destroy the Second Temple. Many early-day Christian theologians will say that the Jews brought the destruction upon themselves because they had rejected Jesus as their Messiah.

this resistance with arrests, imprisonments, evictions, and even executions. By the summer of 1923, the woes of the slumping German 🅢 economy had grown worse and the French occupation force in the Rhine-Ruhr area had risen to 100,000 men, a number equivalent to the size permitted for the entire German Army by the Versailles Treaty. These outcomes added insult to German injury, especially for those who erroneously believed, as Hitler did, that Germany's defeat and especially the Versailles Treaty had been the result of a Dolchstoss ("stab in the back") inflicted from within Germany by Jewish traitors and their left-wing collaborators.

In 1923 Germany experienced one of the most desperate inflationary spirals any industrialized nation has known. The country's wartime financing had depended less on increased taxation and much more on loans and bonds, which then were repaid by the government's already inflationary policy of increasing the money in circulation at the time. As quickly as the paper money was printed, its value depreciated.

Unfortunately, the problems plaguing Germany's economy went well beyond both the debts that had accumulated during wartime and the reparations demands that

The Versailles Treaty

The signing of the Versailles Peace Treaty in June 1919 marked the formal conclusion of the war between Germany and the former Entente powers. Written entirely by the victors, the treaty was universally loathed by Germans.

The treaty required Germany to relinquish the territories of Alsace, Lorraine, Poznan, West Prussia, and Upper Silesia as well as its prized colonial possessions in Africa. In addition, Germany lost control of its coal mines in the Saarland. The military provisions of the treaty removed German troops from the Rhineland, dismantled Germany's navy, and limited its army to 100,000 men. Exorbitant reparations, 132 billion gold marks (about \$31 billion), were also exacted.

The most devastating feature of the treaty was the infamous "war-guilt clause." Article #231 stipulated that Germany must accept complete and total responsibility for the war, a demand that humiliated even moderate Germans who recognized Germany's obligations to make restitution.

Saddled with the burden of defeat and the humiliation of the Versailles Treaty, Germany's postwar government, the Weimar Republic, was accused by its critics of having stabbed Germany in the back. A call to overturn the treaty was the most salient feature of the Nazis' political platform before their ascension to power in 1933.

were another immense price for defeat. The war had harmed Germany's industrial capacity. Its stock of raw materials and goods had been severely depleted. Then there were the high costs of converting the economy from wartime to

peacetime operation, a difficulty compounded by Germany's high unemployment. That problem, in

Die Kriegsenschädigungen bedemen für jeden neugeborenen Demisdien 4763.5 Goldenal dulden an die Alliierten

> This poster of a bawling baby reflects German anger that those born after the war would spend their entire lives paying reparations.

- 313: Roman Emperor Constantine issues a decree that grants tolerance for all religions, including Christianity.
- 4th century: Jews are discriminated against by the Christianized Roman Empire.
- 4th-6th centuries: Several Church councils and dozens of Roman laws
- attack Judaism and Jews, forbidding, for example, marriage between Christians and Jews. • Christians begin to attack Jews as "Christ killers" in league with the devil.
- c. 500-1000: During the early Middle Ages, European Jews, generally working as merchants, suffer scattered persecution.
- 1096-1099: The first Christian Crusaders massacre Jews in Europe and capture Jerusalem.
- 11th-13th centuries: Many Christian Crusades include massacres of Jews. Thousands are slaughtered, and synagogues and homes are plundered.

Economic Calamity

In Germany in 1923, a typical workingman carted his weekly salary home in a wheelbarrow. Housewives used the nearly worthless government currency to light household fires. An armload of banknotes might buy a loaf of bread. These absurdities were some of the more visible results of the economic inflation that wiped out people's savings and crippled Germany's Weimar government during the interwar vears before Hitler.

From its inception in 1919, the democratic Weimar Republic faced serious economic problems, foremost among them staggering reparations payments demanded by the victorious **Entente powers after the Great** War of 1914-1918, and set forth in the Treaty of Versailles. Because German financial manipulators became fabulously wealthy by taking advantage of middle-class misfortune, those who had been ruined became receptive to right-wing political extremists who blamed the nation's ills on the Weimar government and, frequently, on Jews.

Although inflation came to a halt in 1924, the German recovery was fragile. The New York stock-market crash of October 1929 set off an international economic crisis that devastated Germany. Business failures and unemployment reached unprecedented levels. Argument in the Reichstag led to virtual paralysis of Germany's political decisionmaking process.

Throughout these years Adolf Hitler campaigned tirelessly, vowing to repudiate Versailles and restore Germany's pride and prosperity. A desperate electorate responded. In the 1930 elections, the NSDAP scored a dramatic political breakthrough, winning 18.3 percent of the vote and increasing its Reichstag representation from 12 delegates to 107—the second largest in parliament.

Nazi rhetoric encouraged the middle class to remember the awful inflation of 1923, and to resent the indignities of the Versailles Treaty. Nazis blamed Ger-



many's calamitous situation on "November criminals" (a reference to Social Democrats deemed responsible for Germany's prostrate position in 1919), on Marxists, on economic profiteers, and on the Jews, who supposedly were behind it all.

The shouting matches in parliament found increasingly more violent expression on Germany's streets, where pitched battles were fought by competing political armies. Youthful Nazi thugs relished clashes with Social Democrats and other political opponents. The summer of 1932 was particularly bloody, as Nazi Storm Troopers made good on their promises to "break skulls" and "smash up the goddamned Jewish republic." In June in the state of Prussia alone, nearly 500 skirmishes left more than 80 people dead.

As the Depression deepened, vigorous Nazi propaganda efforts paid even more dramatic dividends. The July 1932 elections gave the Nazis a stunning 37 percent of the vote. Now, with 230 Reichstag members, they became Germany's largest political party. Emboldened by this ballot-box success and apparent public approval of his grandiose economic plans, Hitler intensified his demand to be named chancellor.

 11th–15th centuries: Medieval Jews experience a significant deterioration of their status in Europe. Jews are viewed as the devil's agents; Europe's greatest sinners; rapacious usurers; malicious murderers of Christian children (ritual-murder defamation); drinkers of Christian blood (blood libel); conspirators who seek to destroy Christianity (poisoners of

wells); and continued enemies of Jesus Christ (desecrators of the Host). These frequent defamations against Jews are not born out by the facts. Nevertheless, whole Jewish communities are slaughtered as a result of the animosity behind these charges.

• 1171: In the town of Blois, southwest of Paris, Jews are falsely accused of committing ritual murder (killing of a Christian child) and blood libel (using the blood of the child in Jewish religious ritual). The adult Jews of the city are arrested and most are executed after refusing to convert. Thirty-one or 32 of the Jews are killed. The Jewish children are forcibly baptized.





This 1924 election poster urged Germans to vote for the German Nationalist People's Party (DNVP) and against the traitorous Democrats and Socialists.

turn, was made no easier by the fact that in 1920 Germany still maintained 660,000 soldiers. To meet the provisions of the Versailles Treaty, 560,000 had to be demobilized and then, somehow, absorbed into the German labor force. That goal could scarcely be accomplished in an economy whose inflationary instability was rapidly destroying confidence in the government.

In the early 1920s, one dollar was worth 100 marks. In January 1923 the mark fell to 18,000 per dollar. Hyperinflation had replaced inflation. Later in the year, the exchange rate soared to 4.2 billion marks to the dollar. Before the spiral could be brought under control at the end of 1923, the hyperinflation had ruined millions of ordinary Germans who depended on wages, fixed incomes, or savings that had been carefully accumulated during better times. At the inflation's peak, a liter of milk or a loaf of bread could cost billions of marks. Prices changed not only daily but during the day as well. Currency held in the morning was worthless by nightfall.

Hyperinflation benefited some financial manipulators who obtained huge bank loans, used them to buy businesses or property, and then were able to repay their loans with devalued currency Most Germans, however, found themselves in dire economic straits, for it was not unusual for them to receive word from their banks indicating that their deposits no longer had any value.

An early mecca for Germany's postwar nationalist movements, the region of Bavaria—and in particular Munich, its chief city—not only was affected by economic instability in 1923 but was also a place where plans to restore order by revolutionary means were under way. It is likely that such plans led to Hitler's meeting with

the bespectacled Fritz Gerlich. Gerlich was no Nazi, but the two men shared interests, and they might have become allies. As it turned out, the opposite happened. Gerlich became one of Germany's most persistent and adamant opponents of Hitler and the Nazis. The origin of his loathing for Hitler is less than crystal clear, but it probably stemmed from assurances that Hitler gave Gerlich in the spring and then broke in the autumn of 1923.

As Ron Rosenbaum documents the story in his 1998 book, Explaining Hitler, Gerlich backed the political aspirations of Gustav von Kahr, the right-wing nationalist governor of Bavaria. Hitler may have promised Gerlich that he, too, would support Kahr and not resort to illegal methods to advance the Nazi agenda. Subsequently, Gerlich witnessed the Munich Beer Hall Putsch on November 8–9, 1923, in which Hitler rashly attempted a takeover



As inflation rose, the Weimar government printed even more money. A ten-billion mark note, like the one pictured here, could buy practically nothing at the end of 1923.

- 1215: The Church's Fourth Lateran Council decrees that Jews be differentiated from others by their type of clothing to avoid intercourse between Jews and Christians. Jews are sometimes required to wear a badge; sometimes a pointed hat. The Papacy sometimes protects Jews but makes it clear to one and all that the Jews are stateless beings who depend
- on the kindness of the Church for their very existence within Christendom.
- 1290: Jews are expelled from England. Hostility toward Jews will persist in the British Isles for the next 350 years, despite the absence of Jews until the mid-17th century.
- 1306: Philip IV orders all Jews expelled from France, with their property to be sold at public auction. Some 125,000 Jews are forced to leave.
- Early 14th century: Gypsies establish themselves in Southeastern Europe.