

# The History of the Twentieth Century

## Episode 260

### “The Hunger Chancellor”

#### Transcript

[music: Fanfare]

After the Great War, Germany was the last major economy to reestablish peacetime prosperity. But alas for the German people, when the Great Depression struck, it hit the German economy early and particularly hard.

Welcome to *The History of the Twentieth Century*.

[music: Opening Theme]

Episode 260. The Hunger Chancellor.

In the previous two episodes, we talked about the multiple economic crises that developed in the United States over a period of about 18 months from October 1929 to May 1931. The next crisis in the sequence of dominos that's taking down the world economy will emerge in Europe, but before I get into that story, let's get up to speed on the political situation in Germany.

When we last talked about politics in Germany, it was all the way back in episode 215, which took us up to 1924. The hyperinflation of the previous year had been contained. The National Socialist Party had been banned, and its leader, Adolf Hitler, convicted of treason and sent to prison.

Since then, well, we discussed the Dawes Plan in episode 240; that was the one negotiated by Charles Dawes of the United States. It granted Germany a temporary reduction in reparations payments for the following five years, which was intended to give the Germans some space to rebuild their economy, and it provided for a French withdrawal from their occupation of the Ruhr Valley. The Plan also made it easier for the Germans to borrow foreign money by prioritizing repayment of new loans over old reparations debts. This was intended to give the Germans access to investment capital, again to help them build up their economy. The Dawes Plan won Charles Dawes of the United States and Austen Chamberlain of the United Kingdom a shared Nobel Peace Prize for their efforts; it also won Dawes the Vice Presidency of the United States.

We looked at Weimar German culture in episode 241; today let's return to the political situation. Germany had a general election in December 1924 that produced another coalition government led by Hans Luther. In February 1925, the German President, Friedrich Ebert, came down with an illness that was taken to be influenza at first, then gallstones. It was neither; it was appendicitis. He underwent an emergency appendectomy, but it was too late. He died on the last day of February, 1925, at the age of 54.

Ebert, you'll recall, had been elected by the Weimar Assembly. He was a Social Democrat, but a democrat first and a socialist second. As President, he labored to keep the Weimar Coalition together, often working cooperatively with centrists and even the nationalists in opposition to the Communists, who viewed him and his allies in the Social Democratic Party as traitors to the socialist cause and dupes of the right wing.

Ebert's death triggered the first ever direct election of a German president under the new constitution. Under the election law in effect at the time, the contest would be held in two rounds. In the first round, it would take a majority of the vote to be elected. If no candidate won a majority in the first round, then whoever won the most votes the second time around would become President, majority or no.

The Weimar Coalition parties each ran their own candidate, and in the fractured multiparty democracy of Germany, much more like the politics of France than either the UK or the US, it was highly unlikely anyone would get half the vote, and in the first round, the top candidate got only 39%. That was Karl Jarres of the center-right German People's Party; he was also supported by the right-wing nationalist German National People's Party. Then came Otto Braun of the SPD with 29%, Wilhelm Marx of the Centre Party with 15%, Ernst Thälmann of the Communist Party with 7%, Willy Hellpach of the German Democratic Party with 6%, Heinrich Held of the Bavarian People's Party with 4%, and bringing up the rear with an embarrassing 1%, we find Erich Ludendorff.

Hey, there's a name we haven't heard in quite a while. Erich Ludendorff, second in command during the Great War. You mean, he's still alive? I could have sworn I saw Wonder Woman kill him back in 1918. That's what I get for getting my history from Hollywood. Ludendorff was the candidate of the German People's Freedom Party, a far-right party that filled the void left when the National Socialist Party was banned. He had the support of most Nazis, and based on the election results, it's safe to say every Nazi in Germany voted for him.

The election law permitted parties to change candidate in the interim between the two rounds of the election, so representatives of the right-wing parties met to see if they could come up with a candidate acceptable to them all. The name they came up with was another familiar one, Paul von Hindenburg, Ludendorff's former superior and first in command during the war. Hindenburg was *not* murdered by a gleeful, cackling Erich Ludendorff in 1918, whatever Hollywood tries to tell you. The old soldier, now 77 years old and widowed, was still around. He was a confirmed

monarchist, but agreed to stand for President, reportedly after contacting the deposed Kaiser Wilhelm II, still living in exile in the Netherlands, and getting his approval.

The announcement of Hindenburg's candidacy put the fear of God into the Weimar Coalition. Would Hindenburg move to dismantle the Republic and restore the Kaiser to the throne? It seemed possible, and even more possible that the Allies would move against Germany militarily at the first hint of a Hindenburg presidency. We could see French troops marching into the Ruhr Valley once again. So the Coalition set aside their own differences and agreed on the Centre Party's Wilhelm Marx as their joint candidate in the second round of voting. Once the Coalition agreed on a candidate, it seemed likely Marx would coast to victory, but the surprising result of the second round was Hindenburg edging out Marx 48%-45%, with the Communists taking the rest.

To the surprise of some, and the disappointment of others, Hindenburg did not prove to be a right-wing radical. He made no attempt to undermine the Republic or restore the monarchy, and he even supported the government's foreign minister, Gustav Stresemann, in his negotiations with the Allies, who took the election of their former arch-enemy in stride. Germany and the Allies agreed to the Dawes Plan. Later that year, Germany, France, Belgium, the UK, and Italy signed a series of treaties in Locarno, Switzerland. The Locarno treaties confirmed and guaranteed Germany's western borders and included a pledge that France, Belgium, and Germany would never go to war with each other, a pledge guaranteed by Italy and the UK.

This new round of treaties produced a notable thaw in relations between Germany and its former enemies and ushered in a period of closer relations people at the time referred to as the "spirit of Locarno." The Locarno agreements also called for Germany to join the League of Nations, with a permanent seat on the League Council. The League Council, the executive body of the League, was meant to have five permanent members, the UK, France, Italy, Japan, and the United States. With the US refusal to join, the Council had been reduced to four members; now Germany was to be the fifth.

These agreements won the French and German foreign ministers, Aristide Briand and Gustav Stresemann a joint 1926 Nobel Peace Prize. Not everyone was happy with the new agreements, though. The German right wing was enraged by Locarno's confirmation of the loss of Alsace-Lorraine to France, while Poland objected to the Locarno agreement explicitly excluding the German-Polish border. The Polish government proposed a so-called "Locarno of the East," with the Western Allies guaranteeing Poland's border, but the Germans would not agree to negotiate, leading Poland's foreign minister Józef Beck to complain that the Allies effectively gave Germany the green light to go to war against Poland in exchange for peace in the West.

In 1927, basking in the success of the Locarno agreements, and with a shiny new Nobel Prize decorating his mantel, French foreign minister Aristide Briand turned his attention to the United States, a nation that was intimately involved with Europe financially but kept refusing to engage

with Europe diplomatically. Briand tried coaxing the US into a greater engagement in international affairs with a simple proposal for a simple diplomatic agreement he figured not even the Americans could refuse: a bi-lateral non-aggression pact. The United States and France would sign an agreement in which each of them would pledge not to go to war against the other.

The Americans, in the person of Secretary of State Frank Kellogg, could not in fact refuse, but in a bit of diplomatic judo, invited the rest of the world in on the treaty. The result is the agreement known as the Kellogg-Briand Pact, which declared that the signatory nations “condemn recourse to war for the solution of international controversies and renounce it as an instrument of national policy.” The Pact was signed in 1928 and took effect in 1929. Ultimately, 62 nations, most of the sovereign states then in existence, ratified the agreement, and it would win Frank Kellogg the 1929 Nobel Peace Prize.

You can mark this moment as the high point of the spirit of Locarno and of Jazz Age hopes that the Great War truly would be the war to end war. You and I know it won't be, of course, but I mention the Kellogg-Briand Pact specifically because Germany ratified it, which won Germany a lot of good will with its former enemies. With Germany renouncing war, confirming its postwar borders, some of them, and joining the League of Nations, it was possible to believe that the new, democratic Germany had taken its rightful place within the community of advanced, peaceful, democratic nations.

In May 1928, as the Kellogg-Briand Pact was being negotiated, Germany held elections to the Reichstag. I'm saying this carefully because a listener in Germany wrote in to remind me that it's Reichs-tag, that is, the Tag of the Reich, not Reichstag, as I am apt to say it. My brain knows this but my tongue has trouble keeping up, but for the record, and because I don't want to mislead anyone, Germany held elections to the Reichs Tag in May, 1928. The Social Democratic Party and the Communist Party both gained seats in that election, marking it as a clear victory for the left, although to get a working majority together, the SPD still had to recruit the usual Weimar Coalition partners.

By the way, the National Socialist German Workers Party, the Nazis, won 2.6% of the vote in this election, netting them 12 seats in the Reichstag. You'll recall that the last time we checked in with Adolf Hitler and his splinter right-wing nationalist party, the party had been banned and Hitler himself was in prison for treason. But there are prisons and there are prisons. There are the prisons where they put the guy who robbed a few hundred bucks from the local convenience store, and then there are the prisons where they put the politicians who robbed twenty thousand bucks from their campaign fund. Hitler was sent to the second kind of prison, where he lived comfortably, was allowed frequent visits from other Nazi Party leaders, and where he dictated his book, a combination biography and political manifesto he called *Vierinhalf Jahre (des Kampfes) gegen Lüge, Dummheit und Feigheit*, or *Four and a Half Years of Struggle against Lies, Stupidity, and Cowardice*. Somebody in the marketing department persuaded him to shorten that title to simply *My Struggle*, or in German, *Mein Kampf*.

The Bavarian government attempted to deport Hitler to his native Austria. The Austrian government was unenthusiastic about this idea and rescinded Hitler's Austrian citizenship, based on his service in the German Army during the war, which left him legally a stateless person, a citizen of no country. Hitler served less than a year in prison before being released in December 1924; by then, the political situation in Germany had become more stable, and the authorities were willing to lift the ban on the National Socialists in exchange for Hitler's pledge that the Party would henceforth obey the law and restrict itself to legal means of political activism, like campaigning in elections.

I think this is what they call "letting the genie out of the bottle."

But the gamble seemed to work. In 1924, when the Party was still banned, National Socialists backed an allied right-wing party which won 14 seats; in 1928 they ran under their own name and won 12, so for now it seems the National Socialists are no more than a nuisance, although they have expanded beyond their base in Bavaria and now have a national presence, so we'll have to keep an eye on that.

The leftward shift in the 1928 election results can probably be explained by a slowing of the German economy that began in 1926, accompanied by rising unemployment. You will recall that I told you back in episode 257 about an informal meeting of central bankers on Long Island in 1927, at which Reichsbank chief Hjalmar Schacht warned his British, French, and American counterparts that another reparations crisis was looming in 1929. That year, the five years of reparations relief that Germany gained under the Dawes Plan would end and Germany would be called upon to resume full payment. Schacht claimed the economic slowdown meant that Germany would not be able to meet its reparations obligations and also make payment on its new American debt, which the Dawes Plan had allowed it to accumulate.

Schacht was actually pleased that Germany was taking on this new American debt. He had hoped that when the Germany's debt repayment crisis reached a head in 1929, American bankers and investors would become a pro-German lobby in the US, pressuring Washington to do more to ease the reparations crunch, in order to protect their own investment in Germany. Like maybe lobby the US government to grant additional debt relief to Britain and France, which would encourage those countries to ease up on Germany, which in turn would ensure Germany could pay back its American loans.

This did not happen, and as the five-year respite Germany had gained from the Dawes Plan drew to a close in 1929, the German government had a serious problem. Its reparations payments were due to go up at just the time when tax revenues were flat and social spending increasing as more Germans lost their jobs. The US Federal Reserve was raising interest rates to tamp down the US stock market, which was forcing the Reichsbank to raise its own rates, further slowing the German economy.

The Weimar Coalition was loathe to cut social spending. The Communists would say this was further proof that the SPD were sell-outs, while the right wing would make hay out of the government literally taking money away from needy Germans to pay off rich American bankers.

The German government might have tried devaluing the mark, but the inflation nightmare of 1923 was too vivid in the memory. Mild inflation can actually be a good thing; it can help an economy, but fears were too great that even mild inflation would take Germany back down the slippery slope to 1923.

When the time came for the 1929 round of reparations negotiations, the outcome was the Young Plan, named after Owen Young, the ex-chairman of RCA, who led the talks. Contrary to Schacht's hopes, the US government was not willing to consider any further debt relief for the Allies, and the Allies in turn insisted that the reparations payments they received from Germany be no less than what they had to pay to America. This amount represented a modest reduction from the amount Germany had originally been scheduled to pay after the Dawes Plan expired, but it was nothing like the degree of relief the Germans had been looking for. Even worse, the Allies still wanted the full principal repaid, meaning that a reduction in the annual payment would extend the payment terms significantly. All the way to 1988, to be exact, a payoff date unimaginably distant in 1929, and amounting to a repudiation of the principle articulated back at the Paris Peace Conference in 1919, that Germany should not be saddled with debt for more than one generation. Now, ten years later, in 1929, we're talking about debt payments for something approaching three generations.

The Young Plan also ended preferential treatment for repayment of more recent German loans. Remember that the Germans had borrowed over \$3 billion from US banks since the Dawes Plan went into effect. In principle, this capital was supposed to help build the German economy. In practice, American banks, attracted by the high interest rates available in Germany, lent freely to German businesses and to state and local governments, but not much of this money actually went to economic development.

When the US stock market crashed, a lot of Germans felt the Americans were getting their comeuppance. When the Fed cut interest rates in the face of a slowing US economy, that was received as good news in Berlin, because it meant that Germany could also lower interest rates. But the one-two punch of stock prices crashing and banks failing in the US, meant that American credit dried up. US banks were no longer writing new loans to Germany and were calling in the loans they'd already made. Americans were buying fewer imports, especially after Smoot-Hawley, which hurt German exports as world trade dwindled. By the end of 1930, the unemployment rate was in double digits in the US, but it was 25% in Germany.

The Young Plan ran into political opposition in Germany almost as soon as it was signed, especially among the German right, and, as unemployment soared, so too did the ferocity of that opposition.

[music: Beethoven, *Symphony No. 9*]

Alfred Ernst Christian Alexander Hugenberg was born on June 19, 1865. In his younger days he was a civil servant and a right-wing political activist. In 1899, he called for the “annihilation” of ethnic Poles in eastern Germany, in order to resettle their lands with ethnic Germans, which gives you some idea of his temperament.

In the early twentieth century, Hugenberg left the civil service to work at Krupp, the huge German armaments firm, where he became a key figure in the company management. He made a lot of money from the Great War, as did the company; after the Armistice, he cashed out of Krupp and built his own publishing empire, buying up newspapers and magazines in Germany. He also acquired control of UFA, Germany’s leading film studio. He became known in the US as the William Randolph Hearst of Germany; in our time, considering his media and film interests, not to mention his politics, you might call him the Rupert Murdoch of Germany.

Hugenberg was also an early member of Germany’s leading right-wing party, the German National People’s Party, or DNVP, created after the war. He held one of the party’s seats in the National Assembly at Weimar and in the Reichstag.

I’ve mentioned the German National People’s Party a few times before on the podcast. The Party opposed the Republic, the Treaty of Versailles, and reparations payments, and supported restoration of the monarchy. It was very much the mirror image of the Communist Party. The Communists opposed everything the Weimar Coalition wanted to do, hoping to bring down the Republic and incite a Communist revolution; the DNVP opposed everything the Weimar Coalition wanted to do, hoping to bring down the Republic and restore the Kaiser.

This changed in 1924, when the Dawes Plan was presented to the Reichstag for approval. It required a two-thirds vote, meaning it would need some DNVP support, which proved a divisive question for the Party. On the one hand, the Party opposed reparations payments altogether; on the other hand, the Dawes Plan was offering Germany payment relief. If the Party killed the Dawes Plan, the Weimar Coalition parties could plausibly accuse them of increasing Germany’s debt burden. In the end, the Party leadership decided to release its individual Reichstag deputies to vote their consciences. They split about 50-50 on the question, which was enough for the Dawes Plan to squeak through.

This worked out well politically for the DNVP. The Party came out of the 1924 elections as the second-largest party in the Reichstag, after the SPD, and with a new, more moderate reputation as a party that was amenable to reason and willing to compromise.

The following year, after Ebert’s death and the first round of the presidential election, the DNVP took the lead in the initiative to persuade Hindenburg to enter the race. Remember Admiral Alfred von Tirpitz, commander of the German Navy, mastermind of the German naval expansion and the U-boat campaign during the war? Now 76 years old, he held a seat in the Reichstag as a

member of the DNVP and was one of those who worked to convince Hindenburg to run. The surprise election of Hindenburg as President of Germany and the perhaps even more surprising acquiescence of the Allies to this development further enhanced the position of the DNVP, which was now riding high.

But that changed following the Reichstag election of 1928. The SPD and the KPD, the socialists and the Communists, the two left-wing parties, both gained seats at the expense of most of the other parties, but the DNVP took the biggest hit of them all, losing 30 seats out of 103, or nearly 30% of its support.

This led to some soul-searching within the Party. More moderate figures suggested the DNVP was losing touch with the German public. Was there really anyone left under the age of 60 who still pined for the restoration of Kaiser Wilhelm? Seriously? The Party's two key constituencies were farmers and business people. German farmers, who have been having a bad time of it since the war, just like farmers everywhere, were easily convinced that socialists and reparations payments were the chief reasons for their troubles, but German businesspeople were more concerned about the state of the economy than the state of the crown. Maybe it was time for the DNVP to revise its platform into something more like a traditional conservative political party.

That might sound reasonable to you and me, but it did not sound reasonable to the now-63-year-old Alfred Hugenberg. He thought the Party needed to double down on its core principles: the end of the Republic, the restoration of the monarchy, the termination of reparations payments, repudiation of the Treaty of Versailles, and rebuilding Germany's armed forces. The whole ball of wax. Hugenberg made a bid for Party leadership after the drubbing of 1928, and with the support of his media empire, he got it. Under Hugenberg, Germany's leading right-wing party shifted even further to the right.

Then just months later came the announcement of the Young Plan. Hugenberg hated it, but more than that, opposition to the Young Plan was just the sort of campaign that could expand support for a right-wing party like the DNVP. If the call to bring back Kaiser Wilhelm didn't stir the hearts of younger, working-class Germans, then maybe opposition to this plan—this plan that demanded they labor to pay reparations to the Allies for the rest of their lives and perhaps the rest of their children's lives as well—maybe that would move them.

A bill was drafted, a bill grandly called "The Law Against the Enslavement of the German People." It would have renounced the Treaty of Versailles and made it a criminal offense for government officials to cooperate in the collection or payment of reparations to the Allies. It was introduced into the Reichstag, where it was voted down by a wide margin. But the new German constitution had a provision for a referendum, and the right wing collected enough signatures to force a national vote on the so-called "Freedom Law."

But the farmers and old men who were the core constituencies of the DNVP were not enough to win this battle, so Hugenberg and the DNVP reached out to other right-wing groups to form a



coalition to campaign for the Freedom Law. Farmers' clubs, business groups, regional right-wing organizations, *Der Stahlhelm*, which was a right-wing veterans' organization, the Pan-German League, and so on.

And the NSDAP, Hitler's National Socialists. Yes, they were a nuisance, a marginal party of the extremist right, but they were totally onboard with Hugenberg's agenda. Hugenberg was leery of the NSDAP at first. They kept going on about Jewish plutocrats. Hugenberg was an anti-Semite himself, so the Jewish part didn't bother him—he didn't think much of Catholics either; to him the Catholic-supported Centre Party was a gang of traitors who had sold out the nation—but Hugenberg was a plutocrat himself, and all this grumbling about plutocrats sounded to him suspiciously like socialism.

The NSDAP was at this time still largely a Bavarian party, although in recent years it had developed a significant presence in other parts of Germany, including Berlin, where it was led by a high-ranking Party official named Joseph Goebbels, who was almost as skilled a public speaker as Hitler and had a gift for adapting the new styles of the Roaring Twenties to market the Party: techniques like eye-catching newspaper advertisements and catchy jingles. Of course, the Nazis were still thugs. In 1927, a few hundred uniformed NSDAP members had attacked and beaten a group of Communists meeting in Berlin and had then paraded through the city in triumph, assaulting passersby on the sidewalks who were Jewish. Or were thought to be Jewish. The city authorities responded with a one-year ban on public rallies by the NSDAP; the Party blamed the whole affair on the Deputy Chief of the Berlin Police, a Jewish German named Bernhard Weiß. That's Nazis for you.

But Hitler and his party were popular with young people, the working class and veterans, the sorts of people the DNVP had trouble reaching. Hugenberg invited Hitler to a meeting; the NSDAP leader arrived dressed in the brown paramilitary uniform the NSDAP leadership now favored, which Hugenberg found off-putting. But he seemed like a reasonable person, insightful even. He didn't foam at the mouth or chew on the carpet; his political perspective was sound and reasoned, and he had useful ideas to contribute to the program. Hitler and the NSDAP were invited into the coalition. Hugenberg made substantial contributions to the chronically underfunded NSDAP and began praising Hitler and the Nazis in his own newspapers. Joseph Goebbels took a leading role in organizing publicity for the referendum campaign.

Coalition leaders toured Germany, appearing at rallies and giving speeches, including Hugenberg, Tirpitz, and Hitler. Hitler was by far the most talented public speaker in the group, but seeing him up on the platform among honored war heroes and other prominent figures of what we might call the respectable right wing enhanced his personal reputation. His oddball political party began to seem more mainstream.

When the referendum was held in December 1929, 95% of those voting approved the Freedom Law. But only about 15% of eligible voters turned out. The constitution required 50% turnout

before a referendum could be binding. You could interpret these results to mean the Freedom Law was very popular or very unpopular, depending on your own political persuasion.

Meanwhile, the German economic slowdown only got worse, as American credit dried up and German exports sagged. Three months after the referendum, in March 1930, with Germany facing double digit unemployment rates, the Coalition government, headed by Hermann Müller of the SPD, broke apart. The Young Plan, which was now in place, required the German government to maintain a balanced budget, but tax revenues were plunging. The more moderate Coalition members, the Centre Party and the Democratic Party, proposed to cut wages and social spending and increase taxes to balance the budget. This was anathema to the SPD, who figured that unemployment and poverty programs were more important now than ever. They sought smaller cuts and larger tax increases.

And so the Coalition broke up, over a relatively minor dispute over the national budget. The consequences were grave. No one was happier about the collapse of the Weimar Coalition than President Hindenburg, no fan of socialism. He had encouraged the SPD's coalition partners to hang tough against them. With the socialists out of government, Hindenburg appointed Centre Party member Heinrich Brüning as the new chancellor, to lead a minority government. This new government looked a lot like the old government, except for the absence of the SPD. The new Brüning government, no longer beholden to socialists, pressed ahead with its centrist solution to the economic crisis: an austerity budget of spending cuts and tax increases. The Reichstag rejected it. But the nation needed a budget and the Young Plan demanded a balanced one, so President Hindenburg saved the austerity plan by enacting the government budget by emergency Presidential decree.

The German constitution permitted the President to act by decree in times of national emergency, and this certainly looked like an emergency. The economy was collapsing, the government was going broke, the Reichstag couldn't agree on anything, and the Allies were demanding that Germany fulfill its promises under the new Young Plan.

But the constitution also gave the Reichstag the power to overrule an emergency Presidential decree by majority vote within sixty days. In the current political turmoil, it would be an uphill battle to get a majority of the Reichstag to agree to anything, but getting the Reichstag to say "no" to something? Super easy. Barely an inconvenience. In July 1930, they did exactly that.

This left Germany back where it started, with an economic crisis and a minority government paralyzed by lack of support in the Reichstag. So Hindenburg acted again. Another provision of the constitution allowed the President to dissolve the Reichstag and call a general election. So he did. Then, he enacted the government's austerity budget again by decree. This time there was no Reichstag to overrule him.

All of this was constitutional, although stacking those two distinct Presidential powers one on top of the other as Hindenburg had just done was an extreme measure and it was denounced as undemocratic and a violation of the spirit, if not the letter, of the constitution.

The German economy continued to deteriorate. Unemployment was approaching 20%, incomes were falling, and shantytowns of homeless Germans were appearing on the fringes of the major cities. It was easy to blame all this suffering on Chancellor Brüning and his austerity budget, and that's what most of Germany's political parties did. Germans mocked the Hindenburg-Brüning strategy of rule by decree and joked about how Brüning had drafted the austerity decree and now Germany was suffering under the decreed austerity. (This joke is funnier in the original German.) They also labeled Brüning *Der Hungerkanzler*, the "Hunger Chancellor." (That one translates a lot better.)

The 1930 general election was held in September, and when the votes were counted, the results were ugly. The SPD lost ten seats to 143 in the new Reichstag, but it remained the largest party. Brüning's Centre Party picked up a few seats, enough to make it the number four party, but that small gain was more than offset by losses among its center-right allies: the People's Party and the German Democratic Party, now rebranded the German State Party. Without the SPD, the Weimar Coalition was broken, and even if you could somehow patch it back together, even bring back the SPD, that still wouldn't get you to a majority. Alfred Hugenberg's right-wing DNVP also took a big hit, losing 32 seats to land in fifth place.

But the real shocker in these election results was who the gainers were. Apart from the Centre Party's modest gain, the Communists, or KPD, who refused to support anyone, had gained 23 seats to become the number three party; even worse, Adolf Hitler's National Socialists, the NSDAP, leveraged the prominence they had gained during the Freedom Law referendum less than a year ago, while Hitler focused his eloquent rage on the Hunger Chancellor, the austerity budget and the new reparations plan, and vaulted his party into second place in the Reichstag, with 107 seats.

You know how you used to play *Monopoly* with your little brother, only when he didn't like how the game was going, he'd flip the board over? Well, the German electorate had just decided they didn't like how anything was going in the national government, and had flipped the board. The three largest parties in the Reichstag, the SPD, the NSDAP, and the Communists, were all opposition parties in one sense or another. If you were a socialist, you could pick between two left-wing parties that were bitter enemies: the hard left Communists, who opposed everything and everyone, or the SPD, who were in principle willing to go into coalition with non-socialists, but wanted no part of the Hindenburg-Brüning austerity plan.

But what if you were not a socialist?

If you were the kind of person who was not a socialist, but neither had any use for the austerity budget—say, you were a professional or a farmer or a business owner—then the obvious choice

to express your displeasure with the government was the National Socialists. The Nazis were no longer a joke or a nuisance party; they were now effectively the main opposition party, and this new status won them new members and millions of marks in new contributions. Brüning entered into talks with the Nazis, in the hope of bringing them and their 107 votes into the government, but they could not reach a deal.

And so, after a few short years of prosperity, Germany now faced an economic crisis even worse than in 1923, this time with a dwindling centrist government opposed by all of the three biggest parties in the Reichstag. The last thing Germany needs right now is another economic shock.

But that is exactly what Germany is about to get. And that is the story we'll take up next week. We'll have to stop here for today. I thank you for listening, and I'd especially like to thank Mark and Spencer for their kind donations, and thank you to Ezra for becoming a patron of the podcast. Donors and patrons like Mark and Spencer and Ezra help cover the costs of making this show, which in turn keeps the podcast available free for everyone, so my thanks to them and to all of you who have pitched in and helped out. If you'd like to become a patron or make a donation, just visit the website, [historyofthetwentiethcentury.com](http://historyofthetwentiethcentury.com) and click on the PayPal or Patreon buttons.

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And it's that time of year again. The holidays are almost upon us, so allow me to remind you that donations and patronages to *The History of the Twentieth Century* make the perfect holiday gift—for me. No need to spend your valuable time shopping, no worries over whether it's the right size or the right color, no supply chain issues can disrupt your giving, and you can feel absolutely confident that it will never be returned. Another giving option is a rating—that's where you click on the stars—or a review—when you write actual words—at the iTunes store, which is still where your rating and review carry the most weight, or wherever podcasts are available for download. And thanks again to everyone who has already supported the podcast, by any or all of these means. You help keep me going, and help other listeners find the podcast, listeners who hopefully will enjoy it as much as you do.

And I hope you'll join me next week, on *The History of the Twentieth Century*, as we delve into the next chapter, both in the story of the worldwide Depression and the crumbling German economy as the banks begin to fail. The Great Crash, part three, next week, here, on *The History of the Twentieth Century*.

Oh, and one more thing. A word about the legacy of the Kellogg-Briand Pact. When I was young, the prevailing view was to dismiss this agreement as an empty gesture, not worth the paper it was printed on. Those of you who have read ahead in the history of the twentieth century know that another world war is coming, and obviously the Pact did not prevent it.

But that's a superficial conclusion. The Pact was important in its own time because it eased the way for Germany to fully rejoin the international community, and it was also an important step forward in building international peace structures. This is one of the major developments of the twentieth century, and we've been tracing it on the podcast ever since episode 29, back when Bertha von Suttner published *Die Waffen Nieder*, Alfred Nobel created the Nobel Peace Prize, and Russian Emperor Nikolai II, of all people, called a conference to discuss the resolution of international disputes by peaceful arbitration.

The Kellogg-Briand Pact may not have prevented another world war, but it did provide a legal basis for prosecuting the perpetrators of that war, which in turn set an important precedent: that war crimes are committed not by nations but by people, people who can be and will be held to account personally for their deeds.

[music: Closing Theme]