

The Impact of the Wall Street Crash 1929

- Prosperity had relied on growth in Industry made possible by American Loans. When the NY Stock Market crashed, bankers had to recall the loans. International trade, factory and business closed and u/e.
- Workers that weren't fired in the cutbacks or saw their factories close also had to survive with less money. Their wages were cut and taxes went up to look after the increasing number of poor people!
- The young and graduates could not get jobs as Businesses couldn't take on new staff and the farmers faced massive debts as prices crashed.
- Lastly, hope that Germany would recover had taken a massive blow with the death of Gustav Stresemann in October 1929.
- Factory production fell 40% from 1929 – 1932. There was record u/e by 1932 (6m). The Weimar welfare system failed as 70% didn't receive enough and 900,000 were receiving nothing by 1932.

Why did the Weimar Republic lose support?

- It failed to deal with the Depression. Stresemann died in 1929 and the Weimar constitution lead to weak and short-lived coalitions paralysed by negotiations as they couldn't agree on an economic strategy. The Muller government (SDP - 1928 – 1930) couldn't decide whether to raise taxes or benefits and in March 1930 Muller resigned. The Bruning government (ZP - 1930 – 1932) cut govt. spending and raised taxes (austerity) but his attempt to cut public sector pay was blocked by the Reichstag. President Hindenberg was asked by Bruning to use article 48 to overrule the Reichstag...He then raised taxes on income, beer and sugar and cut unemployment benefit by 60%. In 1930 election the Nazis gained 107 seats as Bruning was called the Hunger Chancellor! Bruning resigned.
- People turned to extreme parties who offered simple solutions. The KPD blamed the Capitalist system for the Depression and pushed state control to save the economy. In 1932 Ernsnt Thalmon gained 100 deputies (15%) in the election and he personally got 13% in the Presidential election. The Nazis did better. They blamed the Jews, the Weimar politicians and the Communists for the Depression and said they could save Germany by eradicating the 'enemy within.' In the 1932 election they gained 196 deputies (30%) and Hitler got 30% in the Presidential election.
- The Reichstag became increasingly run with the use of Article 48 and emergency powers. From 1930 the Reichstag met less and less often as Bruning and Hindenberg took control with Article 48. Social Democrats withdrew from the government coalition and Hindenburg took effective control...leaving an opportunity if he were to lose power...

Why did support for the Nazis grow between 1929 and 1933?

- The Nazi's promised to save the economy and appealed to a broad range of voters. People blamed the Weimar Republic for being too dependent on US loans, Muller and Bruning's failures and u/e. Hitler offered strong leadership, employment with road-building and public works, and to fight the left-wing. They were also pragmatic and they appealed to whomever they needed to and changed policy whenever needed. They offered discipline and to the young through the SA and jobs so 40% of Nazis before 1933 were in their 20s. He promised to make women the bedrock of Nazi society in traditional roles of wives and mothers. The urban working class preferred the Communists so the Nazis focused on the rural working class. He offered workers' rights for small rural businesses without TU's. He appealed to the Upper and Middle Class fear of Communism, while promising to support the Middle Class against big business. He also promised to protect farms from losing their land with collectivisation.
- Goebbels used a sophisticated propaganda campaign. Goebbels replaced Strasser as Head of Propaganda in Apr. 1930. He used simple 'on message' soundbites which were repeated everywhere and often thus creating the Nazi brand. He kept this at the forefront of people's minds and thus created credibility through familiarity with posters, rallies, parades, marches and saturating the market with newspapers...All were released to the right people at the right time and he used tech like planes to ensure Hitler was in 4/5 places per day on campaign or on radio. He used 8 Nazi newspapers and Hugenburg's other 120 newspapers. He got financial backing from Thyssen, Krupp and Bosch – ensuring 600,000 copies of their economic programme was released.
- Hitler used his image and violence to keep control. He advertised himself as ubermensch (superhuman) and thus spurned wearing his glasses in public. Ernst Rohm was re-instated as head of SA and within a year membership increased from 170,000 to 600,000 and they crushed and intimidated the opposition like the Communist Red –Front Fighters (RFB).

The Rise of Hitler 1929 - 1933

How did Hitler become Chancellor?

- Political support for the Nazis increased after 1929 and support for the SDP decreased. In 1928 the Nazis had 12 seats, by 1930 they were the second largest party, by 1932 they were the largest with 230 seats and in the same position in the Nov. elections but with only 196 votes. However, Hitler only got 37% of the votes for President so Hindenburg stopped him becoming Chancellor.
- However, the Chancellor's chosen to lead the Reichstag failed and Hitler exploited this to gain influence. Muller resigned in 1930 to be replaced by Bruning. But Von Schleicher's plan to gain more support for this Centrist leader with a 1930 election backfired as the extreme parties gained significant support and he ended up relying on Article 48 to run the country. Hitler increased violence with the SA and SS so Bruning had them banned in April 1932. Von Schleicher promised to take control by getting rid of Bruning and restoring the SA and SS in return for Hitler's support.
- However, Von Schleicher's game playing allowed Hitler to become Chancellor. Von Schliecher got Von Papen elected as a puppet but he refused to be controlled and Hitler also increased his violence once the ban was lifted in May 1932 and 1,000s were killed. In July 1932 the Nazis were the largest party and Hitler demanded to be Chancellor. Von Schleicher promised Hitler this role with absolute power but Hindenberg wouldn't allow it. However, Von Papen failed to create an effective coalition as the threat of violent revolution increased so he offered to dissolve the Reichstag. Vin Scheliecher therefore argued he should become Chancellor to save the Weimar republic but he also failed to create a querfront coalition. So Hitler and Von Papen convinced Hindenburg to make Hitler Chancellor with Von Papen as Vice Chancellor to save the country from breaking down into a full on revolution.