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A HISTORY OF THE GERMAN REPUBLIC

Translated by IAN F. D. MORROW
and L. MARIE SIFVEKING

THE DOWNFALL OF THREE DYNASTIES

A HISTORY OF THE GERMAN REPUBLIC

By

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TO
WOLFGANG ROSENBERG

PREFACE

IN 1928, in the preface to my book, *The Birth of the German Republic*, I wrote as follows: 'I chose November 10, 1918, as the closing date for my study, although it would have been scientifically better to have brought it down to the acceptance of the Weimar Constitution by the National Assembly. For research purposes the line of division still comes on November 10—the documents for scientific investigation being largely available before but not after that date. To write a critical history of Germany after November 10, 1918, is impossible at present.'

At the time when these lines were written all that was known of the documentary background to German history since 1918 was what had been published in 1926 and 1927 by the Reichstag Commission for the Investigation of the Vehm Murders. These publications were largely the work of its energetic *rapporteur*, Paul Levi. Meanwhile documentary evidence has piled up to an extraordinary height. Stresemann's *Vermächtnis* contained a great number of new and very important documents bearing on the history of the years 1923–29. Wentzke's book on the Ruhr struggle further illuminated the year 1923. Volkmann's historical work on the Revolution also contained new material.

Finally, I was given an opportunity of utilizing for the purposes of this book the as yet unpublished Minutes of the Council of People's Representatives for the months of November and December, 1918. It is undoubtedly true that there are still many dark places in our knowledge of the history of the Weimar Republic. Nevertheless the material has become so voluminous that it seems possible to venture upon an historical sketch of the Republic's life.

In writing the present book I have striven to avoid one-sided judgements arising out of my own political activities in the years 1919-28. I was a responsible official of both the USPD and the KPD, and from 1924 to 1928 a member of the Reichstag. The struggles of these years already lie so far behind us that it seems as if not six years but a whole generation had passed away since 1928. The internal dissensions in the German Labour movement that were so bitter at the time are to-day one with the historic past. I have imposed upon myself the task of writing the history of the Weimar Republic without prejudice or partiality. I have never at any time made a secret of my own personal convictions. At the same time I have endeavoured to found my judgements upon the facts, and have not written anything merely to please or to annoy any existing or defunct German Labour organization. It must be left to my readers, and especially to such readers as wish for a scientific analysis and not a propagandist work, to decide the extent to which I have achieved my aim.

The work itself proves that I am justified in bringing

my narrative to a close with the year 1930. From the standpoint of historical evolution the events of January, 1933, did not effect any fundamental change in Germany, but only an extraordinary intensification of the tendencies that had shown themselves to be possessed of decisive influence ever since Brüning issued his emergency decrees in 1930.

This book has been written since 1933, in the external circumstances attendant upon the German emigration. It was begun in the summer of that year in Zürich, where I was able to make use of the excellent library of the Central Organization for Socialist Literature (' Zentralstelle für sozialistische Literatur '). It was finished in Liverpool.

I wish to take this opportunity of thanking the University of Liverpool for enabling me to continue my teaching activities and scientific work. In common with other British universities, the University of Liverpool has in these chaotic days shown that it is determined to remain faithful to the fundamental truths of Science and Knowledge without regard for ' race ' or political opinion.

ARTHUR ROSENBERG

LIVERPOOL

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CHAPTER I

AFTER NOVEMBER 9, 1918

ON November 10, 1918, the first Republican Government of Germany was elected at a general meeting in the Busch Circus of the Berlin Workmen's and Soldiers' Councils. The Berlin Workmen's and Soldiers' Councils in taking this decision were acting as the representatives of all revolutionary workmen and soldiers in the German Reich. No single voice was raised throughout the Reich in opposition to their decision. Thus Germany accepted its new Government composed of six representatives of the people.

The first Government of the German Republic depended for its immediate support upon a coalition between the Majority Socialists and the Independent Socialists. Each Party had three representatives in the Cabinet. Ebert, Scheidemann, and Landsberg represented the Majority Socialists, and Haase, Dittmann, and Barth the Independent Socialists. These six men were the political rulers of Germany. They united in themselves simultaneously the functions of President and Chancellor. At the same time the individual Ministries each with its Secretary of State remained in existence. Among these Secretaries of State were to be found middle-class politicians belonging to the Centre and Liberal Parties. The Government elected on November 10 was to outward seeming a purely Socialist Government, in conformity with the apparent tendency of the

November Revolution, which came into being as the work of the Socialists beneath the shadow of the red flag. In reality governmental power rested in the old coalition formed in 1917 between the three democratic Parties—the Majority Socialists, the Centre, and the Liberals. These three Parties constituted the majority in the Reichstag that in 1917 had supported Erzberger's peace resolution. When the military dictatorship of General Ludendorff collapsed in October, 1918, these Parties formed a new Government with Prince Max of Baden at its head. The revolution in November strengthened the coalition by the addition of the Independent Socialists, and caused its internal centre of gravity to move far over on to the side of the Socialist working class. Nevertheless, after November 10, 1918, Germany as a whole remained what it had already been in October of that year—a middle-class democratic State. For the peaceful revolution in October that followed the fall of General Ludendorff brought into being a middle-class democratic State, in which power lay in the hands of the Reichstag, while the Emperor was forced to content himself with a purely ceremonial position. The lesser Federal Princes were as helpless as the Emperor. The November Revolution destroyed the German dynasties. It failed to effect any other important change in the character of the German State.

German Democracy was in truth only a few weeks old. In conjunction with Prince Max's Government the Reichstag had only drawn up a new political constitution in its very broadest outlines. The great and complicated task of the reconstruction of Germany awaited the new Republican Government. That Government was in an immensely strong position. It is true that the Government was forced to sign an Armistice with the Allied and Associated Powers

that finally broke the military power of Germany. Nevertheless it is no less true that Germany could no longer prosecute the war. It was to be expected that the Allied armies would follow close upon the retreating German troops and would occupy Alsace-Lorraine and the left bank of the Rhine. If, however, the Allied troops remained on the Rhine, then it would be possible throughout the greater part of Germany for political changes to take place without interference on the part of foreign generals. The situation in the East was less clear. The German Government could definitely assume that the Peace Treaty would deprive Germany of all her conquests in the East, and that Prussian Poland would be handed over to the new Polish State. At the same time the exact frontier which was in future to separate Germany from her eastern neighbours was still unknown at the beginning of November, 1918. Hence the German Government had to take into its calculations the possibility that before the conclusion of a definite peace Poland would attempt to seize certain districts. It was further possible that in the German eastern provinces armed conflicts would arise between Germans and Poles. The new Polish State created by the Allied and Associated Powers was an improvised political structure lacking in real military strength. There was never at any time in those days any real danger that the Poles would march on Berlin and paralyse the administration of the German Republic. It is true that in the following months fierce local fighting broke out between Germans and Poles in West Prussia, Posen, and Upper Silesia. At no time, however, did the military strength of Poland constitute a serious threat to the existence of the German Republic. Hence it was possible for the new Republican Government to devote itself to the work of domestic reconstruction without serious

interruption arising out of military incidents in the frontier districts.

In domestic politics the new Republican Government found itself in an unprecedentedly strong position through the unwavering support given to it by millions of German soldiers. The November Revolution was the work of the home forces and the German sailors. Soldiers and sailors had refused to obey their officers, set up Soldiers' and Sailors' Councils, and deposed the ruling dynasties. The working class throughout Germany united whole-heartedly with the soldiers and sailors. Workmen's Councils came into existence side by side with Soldiers' Councils. Nevertheless the impetus to the November Revolution was given wholly by the soldiers. If the army had been opposed to it, the working men alone would never have been able to carry out a revolution. The collapse of the old militico-dynastic order in Germany was the work solely of the military revolution. The troops at the front, especially those on the Western Front, retreated in good order under the leadership of their officers. The Supreme Command in the hands of Hindenburg and Groener continued to function and placed itself at the disposal of the new Government. The troops at the front also set up Soldiers' Councils, and, if it be true that acts of violence against officers rarely occurred, it is no less true that the armies in the field resolutely supported the new democratic Republic.

At the beginning of November only a tiny minority of the German army opposed the Revolution. It was composed of the sons of landed proprietors, wealthy merchants, and high Government officials. A similarly small minority in the army, composed of workmen and workmen's sons who had become revolutionary Socialists, was not satisfied with a democratic republic and wished to proceed immediately to the abolition

of private property. The overwhelming majority of the soldiers, however, composed of workmen, peasants, and middle-class town-dwellers, wished for a democratic republic, and supported Ebert's Government. There did not exist in Germany in those days a single military group worthy of mention either of the Right or the Left which was in opposition to the Government. Hence the Republican Government had an immense military support at its disposal, and any revolt against its authority was doomed to failure from the outset. This was known to every one in Germany who took the trouble to reflect upon the existing situation. The Supreme Command recognized this truth. Any attempt on the part of any section of the army at the front to revolt against the Republican Government would have been a forlorn hope. Any General who had made such an attempt in November, 1918, would have been deserted by his men.

The losers in the November Revolution were the supporters of the old Prussian feudal system—the officers, landed gentry, and high government officials. In those days they felt themselves to be completely powerless. The officers continued to perform their duties by permission of the Government and the Soldiers' Councils. This was also true of the higher officials who had remained at their posts. The great landowners east of the Elbe anxiously awaited a future that seemed likely to bring with it the confiscation of their estates. In those days the Prussian Junker was powerless to offer armed resistance to any such action. The Lutheran peasantry, who had been the support of the Conservatives until the outbreak of war, were embittered by bureaucratic maladministration of war-time food supplies, and, above all, by the sacrifice of blood and money that had been demanded of them during four long years of war. The peasant desired

peace, and had lost all interest for and sympathy with the former system of government. This was shown by the course of events during the military revolts in the early days of November, when not a single body of troops recruited from the peasantry set itself in opposition to the Revolution. It is true that these peasants were very far from being Socialists. Nevertheless the new Government had nothing to fear from them, especially if it expropriated and divided up among them the great East Elbian estates, and gave the land that had formerly belonged to the noblemen to the small peasant and the agricultural labourer.

The great industrialists were no less powerless than the feudal nobles who had governed Germany until October, 1918. The State authority that had hitherto protected them with a powerful hand against the demands of the workmen no longer existed. It was necessary for them to be prepared for any eventuality. The great industrialists were alarmed at the prospect of the socialization of industry with its accompaniment of a partial or complete expropriation of their factories. They were prepared to make any concession in order to retain their property. They were ready to recognize Trade Unions, to accept an eight-hour day, and to agree to increased wages and the social demands of the work-people. They were prepared to work in common with the Labour organizations and to settle all industrial questions jointly with the Trade Union leaders if only they could escape expropriation by these means. In the former Empire the Right Wing of the National Liberal Party had been the political mouthpiece of the great industrialists. In common with the Conservative Parties this section of the National Liberals was numbered among the victims of November 9. Both Conservatives and Right Wing National Liberals were compelled to reconcile themselves to the complete loss of political power.

The middle-class democratic Parties composing the Parliamentary Centre—the Centre Party itself, the Liberals, and the Left wing of the National Liberals—participated in the overthrow of the old order in Germany at least as far as it had proceeded in October under the leadership of Prince Max of Baden. In Prince Max's Government, Ministers from the Centre and the Liberal Party stood side by side with Ministers from among the ranks of the Social Democrats. The November Revolution at first resulted in a diminution of the influence exercised by the Centre and the Liberals who were forced to watch impotently the seizure of political power by the Social Democrats. This change in the political balance of forces found its outward expression in the new republican government in which six Social Democrats constituted the political power, while the middle-class Ministers, that is, the Secretaries of State, were admitted to their councils only as expert advisers. A similar state of affairs prevailed in Prussia, and in Bavaria and Saxony the revolutionary Governments were wholly Socialist in character. In Württemberg, Baden, and Hesse, Liberals and members of the Centre were given portfolios. Nevertheless the real political power lay in the hands of the Socialists, as was also the case in the small States. This transference of political power from the Centre and the Liberals to the Social Democrats seems at first sight remarkable inasmuch as the revolution of November 9 was of a pacifist and democratic republican character, and revealed few traces of being inspired by truly Socialist ideas, such as the abolition of private property. The clue to the mystery is to be found once more in the factor that determined everything that happened during the month of November, 1918—the military revolution.

The German sailors and the soldiers composing the home garrisons revolted against their officers in order to force an immediate conclusion of peace.' Although they embarked on actions which could only be regarded as criminal from the standpoint of a middle-class conception of law and order, they were not at the outset inspired by Socialist ideals. In the eyes of the Law their actions were tantamount to mutiny, to an armed rebellion against their superiors, and to a breach of their oath of allegiance to their Supreme War Lord. The criminal aspect of their actions was only intensified by the fact that they took place in time of war. Their actions were punishable by the existing criminal law, and especially by the ruthless martial law, with penal servitude or death. All the middle-class political Parties in Germany had demanded and advocated unconditional obedience to the law and unwavering compliance with the calls of duty throughout the duration of the War. It is only necessary in order to understand the situation that existed at this time to take the case of a soldier who in pre-War days had been a supporter of the Centre, and who under the influence of his war-time experiences now refused obedience to his officers. If this man arrested his lieutenant and participated in the election of a Soldiers' Council, he could scarcely feel himself to be any longer a member of the Centre Party. For his actions were in glaring contrast to all the principles and pronouncements of the Centre and Liberal Parties. In reality the rebellious soldiery imitated the example set them—at least as far as appearances went—by the Russian Revolution. In refusing obedience to their officers and the Emperor, and in proclaiming the authority of the Workmen's and Soldiers' Councils to be supreme, the soldiers were playing at being Bolsheviks. The vast majority of the German soldiers in November,

1918, were in reality not Bolsheviks. But, although they were either members of middle-class political Parties, or independent of Party politics, they were in fact indulging in a form of Bolshevism. The revolutionary German soldier in order to furnish himself with an ideological justification for his actions was compelled at least to pretend to Socialism. Hence the red flag was substituted for the black-white-red. The masses realised with greater or less clarity that up till 1914 the Social Democrats had been the opponents of the Emperor and the army. The Independent Social Democrats from the very outset of their political life, and the Majority Socialists at least from 1917 onwards, had opposed the War and demanded the conclusion of peace. Hence it came about that the German soldiers took on the appearance of Socialism by throwing off the authority of the generals and princes. And it was because the military revolution throughout Germany from Kiel to Munich was to outward seeming a Socialist revolution that it united itself everywhere without difficulty with the revolutionary movement of the Socialist working class. In this fashion it came about that on November 9, 1918, the red flag flew throughout Germany. The armed forces proclaimed their sympathy with the Socialists, and in doing so conferred the real power in the State upon the Social Democrats.

At first the Centre and the Liberals contented themselves with playing second fiddle. An armed revolution against the superior power of the Social Democrats would have been useless. The Progressives and the Left wing of the National Liberals were composed of intellectuals, clerks, officials, and other people belonging to the middle classes. These circles were completely in agreement with the overthrow of the former governmental system and wished to replace

it by a democratic republic. At the same time they were fearful lest the supreme and undivided government of the Social Democrats should lead to a class terror on the part of the working class, the oppression of the middle class, and wild economic experiments. In any case, the Liberal German middle classes were completely devoid of the power to set themselves in armed opposition to the course of events. This wholly accorded with the historical tradition of German Liberalism. The conduct of the Liberal middle class in the revolution of 1848 was extraordinarily weak and wavering. There followed the Bismarckian era with its establishment of a new and immensely powerful imperial government. The German middle class bowed down in admiration before the leaders of this era — Bismarck, Moltke, William I. Then came William II. In his reign the unprecedented authority of the Prussian-German Empire was simply thrown away. It was with growing discontent that middle-class Liberals watched the adventures and failures of William II. In the years immediately preceding the World War, middle-class opposition to the Imperial Government steadily increased in intensity. Nevertheless the idea of revolution never entered into anybody's mind. On the outbreak of war the Liberal middle class accepted the political truce. After 1917 their sympathies were with the majority in the Reichstag in its endeavours to bring peace to the suffering German nation. Then came the Revolution. Nothing remained for the Liberals except to wait and see what the Social Democrats would do.

The historical development of the Centre Party in Germany was pursued on similar lines. The Catholic workmen and peasants in Western and Southern Germany constituted its principal support. Ever since the establishment of the Empire in 1871, the

Centre had been the opponent of a Prussian military hegemony in Germany. It suffered persecution at the time of the *Kulturkampf*. Subsequently the Centre made its peace at least formally with the Hohenzollern Empire, and in 1914 accepted the political truce in common with all other Parties. Nevertheless the innate dislike of Prussianism animating the masses in Western and Southern Germany was not to be eradicated in this fashion. It was perhaps not purely by chance that the rebellious majority in the Reichstag in 1917 was brought into existence by a South German member of the Centre Party named Erzberger. At the same time the Centre was wholly lacking in any tradition of revolutionary activity or of independent, armed revolt. Hence in November, 1918, it, like the Liberals, retreated into the background of the political stage.

The dissolution of the middle-class Parties of the Right and the temporary impotence of the middle-class Centre left the Social Democrats as masters of the political field. Supported by the "Red" soldiers and workmen, their task was to be the creation and organization of a German Republic—a task which took the Social Democrats completely unprepared and unawares. Pioneers of Socialism in Germany—Marx and Engels—had been revolutionary democrats after the pattern of 1848. Their aim was the achievement of political power as the necessary preliminary to an economic revolution. Marx and Engels always looked upon the State and Society as an entity. They regarded all departments of public life as of equal importance. They demanded that their Party should revolutionize the whole national life. The attempts made by Marx and Engels to organize a political Party in Germany came to nothing in consequence of the failure of the Revolution of 1848. The man who subsequently

became the founder of the German Social Democratic Party—Ferdinand Lassalle—belonged to the school of Marx and Engels, alike in his political universality and his all-embracing realism. After his early death, Lassalle's successors pursued another path.

The German Social Democratic Party was the Party most representative of the Second International. This was especially true after the end of the epoch of the anti-Socialist laws in 1890. The Party was organized at a time when there was no possibility of revolutionary action in Europe outside of Russia. It therefore accepted the existence of the Empire and of a capitalist organization of society as irrevocable facts. The Socialist Revolution disappeared in the mists that enshrouded the state of the future. In common with all Parties comprised in the Second International, the German Social Democrats considered their principal task to be the safeguarding and improvement of the material lot of the working class within the framework of the middle-class State. In this field the German Social Democrats and, above all, the independent Trade Unions that were allied with them, achieved splendid results up to the outbreak of war. For the German Socialists, as also for the Second International, Marxism was only a means to separate ideologically their own movement from the middle class. The formal Radicalism of the Second International exhausted itself in a continuous bitter polemic directed against the middle-class State and its organs, against militarism, and against the dynasties. All co-operation with the middle-class Parties or with the Government was utterly condemned. The Social Democrats voted against the Budget and bitterly opposed the Government's military and foreign policy. Nevertheless Social Democrats never took thought to formulate plans for changing the existing form of the State.

Thus pre-War Social Democracy as embodied in August Bebel combined activity for the workers' welfare with a passive and theoretical Radicalism in all other spheres of public life. In general the Social Democratic Party official had no real interest in problems of foreign policy and the army, education, the administration of justice, the civil administration, and even economic problems as a whole, and especially the agrarian problem. He never realized that the day might come when the Social Democrat would be called upon to decide all these matters. His interest was concentrated solely upon everything that concerned the technical interests of the industrial working class in the narrow sense of the term. In this sphere he was both well informed and active. Outside it he was perhaps interested above all else in the suffrage question.

Lassalle had rightly called upon the German working class to fight for universal suffrage in order to secure political power in the State. When this was accorded by the Constitution of the North German Confederation, and subsequently of the German Empire in 1871, the Social Democrats made the utmost use of it. With only a few exceptions, the Social Democrat vote increased from one Reichstag election to another, until finally in 1903 the Social Democrats secured a third of the entire votes. Their defeat in the election of 1907 was more than made good in 1912 in the elections to the last Reichstag of the German Empire. The Reichstag elections were the thermometer that showed the condition of the Social Democratic movement. The highest honour that could be conferred upon a local Socialist organization was to win a seat in the Reichstag. The greater the increase in the working-class vote in the Reichstag elections, the more bitter became the anger of the working class that the Prussian electoral law

condemned the working man to political impotence. The campaign for electoral reform in Prussia was conducted with special vigour by the Social Democrats until 1914, and the contest was renewed during the World War.

Elections are unquestionably of outstanding importance in every country, and especially in countries with a parliamentary constitution. A political movement, however, that relies solely upon the ballot-box and leaves all other factors out of account is liable to experience bitter disappointments. If the army and great economic forces are opposed to it, a parliamentary majority is powerless. A democracy can only truly function if the rhythm of parliamentary life harmonizes with the other social forces. The pre-War Social Democrats in Germany were unquestionably right in stressing the importance of the Reichstag elections and in endeavouring to secure for themselves powerful representation in the Reichstag. Moreover, they were equally right in advocating the reform of the archaic Prussian electoral system. A certain element of danger nevertheless lay concealed in this cult of elections and electoral successes in consequence of the purely academic Radicalism that dominated the Party up to the outbreak of war. It is true that the cult was never given formal expression, and that every Party official would have rejected it with contumely. Nevertheless German Socialists as a whole up to 1914 unconsciously regarded social policy and the suffrage as the most important things in the world, and let all other questions sink into the background. This one-sided education of the German working class by the Social Democrat Party was destined to bear bitter fruit in the course of the Revolution after November 9, 1918.

Until 1914 the leaders, a great majority of the officials, and the ordinary members of the German

Social Democratic Party were inspired by an academic Radicalism. It is true that there were also two groups sharply distinguished from each other who nevertheless were in agreement in pursuing a realistic activist policy in opposition to the academic Radicalism that inspired the Party's official policy. A tiny group composing the extreme left rejected the notion that stable economic and political conditions must be reckoned with for a long time to come. Instead, this group prophesied a great war in the immediate future, and arising out of it vast revolutionary movements. Hence they demanded that the Social Democratic Party should adjust its policy to prepare for the future. The working class must train itself in readiness for revolutionary struggles and the seizure of power. In complete contradistinction to the extreme Left, the extreme Right of the Social Democratic Party believed in the survival of Capitalism for a long time to come. If this prognostication was correct, the Party must be courageous enough to admit its truth publicly before the masses. Spurious radical formulæ should be abandoned in favour of practical co-operation in the administration of the existing State and in striving for political reforms in alliance with middle-class Parties. Only thus—the extreme Right declared—would the Social Democratic Party, and with it the working class, achieve its proper share of political power. Nevertheless the supporters of this view—the so-called Revisionists—and the extreme Left were unable to weaken the authority of the Party leaders over the membership.

At the outbreak of the World War the Party leaders decided to support their country's cause. Domestic peace became as integral a part of their programme from August 4, 1914, as opposition had previously been. The Social Democratic Party regarded it as its duty in time of war to criticize the Government as

little as possible ; for if the Socialists were to go into opposition there would be every reason to fear the overthrow of the Government, and the paralysation of the German High Command, which might lead to the defeat of Germany with results catastrophic to the working classes. The leaders and the majority of the Party therefore felt that their hands were tied as a consequence of the War, and it was not until the year 1917 was already well advanced that they entered into opposition. This policy, which subsequently became known as Majority Socialism after the split in the Party, was virtually a continuation—though with a different emphasis—of the official formal policy pursued by the pre-War Party leaders. Majority Socialism found its embodiment in Ebert and Scheidemann.

The extreme Left refused unconditionally to agree to a Party truce on the ground that the World War would result in the proletarian revolution. Under the leadership of Rosa Luxemburg and Karl Liebknecht the so-called Spartacus Union embarked on an illegal campaign against the Imperial Government. The Revisionists split up into several groups. A part of the old Revisionists, the supporters of the *Sozialistischen Monatshefte*, was in agreement with the Party leaders in supporting the War, while at the same time it rejected their policy of non-opposition and demanded an independent and if necessary opposition policy in all vital questions. A second group of Revisionists supported the Party leaders, and a third, led by the Revisionist doctrinaire Bernstein and by Eisner, left the Party and founded a new Independent Social Democratic Party in conjunction with other former supporters of the Party leadership.

The great majority of the pre-War Radicals continued after August 4 to support Ebert and Scheidemann. A minority, however, under the leader-

ship of Dittmann and Haase, refused their allegiance. They looked upon the political truce as injurious to their cause, demanded an independent proletarian policy, and saw in a refusal to vote money credits for war purposes an act symbolic of political independence. In this policy Haase and Dittmann, as has already been mentioned above, found themselves in alliance with former Revisionists under Bernstein's leadership.

The conflict between the supporters and the opponents of the political truce for years turned German Social Democracy into a house divided against itself. An open breach occurred in 1917 between the pre-War Social Democrats, who were now known as the Majority Socialists, and the opposition minority which joined the Independent Social Democrats. Although the Spartacists formally joined the Independent Social Democratic Party, they nevertheless remained a separate entity, since their policy was wholly different from that of the USPD.¹ Whilst the Spartacists were trying to promote a revolution, the USPD leaders were content with the pacific policy of parliamentary opposition. It is a singular irony that at the very time at which the official breach took place in German Social Democracy the material differences between the two tendencies were steadily disappearing. Ever since 1917 and the construction of the Reichstag majority which supported the peace resolution, the Majority Socialists had been in opposition to the Imperial Government and had sought to promote peace along their own lines. This was in reality what the USPD was seeking to do, and therefore the sole cause of division between the two Parties was over a purely symbolic issue—support of or opposition to

¹ USPD = *Unabhängige Sozialdemokratische Partei Deutschlands* (German Independent Socialist Party, i.e. the Independents).

the voting of additional war credits. If one does not allow oneself to be blinded by personal and other differences, it becomes clear that in reality the Majority Socialists and the USPD were in agreement as to the policy to be pursued—a constitutional opposition to the Imperial Government with the object of achieving peace. The real difference in opinion inside German Socialism lay between the two great Social Democratic Parties on the one hand and the tiny Spartacist Union on the other. For the Spartacists sought to establish a Socialist republic by means of a revolution. The agreement in principle between the Majority Socialists and the USPD rendered possible the coalition Government of November 10, 1918. The Spartacists constituted the Opposition.

It is difficult to estimate the relative strengths of the three Socialist Parties in November, 1918. A certain insight into them is nevertheless given by the results of subsequent elections. At the elections for the German National Assembly in January, 1919, the Majority Socialists received eleven million votes, the Independent Social Democrats two million votes, and the Spartacists did not go to the poll. If it is possible to judge from subsequent elections, the Spartacists could not have polled more than some hundred thousand votes at this time. Thus the Government Socialists counted some thirteen million votes in comparison with the Opposition Socialists' couple of hundred thousand. It would seem from these figures as if the Ebert-Haase Government was very strongly supported by the Socialist working class in comparison with the Opposition. According to the above figures, the Government must have been supported by about 95 per cent. of the Socialist proletariat. On the other hand, the events of the last months of 1918 and the first months of 1919 point to an entirely different

conclusion. The three Parties—SPD,¹ USPD, and Spartacists—cannot be made the subject of a purely statistical comparison.

¶ No single one of these three Parties constituted an undivided political entity in those months. All three were torn by internal dissensions, and the political stage was constantly the scene of the most extraordinary coalitions between Parties and groups within Parties. In this way the balance of power soon shifted to the Government's disadvantage. ¶

The question of the day over which the German working class was sharply divided was: A National Assembly or a Soviet Government? The appearance of Soviets after the Russian pattern completely altered German political life. Enthusiastically greeted on the one hand, rejected and abused on the other, the Soviets were the apple of discord thrown into the midst of German Socialist politics.

The Soviets made their first appearance in the Russian Revolution of 1905. Under the Tsarist Government neither Socialist Parties nor Socialist Trade Unions were permitted to exist. The actions of the proletariat in Western Europe were directed by the Party and Trade Union organization. In Tsarist Russia trade unions were hardly known, and political Labour Parties were composed of tiny illegal groups. Hence it came about that when the proletariat began to revolt they devised new organizations of the simplest kind. In St. Petersburg the workers of each factory elected their own representatives, and these representatives in conference formed the St. Petersburg Workmen's Council. This was the first Soviet, and it sought an alliance both with the revolutionary political Parties and with revolutionary peasants and

¹ SPD = *Sozialdemokratische Partei Deutschlands* (German Socialist Party; i.e. the Majority Socialists).

soldiers. In the Russian Revolution of 1905 the Workmen's Councils were the fighting organizations that held together and directed revolutionary workmen.

The Soviet immediately reappeared at the outset of the Russian Revolution of 1917. Workmen's Councils came into existence in the towns, and were once more composed of the men's representatives from the different trades and industries. In addition, Soldiers' Councils made their appearance everywhere as representatives of mutinous soldiery, while a third form of Soviet came into being in the Peasants' Councils, which were elected by the inhabitants of the individual villages. In Russia, in 1917, there existed a curious twofold system of government which was to reappear in Germany after November 9, 1918. On the one hand, there were the constitutional Government officials, and on the other, the Soviets representing a primitive form of democratic government by the working-class masses. The traditional middle-class State is characterized by a division of the sovereign authority into legislative and executive powers. These two powers were combined in the Soviet. A Soviet in a town passed the necessary resolutions for the municipal administration, and at the same time carried them out. For behind the Soviet stood the proletarian armed force that served it as a police and executive organ.

At the outset the Soviets had no organic connexion with Bolshevism. For Bolshevism means a strongly disciplined Party in which the authority of the leaders is imposed upon every Party member. According to the Bolshevik conception, the task of this highly disciplined Party is to rule the entire country. The Soviets, on the other hand, were the governmental instruments of an extreme form of democracy—the absolute and unrestricted self-government of the

people. As early as the spring of 1917, however, Lenin recognized that only the Soviets would be able to destroy the feudal and middle-class Russian State apparatus. It was for this reason that Lenin gave out the battle-cry, 'All power to the Soviets!' under which the Bolshevik Revolution triumphed. As soon as the power of the Bolsheviks was firmly established, Soviet democracy was completely swept aside. And as early as 1918 Russia was ruled by the Bolshevik Party dictatorship. According to the Constitution, the Soviets were omnipotent. In reality they were miserable shadows lacking all power and authority.

↳ The Soviets that came into existence in 1918 in Germany were true Soviets, and not the shadow creations that the Bolsheviks permitted to exist in Russia. For no single Party in the German Revolution was capable of exercising a despotic dictatorship over the Soviets. The Majority Socialists, as well as the Independents, proclaimed their belief in self-government by the working class. The Spartacists were both too few and too weak to tyrannize over the German Workmen's and Soldiers' Councils. Moreover, the Spartacist leaders, especially Rosa Luxemburg, had sharply rejected the notion of any such Party Dictatorship over the proletariat.

On November 10, 1918, the Workmen's and Soldier's Councils wielded the actual power throughout Germany, both in the town and in the country, supported by the revolutionary groups in the army and by the working men who in many places also furnished themselves with arms. The great political question was whether the Councils would continue to rule in Germany, or whether they would be rendered useless by some fresh turn of events. In the Germany of 1918, there was really a dual government. For the former State and local authorities had not been

abolished by the Revolution. }The State and provincial governments carried on their work under the supervision of the Councils.

Hitherto Germany had not known the meaning of a living democracy, a real self-government of the masses. The State controlled public life ; nor did so-called local autonomy afford a counterbalance. The great plan devised by Baron von Stein for setting up a middle-class State in Prussia had been curtailed and altered after Stein's retirement. Not merely were the local authorities restricted in all they did by the government of the State, but, worst of all, the important posts in the local administrations were occupied by long-term officials. The men who filled honorary and unpaid posts in the German Communal administration up to 1918 played a very small part in comparison with the professional Civil Servants.

Thus the masses of the German people were totally lacking in practical experience of managing their own affairs in a responsible manner. Bureaucratic control of public affairs rested upon a tradition of centuries. It appeared hardly conceivable that it should be vanquished by a revolutionary storm. True democracy, however, does not consist in registering votes on any particular question, but in the active self-government of the masses. The abolition of the bureaucracy was thus a question of life and death for German democracy.

The unique example of Russia and historical evolution now suddenly provided the German masses with the machinery of democratic self-government. The Councils were elected from the workers themselves, and were in the closest connexion with their electors, who might at any time dismiss them. They received no fixed pay but only essential allowances for expenses. Their task was to control all public activities in the towns and to intervene wherever necessary.

During the Revolution only Soldiers' and Workmen's Councils had at first been formed. Outside Bavaria the Peasants' Councils were practically negligible. If government by the Councils were to persist, the fact that the Soldiers' Councils would in a short time be no more must be taken into account. For the army that had fought in the World War, and that numbered millions, must within a few weeks be demobilized. Instead of Soldiers' Councils there would have to be Councils formed by members of the trades and professions. Above all, Peasants' Councils would have to be organized throughout Germany. What particular professions were or were not admitted to the organization was a question of minor importance. If all those persons engaged in labour and in productive work were admitted to Councils, then at least 90 per cent. of all adults had the right to vote. The question as to whether persons who were not engaged in productive work should be debarred from the right to vote was quite unimportant, because it affected only a very small percentage of the population.

It would have been quite easy to organize the Councils in the various parts of the country into Provincial Congresses, and from these to form a Reich Congress of Councils. The importance of the conception of government by the Councils does not lie in the particular form it should take—whether the right to vote should be curtailed in this or that manner, and whether polling should take place in the factory or in the district where the voters reside. Its importance as well as its distinctive feature consists in the overcoming of the historic antithesis between executive and legislative by the substitution of self-government by a mature people for bureaucratic government of the people. In itself, government by Councils signifies neither a terror nor the tyranny of a minority, nor any

fantastic experiments in the domain of economics. It would even have been possible—and this proposal was frequently made during the German Revolution—to combine the Councils in some way with the parliamentary system. A Consiliar Parliament, based upon the principle of the organization of the producers among the population according to their trades, might have taken its place beside popular representation of the old type. There were plenty of ways in which it was possible to conceive of the spheres of competence of the two parliaments being brought into relation to one another.

The Councils would not only have been faced with the task of assuring a true democracy to the masses of the German people. They might also have introduced important reforms in the economic sphere. After November 9, when the magnitude of the political victory of Social Democracy was clear to the masses, a cry for socialization was raised throughout the country. It is curious to note that the enthusiasm for Socialism was not the cause but a result of the November Revolution. In considerable strata of the population, not only among workers, but also among intellectuals, etc., there was a feeling that the old capitalist order had lasted too long and that it must give place to a new form of economic life. It is true that there was considerable difference of opinion as to what was to be understood by socialization. On one point, however, every one was agreed: that any form of planned or communal economy could only be successful if it mobilized the productive masses for active co-operation. (And the organizations by which planned or communal economy was to be put into force were the Councils. The communal organization of a branch of industry could most conveniently be assured by the co-operation of the Councils of the

individual factories or businesses. If socialization were to be more than merely bureaucratic State management, it could not dispense with the Councils.

What was the attitude of the individual Socialist Parties and groups to the question of government by Councils? The leaders of the Majority Socialists and the greater number of Party officials entertained little hope of the Councils. The historic ideal of German Social Democracy had been a parliamentary republic. The monarchical system had collapsed, and a German National Assembly was about to be elected on the widest possible suffrage. Moreover, the organs of self-government in all provinces and districts were to undergo democratic reform. This agreed with the long-standing demands of the Party and seemed better than any new-fangled experiments. The Majority Socialist officials regarded government by Councils as the arbitrary dictatorship of a minority over the majority of the nation. For they thought that the Councils were supported only by the workers in heavy industry, and would exclude the remaining masses of the population.

It is undoubtedly true that at that time large groups of the German people, even of the working classes, did not come within the sphere of the Councils. It is also true that in certain of the Workmen's and Soldiers' Councils local adventurers appeared and set themselves up as little dictators. These, however, were drawbacks that might easily be overcome and which were not an inevitable accompaniment of the Council system.

The Majority Socialist officials also rejected the idea of a Bolshevist tyranny and did not realize that Councils and Bolshevism were in no sense identical. Finally, the Majority Socialist Trade Unionists felt slighted and disturbed by the activity of the Councils

among the workers. The German Trade Unions had for decades worked for the proletariat, and they now saw themselves being ousted by newcomers supported by the favour of the workers. The painstaking work of the Trade Unions could not be permitted to be endangered by the perilous desire of the Workmen's Councils for experiment.

✓ The hostile attitude of the Social Democratic Party towards the Councils found its public embodiment in Ebert and Scheidemann. Nevertheless it would be wrong to attribute this mistake or many others of the revolutionary period to these two men personally. Many hundreds, indeed thousands, of respected Party officials throughout Germany agreed with Ebert and Scheidemann. These men quite rightly recognized the faults and shortcomings displayed by certain Workmen's and Soldiers' Councils. At the same time the conservative spirit of the Party was so strong in them that they were incapable of taking an unbiased attitude to new phenomena in political and social life. (Thus Majority Socialism as a Party supported, as a matter of course, parliamentary democracy and the National Assembly. The Councils were looked upon merely as a transitory symptom. They were a product of revolutionary disorder, and they must disappear again as quickly as possible once the National Assembly and other parliamentary-democratic bodies had come into being in Germany.

These Majority Socialist officials were genuinely desirous of suppressing private capitalism and of strengthening Socialism at its expense. In the hopeless economic conditions which prevailed in Germany at that time, however, they were unwilling to make any economic experiments. They were anxious to avoid anything that might still further interfere with

essential production. They wanted gradually and cautiously to transfer to public ownership only such industries as were, in the popular phrase, ripe for it.

The policy of the SPD in the question of the Councils did not by any means receive the support of the entire Party membership. There were, in particular, thousands of Majority Socialists on the Workmen's Councils who were not prepared to take as narrow a view of their duties as the Party leaders prescribed. Nevertheless they were all in favour of the election of a National Assembly. But they wished the Councils to retain their competence beside the traditional Parliament. They expected the Councils to assist in safeguarding political democracy and in promoting nationalization. The theoretical basis of the Majority Socialist Opposition, and especially of the Majority Socialist Workmen's Councils, was supplied by the *Sozialistischen Monatshefte*. Cohen, Kaliski, and other members of this old Revisionist Group undoubtedly advocated the National Assembly just as did the Party leaders. They also supported a cautious policy of nationalization. But they demanded that throughout Germany Chambers of Labour should be formed as organizations for the producers united in the Councils. The Chambers of Labour were to embody democratic economy alongside the political parliaments.

The Party leaders of the USPD and those thinkers who were in sympathy with them, recognized the importance of the Councils. They also wished to establish some form of connexion between the Councils and the National Assembly. They were as sceptical about the possibility of complete nationalization as the Majority Socialists. They too would have been content to move carefully towards socialization, beginning with the nationalization of mines. It is clear that the

basic ideas of the USPD Party leaders were substantially the same as those of the opposition among the Majority Socialists. The most eminent German Socialist thinkers, men like Kautsky, Hilferding, and Bernstein, were in sympathy with the conception of the German Revolution held by Haase and Dittmann. The attitude of Kurt Eisner, the Prime Minister of Bavaria, was in some respects peculiar. He was a particularly active supporter of an organic democracy evolving out of the Councils. He would have preferred to abolish the old style parliament, but at the same time did not desire speedy nationalization, and refused absolutely to have anything to do with any methods of dictatorship on the Bolshevik model.

While the Party leaders of the USPD were thus approaching the Left wing of Majority Socialism, they lost the confidence of a part of their own members. In the months preceding the Revolution, a radical Left wing had been formed within the USPD, especially in Greater Berlin, which agreed with the fundamental ideas of the Spartacus Union. These were the so-called revolutionary Chiefs (*revolutionäre Obleute*) in Berlin. They were the shop-stewards in heavy industry, especially the metal industry. They themselves, and the workmen who stood behind them, had been persuaded by the lessons of the Russian Revolution that a middle-class republic was not suitable to Germany, and that it was necessary to press on consistently to a Socialist State. The *Obleute* had prepared an uprising—in Berlin during October, 1918, in particular—the aim of which was to be the establishment of a Socialist Republic. But they had been surprised by the general mass-movement that emanated from Kiel, and had thus been unable to prevent the establishment of a middle-class republic and a coalition government by the SPD and USPD. They now

advocated a purely socialist State governed solely by the Councils, and rejected the proposed National Assembly.

The *Obleute* were a powerful political factor in November, 1918, because they controlled the heavy industries of Berlin. They also succeeded in seizing the leadership of the Executive Committee of the Greater Berlin Soldiers' and Workmen's Councils, which had been elected by all the councils in Berlin. The Berlin Executive felt that it was the true representative of the idea underlying government by Councils. It believed that its duty was to supervise even the Council of People's Representatives in the name of the revolutionary proletariat. In the Berlin Executive the Majority Socialists, it is true, had a majority, but the Independents, who inclined towards the *Obleute*, took the intellectual lead, and the chairman, Richard Müller, was of their number. In addition to Müller, the most important friends of the *Obleute* were Däumig and Ledebour. The *Obleute*, their friends and adherents, were indeed officially members of the USPD, but they differed ideologically from their Party leaders. They were altogether of the opposition, and did not support government by the People's Representatives. A number of Radical Workmen's Councils in the Reich sought to establish relations with the Berlin Executive, and adopted its standpoint in matters involving political principles.

The leaders of the Spartacus Union, Rosa Luxemburg and Karl Liebknecht, were under no illusions concerning the character of the German Revolution on November 10, and during the following weeks. They realized that the great majority of the German people ~~was~~ satisfied for the time being with a middle-class democratic republic. A lengthy process of evolution would be needed before the majority of the German labouring classes would be in favour of a truly Socialist

State. Rosa Luxemburg was in favour of a Communist Republic, but rejected any form of Party dictatorship. The Spartacus Union could not assume power until the great majority of the German working classes agreed unequivocally with its policy. She rejected any form of *coup d'état*, or terrorist coercion of a majority. The leaders of the Spartacus Union wished to pursue definite agitation for a Socialist State, to support a government by Councils, and to oppose a National Assembly. But they would have nothing to do with political adventures. It is obvious that Rosa Luxemburg's and Karl Liebknecht's basic ideas were in the main identical with those of the *Obleute*. But the majority of their own Party, of the Spartacus Union, in reality held quite different views.

During the War and in the early days of the Revolution the Spartacus Union was composed of two completely different groups. On the one hand was a small body of thoroughgoing revolutionary Marxists. On the other was a greater number of radical Utopians. There has always been an under-current and tributary stream of unbridled Utopianism in the working classes. It appears above or remains under the surface in response to prevailing political and social conditions. The very poorest, most wretched and embittered strata of the working classes are the most inclined to Utopianism. They refuse to accept any compromise with existing conditions. They do not wish to have anything to do with parliaments or trade unions, because ostensibly the proletariat would only be betrayed by them. They are sincerely opposed to any form of leadership or organization, because they can see nothing but traitorous guile in every form of limitation. Their tactics consist in violent revolutionary action irrespective of contemporary material conditions, and regardless of the momentary balance of political power.

Experience has only too often shown how easily these Utopians among the working classes, who are recruited mainly from among the unemployed, are demoralized and then go from one extreme to another. The Utopian-radical workmen are the explosive matter in any proletarian or Socialist movement. Their distrust, their impatience, and their lack of restraint render them capable only of destruction and not of promoting any consistent revolutionary policy. Marx, Engels, and Lenin always acted with ruthless severity against the Utopian tendency and issued solemn warnings against any compromise with it.

When Rosa Luxemburg and her supporters set to work to form a Marxist revolutionary group in the German proletariat, they found that they only made very few disciples owing to the lack of any revolutionary tradition among the German working classes. Those who joined them were in many cases just such embittered Utopians who supposed that the theories of the Spartacists were in agreement with their own wild ideas. In reality, the leaders of the Spartacist Union had nothing at all in common with the majority of their followers. When the leaders were prepared to compromise reasonably with existing conditions, their followers wanted to rush blindly on. When the leaders were reckoning with a lengthy period of development, their followers wanted to see results within a few days or weeks.

It is clear that the three Parties of the Socialist proletariat can really be grouped under six very various headings in November and December of 1918. For convenience' sake the Spartacus Union is reckoned as a separate Party, although it did not really make the decisive break with the USPD until the end of December, taking up an independent position as the 'German Communist Party.' To put the matter simply, there

were in November Right and Left wing Majority Socialists, Right and Left wing Independents, Right and Left wing Spartacists. Curiously enough, the Left wing Majority Socialists and the Right wing Independents were in close sympathy, as were also the Left wing Independents and the Right wing Spartacists. The threefold division of the proletariat which had arisen out of war-time policy simply did not fit in to the changed circumstances of the Revolution and the Republic. In place of the three existing out-moded Parties, only two, according to political logic, should have existed. First, a large democratic Labour Party, which would operate within the framework of the middle-class State, and should aim at a long and careful process of socialization. All the Majority Socialists and the Right wing of the USPD might have belonged to this Party, which would have been the Government Party, as a coalition of the followers of the six Representatives of the People. On the other side there would have stood the smaller opposition Party of the convinced Socialists. It might have been formed out of the Left wing Independents, that is, the *Obleute* and Rosa Luxemburg's Spartacists. This second Party would have constituted a parliamentary opposition without indulging in any *coups d'état* or other political adventures. The small collection of Utopians would have been outside both these Parties. Without the authority of a Liebknecht or a Luxemburg they would have been politically insignificant, and it would have been for the police to keep them in order. These possibilities are not the product of subsequent arm-chair musings, but were seriously considered at the time by leading politicians. Rosa Luxemburg's group negotiated with the *Obleute* in December over the formation of a new Party, while the supporters of Dittmann and Haase sought union with Majority Socialism.

The fate that overtook the German Revolution was occasioned in no small degree by the fact that the necessary—indeed inevitable—disruption of the USPD and the Spartacus Union did not occur, or else took place much too late. Rosa Luxemburg and Karl Liebknecht had not the strength to shake off their Utopians in good time; while Haase and Dittmann were incapable of achieving a separation between themselves and the *Obleute*. The fault lay in the general political backwardness of the German Labour movement. A sentimental loyalty to alliances that had come into existence by chance was stronger than any recognition of political necessity. If the moderate Independents, under the leadership of Dittmann and Haase, had returned to the Majority Socialists, then there would have been a strong counterpoise to the Right wing of the Party. Thrown upon its own resources, the Left wing of the SPD remained incapable of action. In the other camp, Dittmann and Haase were paralysed by the *Obleute*; and, finally, Luxemburg and Liebknecht became prisoners of their Utopians. Combined action on the part of the Socialist proletariat was only possible if an active part were taken by the millions of workers who stood midway between the parliamentarians opposed to the Councils and the wild Utopians of the Left wing. The confused conditions made acute the danger that this great central mass of the Socialist movement would be cut out altogether, and that the extreme Right and the extreme Left would engage in virulent conflict.

The Government of the People's Representatives entered upon its office possessed of great power and authority, and the majority of the people greeted its advent with the liveliest hopes. Nevertheless, quite apart from difficulties inherent in the economic and international situation of Germany, the political

backwardness of and the internal dissensions in the German Labour movement were bound to cause serious anxiety. The difficulties might have been overcome if the People's Representatives had seized the initiative by decisive action, and thereby bound the masses of the Socialist proletariat and, in addition, the democratic middle classes of the German nation to them.

CHAPTER II

THE GOVERNMENT OF THE PEOPLE'S REPRESENTATIVES

IN the months of November and December, 1918, and January, 1919, Germany was governed dictatorially by the Council of People's Representatives. Up to the end of December, 1918, the Council was composed of three representatives of the SPD and three representatives of the USPD. After the withdrawal of the USPD representatives the Majority Socialists ruled alone. The Greater Berlin Executive Committee at first controlled the Government in the name of the Revolutionary Councils. But in December the General Congress of German Councils elected a Central Council entrusted with the duty of watching over the Government's activities. In so far as their actions were covered by the Executive Council, and subsequently the Central Council, the Government possessed dictatorial authority and its decrees had the force of law throughout Germany.

In these three months the Government displayed extraordinary activity and issued a large number of important decrees. At the same time its really important and basic activities were confined to special spheres. As early as November 12, the Government announced the introduction of an eight-hour day. A further decree, published by the demobilization authorities on November 23, was also concerned with the hours of labour. The Government repealed the

former regulations governing domestic work, and the unjust special regulations concerning the employment of agricultural labourers. The Civil Service was granted the unrestricted right of association. An important decree, issued on November 13, regulated unemployment relief by laying upon the municipalities the duty of maintaining the unemployed. Nevertheless the legal position accorded to Poor Law relief was not granted to unemployment relief. The cost of unemployment relief was in general to be borne as to one-half by the Reich and one-third by the individual State; the remaining one-sixth had to be found by the local municipality. In addition to these decrees the Government issued a number of others among which a reorganization of national health insurance was of special importance.

A decree of January 4, 1919, compelled the employers to reinstate their former labourers on demobilization. At the same time measures were devised to protect employees from arbitrary dismissal. Any employee who thought himself to have been unfairly treated could appeal to an arbitration court. In case of necessity the demobilization authorities had the power to determine who should be dismissed and who should be retained in employment.

A decree of December 23, 1918, regulated wage agreements. It laid down that a wage agreement that had been concluded in any branch of employment between the competent Trade Union authority and the competent employers' authority had absolute validity—i.e. no employer could enter into any other agreement of his own initiative. A carefully thought-out organization of arbitral courts was established to decide all disputes.

The Government also introduced universal suffrage for all men and women of twenty years old and upwards. All political elections in Germany in the

future were to be held in accordance with this radical principle. It applied equally to the elections for the German National Assembly as also to those for all provincial legislatures and town councils. All public institutions were abolished that had been constituted in accordance with any other electoral principle. This involved the disappearance of the Prussian Upper House, the former Prussian Lower House that had been elected in accordance with the three class suffrage, and the municipal councils that were also elected on the class vote.

A survey of the legislation introduced by the Council of People's Representatives reveals that the Government was inspired by certain fundamental principles peculiar to Majority Socialism, such as that the German nation should decide its own fate in accordance with definite democratic principles. Every decision taken in Parliament as well as in the tiniest village council should be an expression of the people's will. If the people themselves were not sufficiently experienced to make proper use of universal suffrage, then all the wisdom of the new revolutionary leaders would be of no avail. It was to be expected that, under the influence of the military collapse and the Revolution, all elections in the immediate future would show enormous democratic majorities. This assumption was fully justified in the event. At the elections to the National Assembly on January 19, 1919, the Socialist and Democratic Parties together obtained four-fifths of the total votes, while only one-fifth were cast for the more or less powerless supporters of the former régime. Similar results were shown at elections to provincial assemblies, communes, etc. The democratic foundation for the reconstruction of Germany appeared to have been well and truly laid.

On this democratic foundation the Majority

Socialists hoped to secure the future existence of the working class. A long-cherished ideal of the Socialist International found its realization in the introduction of an eight-hour day. The workman was protected from arbitrary dismissal, the Trade Unions were confirmed in all their rights, and demobilized workmen were reinstated in their former employment. Moreover, if in spite of all these measures a workman could not find employment, the commune was made responsible for his support. The social as well as the political legislation introduced by the Government of the People's Representatives denoted important gains for the proletariat. Nevertheless this carefully thought-out legislation soon revealed itself as superfluous, and the German working classes displayed little gratitude for the benefits conferred upon them. The two aims which the Government sought to attain—the democratization of Germany and the safeguarding of the working class in such a democracy—were never realized.

The most remarkable feature displayed by this legislation was its one-sidedness. The Government proved itself effective only in the sphere in which lay the interests of the old German Social Democrats, and failed completely in those spheres in which the SPD had displayed a lack of interest in pre-War days. Social reform and electoral reform were, and remained, the special objects of Social Democratic policy. Everything else was either ignored or attacked indecisively and with a lack of enthusiasm. If the connexion between the pre-War activities of the Social Democrats and their actions during the Revolution is clearly understood, there is no danger that unjust criticisms will be made of individuals. It was the lack of sufficient political experience and training prior to 1914 that caused the failure of the German Social

Democrats in the German Revolution. If it is sought to cast the responsibility upon a single individual, then it would undoubtedly from an historical standpoint be more accurate to lay the blame upon August Bebel than upon either Ebert or Scheidemann.

In drafting its legislation, the Government of the People's Representatives forgot that social reform is like an organism that cannot exist without air, and that its success is dependent upon the general economic situation. The most ideal social reforms are of no avail if the employer is not wealthy enough to support the cost ; if the State is too poor to fulfil its social obligations ; if the workman finds his wages rendered valueless in his hands by the swift progress of inflation ; or, finally, if the political power in the State is seized by forces inimical to Labour that are able at will to pick holes in social legislation. The fate of social reform in Germany depended in November, 1918, and the succeeding months upon that of German economy. Yet the Government achieved nothing whatever in the sphere of economic policy.

In considering German economic life during the revolutionary period two manifestations of the crisis must be distinguished—the permanent crisis in German political economy that developed as a result of the World War and which has persisted to the present day ; the particular crisis extant at the time of the Revolution and the end of the War. The permanent crisis in German economic life is due to the fact that a densely populated industrial country with comparatively limited territory, like Germany, is dependent upon foreign countries for its means of livelihood. The balance of food-stuffs and raw materials that the German nation requires to make life possible were in pre-War days paid for by the yield of its flourishing

export trade and by the interest paid on its capital abroad. The World War destroyed German export trade. Quite apart from the reparation demands of the Entente, it was a hopeless task for German industry after 1918 to find any means of paying for the foreign supplies that were a vital necessity to the German people. To this was added the reduction of its sources of supplies of raw materials and food-stuffs by the loss of Alsace-Lorraine, the Polish districts, and the Colonies.

These problems, which resulted from German trade and debt-balances and reparations, induced the chronic post-War crisis in German economic life. During the months following on the Revolution, however, Germany was much more occupied with the acute crisis which came with the cessation of hostilities. German industry had, until November, 1918, been engaged in making war material. The demand for this suddenly ceased, and it was necessary to readjust industry to peace-time conditions. Relations between German manufacturers and their foreign customers had, needless to say, been broken off, and were not easy to re-establish. There was every probability of serious unemployment. For the time being, however, unemployment was kept within reasonable limits by the Government's control of demobilization. During the first half-year of the Republic, the number of unemployed in the whole of Germany rose to one million, 25 per cent. of whom were in Greater Berlin.

The terrible dearth of food-stuffs and raw materials which had existed during the latter part of the War did not come to an end with the conclusion of the Armistice, since the Entente permitted only small quantities of goods to pass into Germany. The statesmen of the victorious Powers wished to keep a heavy hand upon Germany until a definitive peace

had been signed. In the state of absolute disorganization prevailing in the markets of the world, it would have been difficult for Germany to import much more even if the Allies had been willing for her to do so. These difficulties were further increased by certain psychological manifestations in the German proletariat. After four years of war and famine and privation, the working classes were utterly exhausted, physically impaired, and wretchedly discouraged. Their weariness and depression were shown after November 9 in an astonishing diminution in the rate of output. Moreover, millions of workers were filled with the desire somehow to get away from the old economic system of private capitalism, and they were not really anxious to continue working for their old employers. There was an extraordinary number of strikes in all parts of the country, especially after December, 1918. The workers wished to take advantage of the shifting of political power to secure higher wages. And in the new year came also purely political strikes.

All these circumstances—weariness of the workers, disinclination to work, and strikes—caused a calamitous decrease in production, especially of the most important raw materials. The dearth of coal was one of the most serious problems during the winter, since the miners demanded that before all else the pits should be nationalized, and opposed by passive resistance and strikes the continuance of private ownership. A further evil was the scarcity of transport. Railway material had been completely worn out during the War, and a number of the best engines and coaches had to be delivered to the Allies.

Since the end of the War the German currency had become increasingly devaluated. Quite apart from the reparation demands, Germany's stock of gold and

securities was not nearly sufficient to pay for her necessary purchases abroad. Hence she was obliged to try to obtain goods against paper Marks. The tender of vast quantities of paper Marks in foreign countries was bound to depreciate them. Towards the middle of the year 1919 the value of the Mark had gone down to about one-third. In view of Germany's growing indebtedness to other countries, a certain devaluation of the Mark was unavoidable. Not even the victorious Powers, such as France and Italy, though their economic situation was incomparably better than that of Germany, escaped inflation in the post-War period. Neither the greatest genius nor the firmest handling of German finance could at that time have saved the gold value of the Mark. The depreciation of the currency which coincided approximately with the first year of the Republic was unavoidable in the existing circumstances. The wild speculative devaluation that occurred in 1921-23 must, however, be regarded very differently.

During the first few months after the Revolution, the Representatives of the People, and the leaders of Social Democracy, hardly realized the full extent of the continuous crisis that confronted German industry. On the other hand, they gave way to what was almost panic over the momentary crisis. The shortage of food-stuffs and raw materials was only temporary, and would be automatically overcome as soon as peace-time conditions had been restored in the markets of the world. Nor were the difficulties of the German transport system insurmountable. And the rate of output in the factories was certain to increase as soon as the workers were properly fed again and were really reconciled to the new situation. Finally, the devaluation of the currency within limits must be accepted as unavoidable, and care must be taken only

that these limits were not widened by speculative manipulation.

The temporary crisis in German industry was therefore undoubtedly curable if a definitive peace was concluded as soon as possible, and Germany did not lose her head. At the same time this would obviously not have abolished the chronic crisis. The Representatives of the People and the leaders of the Majority Socialist Party were meanwhile filled with deepest anxiety lest German industry should collapse entirely owing to the coal shortage, the transport crisis, and the famine. Hence one appeal after another was issued to the workers, urging them to work hard, to keep calm and not to strike, for otherwise a collapse would be unavoidable. These paternal admonitions to diligence and obedience with their gloomy forebodings made the worst possible impression upon the working classes. After the victory of the Revolution, the workers wanted to see new paths opening before them, they wanted to take an active part in the reconstruction of industry. The strikes were an expression of their desire to achieve new economic and social conditions. Instead, they were asked to continue working for their old employers with empty stomachs and leaky boots. The extremists among the workers explained the proclamations to mean that the Representatives of the People had neither the wish nor the power to make any real change in the existing economic conditions.

An example may be given to show how little the leading men in Germany realized the nature of the approaching permanent economic crisis, and were completely taken up with trivial cares. Rudolf Wissell, one of the best brains among the Majority Socialists, who was one of the Representatives of the People in 1919, and later became Reich Minister for Economy, wrote an article on July 7, 1919, discussing the nation-

alization of mines. He said that in the event of expropriation the former owners of the mines must be indemnified. He then continued: 'If the Government were to assume responsibility for these indemnities with money at its present depreciated value, they must be rated immensely high. Anything we buy to-day must be paid for at three times its pre-War rate, not because the value has risen, but because the value of our paper currency has sunk so low. And an expensive piece of real property like the mines that we want to nationalize would be paid for at a ridiculously low nominal value by means of banknotes or promissory notes. This nominal value, however, will rise again. That is to say, the value of money will increase again. Any one paying off a pre-War debt of a thousand Marks to-day still nominally pays a thousand Marks, but actually he is only giving a third of the value he received in pre-War times. And any one who contracts a debt to-day will have to pay back more when our currency has improved again.' Wissell stated that he would not take any part in promoting nationalization on those terms—'giving the employer depreciated currency which we hope will have risen to two or three times its value in three or five or ten years' time.' Thus Wissell really believed that the devaluation of the Mark was only temporary, and that the paper Mark would be able to regain its gold parity within a few years. So little did he understand the general economic situation in Germany after the loss of the War.

The Council of the Representatives of the People shrank from the idea of any intervention in economic life. They did not wish to forestall the coming National Assembly in this matter. The Government summoned a number of experts to form a Nationalization Commission, and instructed it to discover which branches

of industry were 'ripe.' On the other hand, the Council of the Representatives of the People could not make up its mind to pass laws interfering seriously with the conditions of private ownership. Nevertheless, intervention in the question of land tenure and also of mines was essential in the interests of democracy. The outworn system of large estates which dated from feudal days was at that time abolished in most European countries, not only in Soviet Russia, but also in the Baltic States, in Czechoslovakia, and in Roumania. An agrarian reform on these lines could undoubtedly have been introduced into Prussia east of the Elbe. It was not essentially a Socialist measure. Nevertheless the expropriation of the estates of the Prussian nobility and the parcellation of the land among the peasants would have made democracy secure east of the Elbe, and have put a final end to the power of the feudal aristocracy. The failure to nationalize the large estates and the disappearance of the Workmen's and Soldiers' Councils east of the Elbe brought a return to the social and economic conditions of pre-War days there. Since the democratic republic had not the power to strike a blow at the Prussian feudal aristocracy it was unable to win the peasants over to its side.

Great differences of opinion existed on the question as to which industries were ready for nationalization. Nearly all Socialist thinkers, however, and also the great mass of the workers, were convinced that mining was one of them. To extract coal from the existing pits required no special gifts. It was a purely technical problem which was as easy to solve in a nationalized mine as in a privately owned one. Nationalization of the mines would certainly not have diminished production. But it would have made a great difference in the balance of political power. A particularly influential group of great industrialists, who had made their dominant

influence felt most forcible in the past, would thereby have been eliminated. The German republic would have remained a middle-class State even if the mines had been nationalized. Nevertheless the workers would have seen in such a step evidence of a serious desire on the part of the Government to introduce Socialism. Confidence in the new State and the new order would have been immensely strengthened among the proletariat.

The material objections made by the leading Majority Socialists to the nationalization of the mines were quite unsound. Wissell's curious monetary theory has already been mentioned above. It was further asserted that, while the Entente would respect private property in Germany, all public property would be regarded as pledges for reparations. Hence there was a risk that nationalized mines might be confiscated by the Allies. Subsequent events proved this danger to be non-existent. The German railways did not come under Entente supervision until 1924, as a result of the Dawes Plan; and the adoption of the Dawes Plan was a voluntary step on the part of Germany. The treatment of nationalized mines would have been no different from that meted out to national railways. Moreover, the Government might have found suitable means to compensate the expropriated land-owners and mine-owners. It would have made no difference to the net political result.

The Representatives of the People did not touch the property either of the east Elbian landowners or of the coal magnates in the Ruhr district. A positive economic policy in the direction of Socialism would nevertheless have been possible even on the basis of the sanctity of private property. German industry might have been grouped in large syndicates. An economic programme might have been drawn up for each branch

of industry, and the workers' Councils might have been given an important share in its execution. Even if such an organization had taken a long time to set up, the foundations at least might have been laid during the first few weeks. Such planned economy would have shown the Government's willingness to fall in with the desire of the working class for socialization, and the interest of the miners in production might have been stimulated afresh. Nothing of the kind was done. The decree of the Representatives of the People of December 23, regarding the wage agreements, did order committees of the workers to be set up in all industries and trades. These committees, however, were to concern themselves only with the application of the wage agreements, and with the personal affairs of the workers in the several industries and trades. They gained no influence over production. Since the Socialist Government of the Representatives of the People had no economic policy whatever, and simply allowed things to take their course, conditions became increasingly chaotic week by week in German industry. Angry and hopeless, the workers tried to extricate themselves from their difficulties by strikes, which only increased the general confusion.

↳ The military policy of the Representatives of the People was just as catastrophic as their economic policy. When the Government assumed office on November 10 there were millions of soldiers on whom it could rely. But it should have remembered that within a few weeks the German army of the World War would disappear. The men wanted to go home, to change out of their uniforms, and to be re-absorbed into their families and occupations. That was true both of the home garrisons and of the front-line army. Since Christmas was approaching, demobilization was speeded up. It was to be assumed with certainty that

by the end of December only very few troops would be left in the barracks—men who had no families, or no work in view, and who preferred to continue drawing their pay as soldiers for a time instead of going on the dole. The basis of political power in the Republic was, however, shifted by the disintegration of the German army. Any men of the old army who remained on the active list were either totally unfit to fight, or else they were only interested in serving as mercenaries. This meant that by the end of December the Government would have no really reliable military force available for military or police purposes. Thus the Government would be actually defenceless and at the mercy of any chance happening.

The Representatives of the People should certainly have reckoned with this possibility and have taken the necessary steps to organize a reliable democratic police force after the demobilization of the old army. But nothing was done. A volunteer corps for national defence was created on paper, but it never materialized:

The former High Command had put its services at the disposal of the new Government after November 9. Field-Marshal von Hindenburg was officially in command of the armies in the field. The real commander was General Groener. The High Command declared that it was prepared to lead back the army from the western front, and the Representatives of the People gladly agreed. Although, as has been shown above, the Republican Government had nothing to fear from the men on active service, it was a mistake to leave the imperial generals at the head of the army. Every serious revolution that has broken out among the masses of the people has created its own particular defence force and produced its own army leaders and military organizers. The immense popular force called into being by Revolution has transmuted itself into

military energy. The improvised leaders of the troops have been victorious in battle. So it was in the great English Revolution, in the French and the Russian Revolutions. 'But the German Revolution, that uprising of social workers thirsting for peace, brought forth no Cromwell, no Carnot, no Trotsky: In the great historical revolutions the new leaders have been confident of victory. The men of the German Revolution did not even feel that they could bring their army home from the front without the help of the Imperial General Staff.

The High Command remained in the hands of Hindenburg and Groener, who moved their headquarters to Cassel, where General Groener began a vigorous political campaign: 'In those days General Groener was what might be called a conservative Republican. He did not desire the return of William II. But he did seek to oppose the Workmen's and Soldiers' Councils whose activities he regarded as productive only of chaos. He wished to restore what he believed to be law and order in Germany. He wished to create a new army in which the imperial corps of officers might find fresh employment, and to make life secure again for middle-class society.

General Groener and his followers among the senior officers realized from the very outset that their aims would be achieved not by a frontal attack upon the Socialist proletariat, but only by creating discord in the Social Democratic ranks. An attempt must be made to mobilize the Conservative wing of the Majority Socialists against the Independents, the Spartacists, and the Councils as a whole. If this succeeded, it would be possible to overthrow revolutionary Socialism by a coalition between the Right wing of the Majority Socialists, the officers, and the middle classes. If the officers should achieve their aim, Germany would be

made safe for the middle classes, but democratic Socialism would be dead.

These officers were of the opinion that the Majority Socialist Ebert was the most likely person to agree with their plans. The High Command therefore overwhelmed him with professions of loyalty and with promises to support him against Spartacist agitators: There is no proof that Ebert actually entered into a plot with the officers against the revolutionary working classes. Ebert never failed in his duty of loyalty towards his fellow-members of the USPD. But he was oppressed with a sense of the immense difficulties confronting the German Government. To economic troubles and the anxieties of foreign policy were added a threat of Separatist movements not only in the Rhineland, but also in various other parts of the country. In these circumstances Ebert wished to reduce to a minimum the possibilities of friction and to act as mediator between all parties. If the High Command made professions of loyalty to him, Ebert saw no reason to administer a rebuff. Nevertheless it was a tactical error for Ebert to have admitted the High Command too far into his confidence. One outward expression of the relationship was a private telephone line leading from Ebert's room at the Foreign Office to the Army Headquarters at Cassel. Ebert undoubtedly believed that he was doing the Republic a service by ensuring the loyalty of the High Command. If, however, it had ever become known that Ebert enjoyed the particular confidence of the High Command, the relations between the Representatives of the People and the working classes would have been made more difficult, and the door opened to all manner of hare-brained schemes.

It might at least have been expected that the German Revolution would have abolished the out-

worn system of individual small States and immediately created a single unified German State. Here the Government of the Representatives of the People failed again. The individual German States were permitted to exist in their old form, to keep their separate governments, and to elect new parliaments. The most dangerous and most unnatural form of particularism was to be found in the Prussian State. The historical evolution which had led to the foundation of the Reich in 1871 had conjured up the dualism 'Prussia-Reich.' After the fall of the Hohenzollerns the separate existence of a single federal State which included two-thirds of the whole territory of the Reich had become utterly pointless. The continued existence of the small States made a perpetual waste of time and money unavoidable, and furthermore the administrations of the individual States had hitherto always been the strongholds of the ruling bureaucracy. Nothing less than the abolition of the separate States could achieve the downfall of the historic German bureaucracy.

Once again, however, the Representatives of the People were afraid to act decisively. The only step that was taken towards the unification of Germany was the incorporation of the eight little Thuringian States in a single unified Thuringia. When Professor Preuss by order of the Government published a draft of the Constitution of the German Republic, and in this draft quite properly suggested the liquidation of Prussia, a ridiculous storm of protests arose on all sides. No one supported Preuss; and so Prussia was preserved to the German Republic. Kurt Eisner, the Bavarian Prime Minister, was so much impressed by the incompetence of the Government in Berlin that he believed it to be essential in the interests of the Revolution to preserve Bavaria's independent position.

The attitude of the German Republic to the deposed

Princes was also not clearly defined by the Representatives of the People. They accepted the abdication of the former rulers, but made no arrangement about their property. Either the property of the princely houses might have been confiscated in its entirety, or a part might have been left to the owners, and the rest declared to be State property. But the whole question remained wrapped in obscurity, and in later years the most awkward situations were to arise from it for the German Republic.

It is impossible to build up a revolutionary State with the Civil Service and judicial apparatus of a vanished régime. This miracle, however, was expected of the German Republic. The special law governing the Civil Service whereby a Civil Servant could be dismissed only after a long disciplinary investigation, and in the end generally got his pension in spite of any delinquency, remained in operation. Even the irremovability of the imperial Judges was respected. The consequence was that, on the disappearance of the Workmen's and Soldiers' Councils, the imperial administrative and judicial system came to life again. The few Social Democrats who were newcomers to official posts could do nothing to change the spirit of the bureaucratic administration.

Another of the tasks the German Revolution should have undertaken was the separation of Church and State. Any form of religious persecution would have been a grave error, and would have alienated the Catholic workers and peasants. The separation of Church from State and the liberation of education from ecclesiastical control could, however, have been carried through without hurting the religious feelings of anybody. Once again the Representatives of the People failed. Since the individual States were permitted to continue with their own Government, they

also preserved their own ecclesiastical and educational systems. The Prussian Ministry of education was after the Revolution jointly administered by the Majority Socialist, Hänisch, and a representative of the USPD, Adolf Hoffmann. The latter, who notwithstanding some peculiarities of expression was an intelligent and well-educated man, urged the disestablishment of the Church and a radical educational reform. But Hänisch, a completely passive individual, prevented any definite move being made. Only the clerical supervision of schools was abolished. The fact that the university charters also remained unchanged is in these circumstances not surprising.

The Council of People's Representatives generally presented a united front externally. The three Majority Socialists, and Dittmann and Haase of the USPD, at least agreed upon the basic principles of policy. Emil Barth, the third Independent Socialist Representative of the People, did occasionally dissent from their views. Barth was a member of the Berlin group of the *Obleute*. Neither they nor the Spartacists had officially joined the Government of the Representatives of the People, but had gone into opposition. Barth had been taken into the Cabinet on his personal merits in order that he might act as liaison officer between the Government and the revolutionary workers. Thus Barth was on the one hand to represent the policy of the Government, and on the other that of the Opposition. A keener brain than his might have failed to deal with such an anomalous situation. The co-operation of Barth, who finally fell between all the stools, was of little practical value to the Representatives of the People.

During November, and the early part of December, Germany was shaken by the conflict between those who supported the National Assembly and those who

were in favour of the Councils. The Spartacist Union and the *Obleute* together organized a lively agitation against the Government. The Majority Socialists retaliated, and the official USPD sought to mediate between them. By the time the Republic was a few weeks old the middle classes realized that the Representatives of the People were not going to exercise any ruthless dictatorial repression against those who held different opinions. Hence the middle-class Parties reconstituted themselves, and the middle-class Press gave free expression to their views. The whole of the middle class was solidly in favour of the National Assembly as opposed to the Councils, and made every effort to widen the gulf between the Majority Socialists and the extremist working men.

This atmosphere surrounded the events that occurred in Berlin on December 6, which were to be of fateful importance in the further history of the Republic. A conspiracy was hatched by political adventurers who were joined by certain non-commissioned officers and officials of the Foreign Office. Their intention was to make a sudden attack on the Berlin Executive, and by arresting its members to paralyse the central organization of the hated Councils system. At the same time Ebert was to be proclaimed President of the Republic. Under existing conditions this fantastic project held out no prospect of success. The time was not yet ripe for an open counter-revolutionary movement opposed to the Councils. Nor is there any proof that the High Command or even Ebert himself were in any way parties to the project. Nevertheless it was dangerously significant that such a plan should have been conceived at all. If the counter-revolutionaries quite simply looked upon Ebert as their man, then he himself had not made his disapproval of such projects sufficiently clear.

The rebellion on December 6 failed completely. The Executive Committee was taken by surprise, but was released again directly afterwards, and Ebert replied by a discreet negative to those who wished to proclaim him President of the Republic. The ring-leaders of the conspiracy were arrested. If the affair had stopped there, it would only have proved the strength of the revolutionary forces. Unfortunately, there was serious bloodshed in Berlin which did great harm to the Republican cause. The military commander of Berlin was a leading Majority Socialist named Wels. When he heard of the surprise attack upon the Executive Committee, he gave the alarm to the troops in Berlin, and had all approaches to the inner city blocked. A procession of Spartacist demonstrators chanced to come upon one of the military cordons. There was a skirmish in the course of which the soldiers fired on the Spartacists. Sixteen persons were killed. It is possible that this affair was only the result of an unfortunate concatenation of circumstances. It is also possible that some of those involved in the conspiracy with an interest in increasing antagonism had a hand in it.

The events of December 6 left a particularly strong impression upon the minds of the extremists among the Berlin workers. It was only too easy to make it appear that there was a connexion between the attempt on the Executive Committee, the proclamation of Ebert as Reich President, and the killing of peaceful Spartacist demonstrators. The distrust of the Majority Socialists in the Government felt by these elements in the working classes increased enormously. 'The Government was accused of making a compact with the militarist counter-revolutionaries to shoot down the revolutionary workers.' A deep estrangement arose, at least in Berlin, between the adherents of the Govern-

ment and the radical working classes. At the same time there is no proof that the Majority Socialists were implicated in the events of December 6. Nevertheless the sin of political omission remained. Ebert and his closer friends were incapable of drawing a sufficiently strong line of demarcation between themselves and the forces of the old régime.

In order finally to clear up the difficulties connected with the National Assembly, and to settle the political future, the Government determined to call a general Congress of Workmen's and Soldiers' Councils in Berlin. The Congress met from December 16-20. On the whole only the industrial workers and that part of the army which was not yet demobilized took part in the polling. The Government, and especially the Majority Socialists, gained an overwhelming majority: Of about four hundred and fifty members of the Congress, three hundred and fifty were in sympathy with the Government. Most of them were Majority Socialists, and in addition there were a few from the middle-class Parties and moderate Independents. The Spartacist Union was virtually unrepresented in the Congress: Neither Liebknecht nor Rosa Luxemburg had a seat. On the other hand, the *Obleute* had won a number of seats in Berlin, and the delegates from other radical Workmen's Councils joined them. The Opposition in the Congress, under the leadership of Richard Müller, Däumig, and Ledebour, numbered about a hundred.

The Government majority stood firm from the very outset. It voted for the election of a National Assembly. January 19, 1919, was fixed as the polling day. There was considerable unanimity in important questions between the Majority Socialists and the USPD Party leaders. Dittmann's report upon the political situation, which laid strong emphasis upon

proletarian unity, was greeted with enthusiastic applause by the Majority Socialists. The report of the Independent theorist Hilferding upon the possibilities of carrying out nationalization was also received with approval by the Majority Socialist delegates. But there was the strongest antagonism between Dittmann, Haase, and Hilferding on the one hand, and those members of their own Party whose views tended towards those of the *Obleute* on the other! The Opposition acted skilfully and resolutely, and strengthened its position by holding great demonstrations of the radical workers of Berlin. The representatives of the Berlin Executive succeeded in seizing the leadership of the USPD representation in the Congress. In matters of Party policy Dittmann's and Haase's position was extremely difficult. They manifestly possessed the sympathy of the Majority Socialists, but had apparently no influence whatever over their own Party. The elections to the new Central Council of the German Republic clarified the situation. The Congress of Councils regarded itself as being the bearer of the sovereign power of the revolutionary people. Before it was dissolved, a committee called the Central Council was elected from its midst. This committee was to sit in perpetuity and to supervise the Council of the Representatives of the People. It was even empowered to dismiss individual Representatives and to appoint new ones.

When the time came to elect the Central Council, those members of the USPD who shared the views of Däumig and Richard Müller decided not to take part in the polling, but to leave the Central Council entirely in the hands of the Majority Socialists. That was perfectly logical from the point of view of the *Obleute*. They refused to have any direct or indirect part in a Government which they regarded as nothing but

a disguised coalition with capitalism and counter-revolution. They were prepared to enter a truly Socialist Government, and no other. The Central Council, however, was just as much a part of the Reich Government as the Council of People's Representatives itself. Political integrity demanded that the Opposition should not at the same time form part of the Government.

The USPD fraction's decision in this matter made the position of Independent Socialist Representatives of the People untenable. They remained responsible members of a Government with which their own Party refused to have any connexion.

There was really only one course open to Dittmann and Haase—to take formal leave of their old Party and to announce their adherence to the Majority Socialists. The course of events at the Congress had shown that in all important political questions Dittmann and Haase agreed with the Majority Socialists, but that they were not in agreement with the Left wing of their own Party. In reality the USPD leaders were not nearly as isolated as appeared on the surface in the Congress. If there had been a split, Dittmann and Haase would have carried a considerable part of the USPD with them. They had aroused strong sympathies in a great number of the Majority Socialist workers. The authority of men like Haase, Dittmann, Hilferding, and Bernstein would have largely counterbalanced that of Ebert and Scheidemann. The policy of the Majority Socialists would not have drifted over to that of its extreme Right wing but would have represented the views and desires of the central mass of the German working class.

Dittmann and Haase, however, could not make up their minds to take so radical a step. The best

was made of a bad job. They remained members of the USPD, but at the same time they kept their seats on the Council of People's Representatives. Emil Barth also remained a member of the Council. The three Independents were acknowledged by the new purely Majority Socialist Central Council without any difficulty. There was evidently a strong desire not to disturb the co-operation between the Majority Socialists and the USPD leaders.

This did not, of course, signify that the affair had been cleared up. It was not a personal question. What functions Dittmann and Haase carried out as individuals, what membership card they carried, were not of themselves matters of world-shaking importance. But they represented the decisively important central and moderate opinion among the Socialist working class that embraced millions of the proletariat. The fate of the German Revolution might depend upon whether this tendency was put into action or not. Eduard Bernstein returned to the Majority Socialist Party as an individual, but was unable to gain any strong influence in it.

The catastrophe which was to cause an irreparable breach in the ranks of the Socialist workers was not long in coming. It occurred three days after the final meeting of the Congress of Councils. The immediate occasion was the impossible military situation. Among those troops which had not yet been demobilized, the so-called People's Naval Division held a peculiar position. It consisted of some one thousand sailors who had come to Berlin during November. The Revolution had started in the Navy, and therefore the People's Naval Division considered itself to be a particularly important unit. It was quartered in the Palace in Berlin. To outward seeming the sailors were thoroughly revolutionary in sentiment, but in

reality they were nothing but a set of mercenaries who felt much more strongly about their own material interests than they did on any political question. Complaints had been made of the way the sailors behaved in the Palace. It was said that thefts had occurred. It is difficult to discover whether the accusations were true or not. Nor does it matter historically. The Government of the People's Representatives ordered the sailors to leave the Palace and to shift their headquarters to the royal stables. The sailors agreed to do so, but demanded eighty thousand Marks in pay.

It was a fantastic state of affairs in which the sailors were negotiating with the Government of the German Republic on an equal footing as one Power with another. The sailors knew very well that at the stage which demobilization had reached the Government was practically defenceless. It was finally agreed that the sailors should deliver up the keys of the Palace to Wels in return for the eighty thousand Marks. As the negotiation proceeded, it took on a more and more farcical character. The sailors did not hand over the keys to Wels, but took them to Emil Barth. Thereupon Wels did not pay out the eighty thousand Marks. The sailors believed that the money was to be withheld from them, and that they would find themselves penniless at Christmas-time. Hence they decided to act.

One detachment of sailors went to the residence of the Military Governor of Berlin. Wels was taken into custody, mishandled, and hustled away. Another detachment went to the offices of the Representatives of the People and detained those rulers of the German Reich who happened to be present. They were forbidden to leave the offices and the telephone wires were cut. Only the private line connecting Ebert with the

High Command escaped the vigilance of the sailors. And thus Ebert was able to put through a call to General Groener for immediate help. The Representatives were soon released by the sailors. But there was always the chance of a recurrence of the revolt. Wels remained in the hands of the Naval Division, and fears were entertained for his life.

The Government of People's Representatives was indeed backed by at least three-quarters of the nation, and the highest revolutionary body—the Congress of Councils—had only a few days before carried a vote of confidence in the Government by an overwhelming majority. But this did not save the Government from being at the mercy of the whims of a thousand sailors. Any men of the old army who still remained in barracks had no wish to be mixed up in unpleasant affairs. Nor was Eichhorn, the Chief of the Berlin Police and a member of the USPD, whose views tended towards those of the *Obleute*, any more anxious to sacrifice himself for the sake of the Representatives of the People. Moreover, his own forces were certainly not trained for action.

There were, however, in and about Berlin a few regiments of front-line troops which had not yet been demobilized. They were under the command of General Lequis. The High Command acted promptly in answer to Ebert's call and ordered General Lequis to restore order. On December 24 there was heavy fighting in the heart of Berlin. The troops attacked the Palace, and the stables where the sailors had taken up their position. The Generals hoped to gain a military success that would completely destroy Left wing Socialism and give a new turn to the German Revolution. But no such success followed. The soldiers carried out their orders indifferently. They feared that they were being inveigled into some counter-

revolutionary manœuvre, and in this idea they were encouraged by the Berlin workers. Hence no progress was made. Negotiations were initiated, and eventually an agreement was concluded between the sailors and the Government. The sailors released Wels, evacuated the Palace, and were given their eighty thousand Marks in return for a promise to undertake no further armed action against the Government. They were also granted a full amnesty, and their unit remained in existence. The mutiny of, and the outrages committed by, the People's Naval Division went unpunished.

The events of December 23 and 24 constituted a serious moral defeat for the Government. It had been unable to enforce its will against a small band of rebels, and had been obliged to submit to the insults and humiliations heaped on it by the sailors. Nevertheless the Representatives of the People, and the three Majority Socialists in particular, cannot be accused of any culpable demeanour during this episode. They were undoubtedly in the right as regards the sailors. If troops only rendered obedience when they felt like it, no political system could maintain itself. Nor can Ebert be reproached for invoking the assistance of the Generals who were loyal to the Government in suppressing the sailors' mutiny. The action of the Generals was likely to have serious political consequences. At the moment, however, the Government was like a drowning man who clutches at the first thing he sees.

There is no excuse for the sailors. No real political motives existed to justify their actions. They were only fighting for their pay.* It is significant that this same *soit-disant* revolutionary People's Naval Division remained neutral in January, when the real battle for supremacy began between the Majority Socialists and their Left wing antagonists. As revolutionaries they

should at least have respected the decrees of the Congress of Councils.

This objective view of events was not shared by the revolutionary Berlin working men. The distrust of the Representatives of the People that had existed since December 6 among the working classes in Berlin was now immensely increased. The workers in the great industries in Berlin did not trouble about the details of the quarrel between the sailors and the Government ; they only saw that the Majority Socialist leaders together with the Generals were trying to annihilate a revolutionary detachment ; that Ebert and the officers were bringing artillery into action in order to secure the victory of the counter-revolution. The funeral of the sailors who had fallen in the fight at the Palace became a vast demonstration of sympathy on the part of the Berlin working classes. In the procession were men carrying banners with the inscription : ' We accuse Ebert, Landsberg, and Scheidemann of the murder of the sailors.'

It so happened that Haase and Dittmann were not present when the sailors attacked the Government offices. Only the Majority Socialists and Barth were in the building at the time. Since the latter was known to sympathize with the sailors, the whole responsibility for the Government's measures and for calling out the troops rested with the Majority Socialists. When Dittmann and Haase returned, they felt unable to continue to bear the responsibility for the Government's policy. They appealed to the Central Council as arbitrator, and when it approved in essentials the policy of the Majority Socialists, Dittmann and Haase and Barth resigned from the Government on December 29.

The attitude of the three Independents was not objectively justifiable, but was explicable on Party

political grounds. Any one who considers the events of December 23 and 24 at all dispassionately cannot censure the Majority Socialist Representatives of the People. No Government could exist that permitted a handful of mutinous sailors to arrest Ministers because their pay was in arrears. Hence Dittmann and Haase sought to widen the sphere of conflict in the accusations they brought against Ebert and Scheidemann. They emphasized that there were differences of opinion on matters of principle regarding military policy between themselves and the Majority Socialists; that the Majority Socialists were prepared to put their confidence in the imperial Generals in military matters; that that was a great mistake from the point of view of the Revolution; and that the USPD could not countenance such a policy.

In reality there was substantial foundation for the accusation that Ebert was treating the Generals with too great confidence. But if there was a danger of Ebert's going too far in this direction, then that danger was only increased by the departure of the Independents from the Government. Men whose principles in political matters are completely opposed cannot sit together in the same Cabinet. Nevertheless, a week earlier, on December 20, Dittmann and Haase in the Congress of Councils had been practically of one mind with the Majority Socialists on basic political questions. They were unanimous in their wish to remain in the Government, and even Emil Barth had not resigned at the close of the Congress. What had happened during that week to bring about a change in a fundamental political issue as well as in the attitude of the leaders of the two Socialist Parties?

The fatal half-heartedness shown by the leading Independents at the Congress as a matter of Party tactics now produced its results. On December 20,

they had not been strong enough to banish the *Obleute* from their organization. Now they were obliged to take the consequences. Dittmann and Haase felt that it would be impossible to weather the storm which was certain to rise in the ranks of the USPD against the 'murderers of the sailors.' They felt that they must leave the Government as quickly as possible, create a political alibi for themselves, and thus regain the confidence of their Party.

This was the end of the Coalition Government of November 10. The events of the last week in December represented a severe material and moral injury to the German Revolution and to the Socialist cause. After the cheap triumph won by the sailors, the Government appeared utterly supine. Any venturesome man felt that he might risk defying its authority. The vote of confidence given by the Central Council to the Representatives of the People impressed nobody as long as it was not backed up by force of arms. Thus the hopeless neglect of the German Army, and the incompetence of the Representatives of the People in all military questions, took its revenge.

At the same time the Majority Socialist leaders found themselves in a position of dangerous moral isolation among the working classes. Men like Haase, Dittmann, and Hilferding, who had been ready only a week earlier to act in unison with the Majority Socialists, now declared that Ebert and Scheidemann were the prisoners of the military counter-revolution, and that nobody must have anything to do with them. Until this moment the working classes had been divided into two parts—a large majority that was content with middle-class democracy and gradual nationalization, and a minority that demanded thoroughgoing socialization and a Soviet (Consiliar) Republic. With the challenge by the USPD leaders to Ebert and Scheide-

mann began the split within the majority of the Socialist workers. Not only the comparatively small number of the adherents of Dittmann and Haase went into opposition. Millions of workmen who still voted Majority Socialist were filled with misgivings. At the end of December, 1918, began the process that under the operation of the so-called Noske-policy was to lead to the destruction of the great Majority Socialist Party.

Towards the end of the year 1918 it was comparatively easy to foresee that further severe crises awaited the German Republic. Opposition against the Majority Socialist Government had vastly increased both numerically and morally. It was very doubtful whether the differences could be resolved by means of peaceful agitation and propaganda.

As a prelude to future events a group of revolutionary workers occupied the offices of the *Vorwärts* during the Christmas holidays, and announced that this chief organ of the Majority Socialist Party was in future to be the property of the revolutionary working classes. During the War the *Vorwärts* had originally belonged to the opposition within the Party. In 1916 the Party leaders had taken possession of the paper. This so-called 'rape of the *Vorwärts*' had enraged the workers who had thereby lost their newspaper and were unable under the control of the war-time censorship to bring out a new Opposition paper in Berlin. Since the Revolution, all three Socialist tendencies had their own papers. The *Vorwärts* (Onwards) remained the organ of the Majority Socialists, the USPD had its *Freiheit* (Liberty), and the Spartacus Union its *Rote Fahne* (Red Flag). So long as all three separate Socialist tendencies existed, and were obliged to live together, there was no reasonable cause for taking the Majority Socialists' Berlin paper from them.

But the act had for the Utopian-radical workers a sort of symbolic meaning. Without regard to actual conditions, the Utopians wished to regain the *Vorwärts* much as a flag is regained that has fallen into the hands of the enemy. Only after lengthy negotiations and the intervention of the *Obleute* was the release of the *Vorwärts* achieved. It remained to be seen when the Utopians would make their next move.

CHAPTER III

SPARTACUS AND NOSKE

A GENERAL meeting of the Spartacus Union was held in Berlin on December 30, to make an official announcement on the subject of the split between the Spartacists and the USPD. A new Party was constituted under the name 'The German Communist Party' (KPD) by the Spartacus Union. At Lenin's instigation the Russian Bolsheviks had dropped the term Social Democracy, since it was considered to have been compromised by reformist activities. Instead, Lenin gave his Party the name of Communists, for so Marx and Engels had called themselves at the time of the Revolution of 1848. The change of name of the Spartacus Union signifies an external approximation to the victorious Party of the Russian Revolution, but in point of fact there remained great differences between Russian and German Communists.

The meeting adopted a programme drafted by Rosa Luxemburg. The important parts of it read as follows :

'The Spartacus Union is not a Party that wishes to rule without the assent of the mass of the workers. The Spartacus Union is only that section of the proletariat that is filled with the deepest consciousness of the aims to be pursued. As such it will indicate to the whole broad mass of the working class what is its historic mission, and at every stage of the Revolution will uphold the ideal of Socialism and support the

interests of the proletarian world-revolution in all national questions.'

'The Spartacus Union refuses to share the task of government with the understrappers of the bourgeoisie, with men like Scheidemann or Ebert. It would regard such co-operation as treason to the principles of Socialism, as playing into the hands of counter-revolutionaries, and as paralysing to the Revolution.'

'The Spartacus Union, moreover, refuses to come to power merely because men like Scheidemann and Ebert have failed, and the Independents have arrived at a cul-de-sac by throwing in their lot with such persons.'

'The Spartacus Union will never assume governmental power except in response to the plain and unmistakable wish of the great majority of the proletarian masses in Germany; and only as a result of the definite agreement of these masses with the views, aims, and methods of the Spartacus Union.'

'The proletarian Revolution can only come to full fruition and maturity gradually, step by step, by the long and painful road of bitter experience, by defeats and victory. The victory of the Spartacus Union will not come at the beginning but at the end of the Revolution. It is identical with the victory of the vast mass of the Socialist proletariat.'

Rosa Luxemburg's programme is a clear denial of Utopianism and experimentalism. It abjures any dictatorship of the Party in the manner of Bolshevism over the masses of the workers. Rosa Luxemburg did not wish to assume power if chance threw it into her hands, but only if the great majority of the German proletariat agreed unconditionally with the ideals of the Spartacus Union. Rosa Luxemburg was convinced that a Socialist republic could only rise in Germany

after a long and difficult process of development. In her speech to the Party meeting she actually prophesied that the Scheidemann-Ebert Government would collapse within a short time under the stress of antagonism, and would be succeeded by a 'military dictatorship under Hindenburg.'

The majority of the Spartacist delegates at the Party meeting adopted Rosa Luxemburg's programme without giving much thought to its significance. Actually the Party meeting was animated by a spirit of fanatical Utopianism. In matters of abstract theory the delegates allowed Rosa Luxemburg to say what she liked. But in political practice they went their own independent way. The important question of the moment was the attitude to be adopted to the National Assembly. The Congress of Councils had determined that the elections to the National Assembly should take place on January 19. Rosa Luxemburg and Liebknecht were convinced that the elections would take place and that by no sort of *coup* could the National Assembly be prevented from coming into existence. Hence they were in favour of taking part in the elections. Rosa Luxemburg told the infuriated delegates the truth: 'Comrades, you are taking your Radicalism too easily. However stormily we may press onward, there must be no lack of the necessary reflection and calm thought. We are not going to imitate the Russian example in the matter of this election. When the National Assembly was dispersed there, our Russian comrades had already got the Trotzky-Lenin Government. We still have Ebert and Scheidemann. The Russian proletariat had long experience of revolutionary struggles behind them. We are at the beginning of the revolution. We have nothing behind us except the miserable attempt at a revolution of November 9. So we must ask

ourselves what is the surest way of educating the masses.'

Karl Liebknecht asked: 'Were our parliamentary activities in the Reichstag altogether worthless?' But the delegates, the representatives of the fanatical Utopianism of the members, disregarded the authoritative voices of Rosa Luxemburg and Karl Liebknecht. They refused by sixty-two votes to twenty-three to take part in the elections to the National Assembly. This was not merely a manifestation of their desire to make a gesture indicative of their rejection of middle-class parliamentarianism. It was also the belief of the delegates, contrary to that of their leaders, that the middle-class republic would be abolished within a few weeks by mass revolutionary action. The decision was indirectly an incitement to rioting and *coups d'état*. It had nothing in common with Rosa Luxemburg's programme.

On December 30, Rosa Luxemburg and Karl Liebknecht were faced with the same decision as Dittmann and Haase had been ten days previously—whether they would appear as supporters of the policy which they believed to be the only right one, or whether they would be loyal to an out-of-date Party organization. Marx and Engels never made the smallest concession to any members of the Party who chanced to be present. They always steadfastly went their own way. The history of the Communist Union, as well as of the first International, witnesses to the truth of this statement. Lenin would have split his Party afresh every week if political necessity had demanded it. The leaders of the German Revolution believed that above all else they must be loyal to their Union. Rosa Luxemburg and Karl Liebknecht in agreeing with the nonsensical majority decision of the meeting virtually surrendered the leadership of the Communist

Party, and sanctioned in anticipation any act that might be perpetrated by some adventurers within the Party.

The fateful consequences of the vote were seen at the meeting itself. The decision destroyed the promising negotiations for a fusion of the Spartacus Union with the *Obleute*. The account of the negotiations given by Karl Liebknecht to the meeting is very curious. Among other things, he told them: 'Suddenly Comrade Richard Müller rose and said that first of all the demand must be made that we should give up our tactics of continuous rioting. I replied at once that he seemed to be upholding the *Vorwärts*; that his remark was the more uncalled for since all the actions that had hitherto been carried out by the Spartacus Union had been actions decided upon and carried out by the *Obleute* themselves.'

In theory Liebknecht acted rightly in repelling Müller's attack. Up to that time the Spartacus Union had never attempted a *coup d'état*. It was not responsible for the sanguinary events of December 6 and December 23, and had in general carried out its demonstrations in agreement with the *Obleute*. Nevertheless, Müller's fears were understandable. The *Obleute* in Berlin had large bodies of workers behind them. These workers regarded with some mistrust the unruly elements who were at that time calling themselves Spartacists in Berlin and throughout the Reich.'

The *Obleute* laid down five conditions for fusion with the Communist Party. First, the Spartacus Union must rescind its decision against taking part in the elections. Second, the committee of the future united Party entrusted with the formulation of policy must be constituted equally from both sides. Thirdly, the Spartacus Union and the *Obleute* jointly should 'formulate with precision the tactics governing their street demonstrations.' Fourthly, the *Obleute* de-

manded a decisive voice in the control of the Press and in the propaganda of the Communist Party. And fifthly, the words 'Spartacus Union' should not appear in the name of the new Party.

Union was impossible on this basis, and the negotiations came to nothing. The two sides were in agreement on matters of principle, but Liebknecht was hampered in his negotiations with the *Obleute* by the short-sighted resolution passed at the Party meeting; and the *Obleute* feared reckless experiments, not on the part of Rosa Luxemburg and Karl Liebknecht themselves, but on that of their followers, and were anxious to safeguard themselves against them. Däumig, Ledebour, and Richard Müller wished to pursue a Communist policy, but they did not wish to be associated with the type of person who was at the time designated 'Spartacist' by the general public. Their disapproval went so far that they demanded the erasure of the word 'Spartacus' from the name of the Party. Thus the two Left wing Socialist Parties in their fortuitous association became involved in domestic quarrels and were quite incapable of action. The course of events in January, 1919, can only be understood if it is realized that in fact the leaders of both Parties, of the USPD as well as the KPD, were equally powerless.

After the resignation of Dittmann, Haase, and Barth, the Reich Government stood in need of new men. The Central Council appointed the Majority Socialists Wissell, Noske, and Löbe as new Representatives of the People. Löbe refused to act. The other two accepted office. Wissell was one of the ablest economists in the Party. Noske had been sent to Kiel at the beginning of the Revolution by Prince Max of Baden's Government. There he managed to win the confidence of the revolutionary sailors, and he had guided the

movement into orderly channels. His efforts in Kiel had made his name known throughout Germany. The election of Noske was in no sense regarded as a challenge to the revolutionary working class.

The resignation of the Independents from the Reich Government was followed by that of the Independent Ministers in Prussia and in the other Federal States. The Majority Socialists remained in power everywhere, either alone or else in alliance with the middle-class democratic Parties. The sole exception was the Bavarian Prime Minister, Kurt Eisner. He was indeed a member of the USPD, but pursued an entirely independent policy and did not let himself be influenced by the vacillations of the Independent Party leaders. From the end of that year the course of Bavarian policy lay along lines different from those followed by the rest of the Reich. The Bavarian Socialist working class endeavoured to preserve its unity. At first under the leadership of Eisner, and after his death still in his sense, they sought to pursue a democratic and Socialist policy until the proclamation of the Bavarian Soviet Republic in April caused the destruction of their hopes and endeavours.

The withdrawal of the Independents was followed by the dismissal, with a few exceptions, of all the higher Civil Servants who were USPD members. The most important exception was Eichhorn, the Berlin Chief of Police. He refused to resign. Indeed, he was determined to remain at his post in all circumstances and at no matter what risk. Politically this attitude of Eichhorn's is quite incomprehensible. He was a radical Independent whose views approximated to those of the *Obleute*. The chief of the Berlin Police was probably the most important executive organ of the Prussian Government. It was really Eichhorn's political friends who had refused to co-operate with

the Majority Socialists in the Government. The *Obleute* had from the very beginning called for consistent and uncompromising opposition. They looked upon it as treachery for Socialists to work with Scheidemann's followers. If, however, Eichhorn remained as Chief of Police, he would be obliged to carry out the orders of the Majority Socialist Minister for the Interior, and might even in certain circumstances be obliged to order his men to fire on members of his own Party. Eichhorn was the very man who should have handed in his resignation with particular firmness and with all speed towards the end of the year. Nevertheless, he determined to remain, not in order to serve the Majority Socialist Ministers, but in conflict with them. Eichhorn regarded his position as head of the Berlin police as a stronghold of the revolutionary proletariat that must not be surrendered. From this point of view the posts of the Independents in the Council of the Representatives of the People were to an even greater extent strongholds of the revolutionary working class, and Dittmann and Haase should in no circumstances have resigned from the Government.

Eichhorn's retention of his post was justifiable neither logically nor politically. It was afterwards sought to excuse it by saying that in every democracy the Police must be a communal concern. Hence the Chief of the Berlin Police should not be responsible to the Government, but only to the communal head of the Berlin working class—the executive Committee. This theory of a communal police is tenable as an ideal, but at a time of revolution the chief of police in the capital can only be conceived as a Government organ. The Prussian Government, which was in the hands of the Majority Socialists, refused to tolerate its demonstrative opponent in the Berlin Police Headquarters. On January 4, 1919, the Prussian Minister for the

Interior dismissed Eichhorn in due constitutional form. But Eichhorn refused to relinquish his post, and from that refusal originated struggles of historic significance.

Only in the German Revolution, with the hopeless political confusion and backwardness then prevailing, with the lack of political clear-sightedness of almost all the persons and movements composing it, was it possible for grave crises to arise out of incidents like the eighty thousand Marks demanded by the sailors, and out of the moods of a single individual named Emil Eichhorn.

When Berlin heard of the dismissal of Eichhorn, the greatest indignation was shown by the revolutionary workers. A new dictatorial blow against the Opposition was imputed to the Ebert-Scheidemann Government. Negotiations at once began between the leading groups among the Socialist opposition in Berlin. Among these were now not only the *Obleute* and the Spartacus Union, but also the official USPD. A general call to action was resolved upon and was published in Berlin on the morning of January 5. The proclamation said amongst other things :

‘ Workers! Comrades! The Ebert Government with its accomplices in the Prussian Ministry is seeking to uphold its power with the bayonet, and to secure for itself the favour of the capitalist bourgeoisie whose interests it has always secretly supported. The blow that has fallen upon the Chief of the Berlin Police was in reality aimed at the whole German proletariat, at the whole German Revolution. Workers! Comrades! That cannot, must not, be borne! Up, therefore, to a mighty demonstration! Show the oppressors your power to-day, prove to them that the revolutionary spirit of the November days is not yet dead in you. Meet to-day, Sunday, at two o’clock in the Siegesallee to form a great mass demonstration! Come in your

thousands! Your freedom, your future, the fate of the Revolution are at stake. Down with the tyranny of Ebert and Scheidemann, of Hirsch and Ernst! Long live revolutionary international Socialism!' (Hirsch and Ernst were Prussian Ministers.)

A learned thesis might be devoted to the discussion of whether this proclamation was intended as an incitement to armed rioting. If the words of the proclamation are taken quite literally, it only exhorts the Berlin workers to mass demonstrations. But ignorant workers might equally well regard it as a call to overthrow the rule of Ebert and Scheidemann by force.

The workers answered the summons in their thousands. The masses surged from the Siegesallee to the Alexander Square, where Eichhorn addressed the populace from a balcony of the Police Headquarters. A few Spartacist storm troops occupied the buildings of the *Vorwärts*, and in order to do the work thoroughly this time, other bodies of men seized the offices of the publishing houses of Mosse, Scherl, and Ullstein in the inner city. The whole of Berlin believed that a second revolution had begun. The revolutionary demonstrators, many of whom were armed, occupied the streets, and the Government did not appear to be taking any counter action. On January 6 there was another gigantic demonstration of revolutionary workers in the Siegesallee, which had again been arranged by the three allied organizations. It was assumed that the three organizations would now jointly form a Red Government and carry through the revolution to an end.

Then it appeared that nobody really wanted a revolution, and that there were obviously misunderstandings on all sides. The USPD had not intended a rising and had made no preparations. What was still

more surprising was that even the majority of the *Obleute* and their followers assumed a perfectly peaceful demeanour. Däumig and Richard Müller did not wish for an armed struggle, and it was due to their influence that the mass of revolutionary workers from the heavy industries in Berlin refrained from any rioting. The only men who were really determined to fight were the small number of Eichhorn's personal followers whom he had collected in the Police Headquarters, a few thousand radical-Utopian Spartacists who had fortified themselves in the newspaper offices, and, finally, a small section of the *Obleute* with their personal following under the leadership of Ledebour and Scholze. In general, the troops in Berlin were neutral or were in favour of the Government. Even the People's Naval Division suddenly discovered a loyalty to their oath and proclaimed their neutrality.

By the evening of January 6 it was obvious that the revolutionary action that had been begun with such passionate enthusiasm was a miserable failure. Rosa Luxemburg realized the folly of the undertaking. The Spartacus Union had taken no initiative in an action started solely in the interest of a member of the USPD—Eichhorn. But if the USPD and the *Obleute* went forward, the Communists could not lag behind. When others fell away, Liebknecht and Rosa Luxemburg felt it to be their duty to remain with the struggling workers. Both sacrificed their lives for an action, the uselessness of which was recognized by each of them.

The rest of the leaders and workers who were in favour of actual fighting formed a revolutionary committee headed by Liebknecht, Ledebour, and Scholze. This might be called the Revolutionary Government in opposition to Ebert and Scheidemann. Nevertheless, even in Greater Berlin, it was only

acknowledged by a small number of persons, and had no influence at all in the Reich.

This course of events was the worst that could possibly happen to the revolutionary Socialists. They should have known exactly what they were aiming at on January 4 and 5. Two courses were open to them. First : If the moment to strike had not yet come, they should have remained on the defensive, opposed the Government only by means of agitation, and have warned the masses against making any unconsidered move. If Utopian bands had nevertheless resorted to direct action on their own initiative, all responsibility for their actions might have been disclaimed with a clear conscience. Second : If the decision to fight had to be taken, it should have been carried out with the greatest possible energy and with every possible means. A serious, well-planned revolt would in any event have been better than a wretched disintegration of the movement. At that time many Berlin workers still possessed arms or were able to procure rifles. If the USPD leaders together with the *Obleute* had called the Berlin working classes to arms in order to save the Revolution, many thousands of Berlin workers would have answered the call. Power could easily have been seized in Berlin on January 5 and 6. A new Government should then have been formed of trustworthy persons on as wide a basis as possible, and communications should have been established with Eisner in Munich, with Leipzig, Halle, Bremen, the Ruhr, etc. Whether the radical Socialists could have captured the Reich even on those conditions is doubtful. But at least it would have been reasonable revolutionary policy.

Instead, the few thousand Utopian fighters were deserted after having been misled by the ambiguous wording of the proclamation. The rising was obviously

a failure, and all the organizations which had been involved in provoking the demonstration on January 5 could only be regarded as politically vanquished, the USPD and the *Obleute* no less than the Communists.

The leaders of the Spartacus Union sacrificed themselves for the sake of the wrecked movement. The *Obleute* did nothing in those critical days. Finally, the USPD sought to save what was still possible to save, and offered the fighting units its services as intermediary. The Government was glad to agree to mediation, but very naturally made it a preliminary condition that the occupied newspaper offices, and especially that of the *Vorwärts*, must first be evacuated. Meanwhile, it became obvious that no power on earth would remove the occupiers from the offices of the *Vorwärts* or any of the other newspaper buildings by peaceful means. Hence the attempted mediation failed. The occupation of the newspaper buildings on January 5 was an utterly senseless proceeding. Either the revolutionaries held the power in Berlin or they did not. If they did hold it, they should first and foremost have occupied the Government offices in the Wilhelmstrasse, and then any inconvenient newspapers could have been suppressed by a single decree. But if they were not rulers of Berlin there was no sense in occupying the *Vorwärts* building. However, as has been shown above, the *Vorwärts* building had for the radical-Utopian workers the value of a political symbol. That symbol had now been seized for the second time, and this time it would not be surrendered again. It was due to the Utopian fanaticism of the Spartacist garrison that the struggle was carried on *à outrance*.

The Government of the People's Representatives, which on January 5 had been practically helpless in Berlin, now decided hastily to organize a well-equipped

guard. The Representative Noske was made Commander-in-Chief of the Government troops which were about to be raised, and which were to suppress the Berlin rising. When Noske was given his commission, he said he would have to be a bloodhound and that he accepted the responsibility. It was not to be expected that a Government supported by the confidence of the great majority of the nation should capitulate before a few thousand armed men. It was impossible to avoid using force against the Utopians. Noske's fault does not lie in the fact that he accepted the responsibility for suppressing the rising. His mistakes in January and in the following months were not moral but political. The doom of the German Republic was not sealed by Noske's use of force, but by the kind of troops he used to apply that force.

The units which placed themselves at the disposal of the Government during the week following January 6 were divided into two camps, which may be shortly designated as the democratic and the counter-revolutionary camps. The experience of the past weeks had brought it home to many workers and officials of the Majority Socialist Party that they could not hope to achieve anything without armed forces. A number of Free Corps were therefore formed in Berlin that were composed almost exclusively of Majority Socialist workmen. Kuttner, a member of the editorial staff of the *Vorwärts*, was especially active in the organization of these troops. The Socialist volunteers were divided into three regiments which now took up the fight against the Spartacists. In addition, it was found possible to rouse for active service a part at least of the former imperial troops quartered in barracks. These troops were also democratic and Majority Socialist.

Noske, however, did not rely so much upon these democratic units as upon others which were formed in

the neighbourhood of Berlin by officers of the former Imperial Army. The High Command and the Generals had from the very beginning longed for a situation to arise in which they might at Ebert's command shoot down the extremist workers. The first attempt of this description had been undertaken at Christmas against the sailors in Berlin. It had failed. Now the experiment was repeated on a larger scale and with more forcible measures. Supported by the means and the authority of the Republican Government, a number of former imperial officers began to collect volunteers. They established Free Corps, which were to render unconditional obedience to their officers, and whose views were to be determined by the officers. These volunteers were recruited from among the unemployed and from young men eager for fighting and adventure. They felt themselves to be the heirs of the pre-revolutionary army and soon developed a strong *esprit de corps*. The officers of the Free Corps were imbued with a passionate hatred of the Revolution which had destroyed the Imperial Army and the Empire. Even though they were obliged for the time being to serve the Majority Socialists, they were all the more pleased to settle accounts with Spartacism. Under this heading were comprised all extremist and revolutionary elements. Law and order must first be re-established in Germany by stamping out Spartacism, and then progress could be made.

Fighting between the Government forces and the rioters in Berlin lasted until January 12. The Government troops recaptured one after another all the newspaper buildings occupied by the rebels and also the Police Headquarters. Their military task was not a hard one, since the mass of the Berlin workers did not take part in the fighting, and the 'enemy' consisted of no more than a few thousand rebels, who were

badly led and spread over a number of buildings. If the individual actions of Berlin's week of rioting are examined, it is found that the main work was done by the democratic Government troops. They could undoubtedly have suppressed the rebellion without the help of the Free Corps.

This was the fatal mistake made by Noske, Ebert, and Scheidemann. In the first place they should have put their faith in the Socialist troops which were in process of formation in Berlin. Similar units might have been formed in Breslau, Magdeburg, Hanover, Hamburg, etc., composed of workmen loyal to the Government. The Government could have held its own with ten thousand reliable republican and democratically minded volunteers in Berlin, and fifty thousand throughout the Reich, and would not have found it necessary to place itself in the power of militarist counter-revolutionaries. Immediately after the end of a war in which millions of Socialist workmen had borne arms, it would certainly have been possible with a little goodwill and a certain amount of energy, to raise a republican guard. But the Majority Socialist Government had not the confidence to embark upon a military task of this kind. They believed in the promises made by the officers and thought that only troops of the old type could be really useful. Even after January 13 it would still have been possible to raise a democratic army in Germany. Only a few weeks later, it was clear that matters were taking quite a different trend. The officers of the old army were continually raising further Free Corps, the nuclei of the democratic forces were left to atrophy, and very soon the German Republic had a counter-revolutionary army led by former imperial officers.

The fighting in January, 1919, proved to be the turn of the tide of the German Revolution. It was then that

the offensive force of the revolutionary working class was broken. The advantages accruing to the Majority Socialists from this victory were only apparent. In reality it was a victory for the officers and through them for the middle classes. A clever critic has described the events of January as the Battle of the Marne of the German Revolution. Just as the great offensive of the German Army came to a standstill at the Marne, and the decision which was taken in September, 1914, could not subsequently be reversed, so it happened with the German Revolution after January, 1919. The turn which events took then proved decisive, nor could all subsequent efforts avail to alter the result.

What the German Republic might expect of its soldiers was shown immediately after the quelling of the January rising by the murder of Karl Liebknecht and Rosa Luxemburg. Of the leaders of the rising, Eichhorn and Scholze had managed to leave Berlin. Ledebour was arrested. He was later brought to trial, made a brilliant defence, and thus fought his way to freedom. Liebknecht and Rosa Luxemburg could easily have left Berlin and found an asylum somewhere in the Reich. But a mistaken sense of honour would not let them 'desert.' Hence they remained in Berlin despite the fact that the hatred of the middle class and of the officers was concentrated upon the two Spartacist 'ringleaders.'

The great revolutionaries of the past realized what their persons meant in the movement. They never minded leaving their own country if it was necessary in the interests of the cause. Marx and Engels went to England in 1849 with a perfectly clear conscience, and it never occurred to them to submit themselves to the justice of the counter-revolution. Lenin left Petrograd in the summer of 1917 in order to escape

persecution by the Kerensky Government.' He vanished into the underworld of Finland and did not return until he could reappear without danger. Rosa Luxemburg was a woman of genius, possessed of the finest intellect in the German Labour movement, but there were in her remnants of a lower middle-class 'decency.' This is the only possible explanation for her acquiescence in the majority vote at the Party meeting, her participation in the mad January rising (which again was caused by her desire to be loyal to her Union), and, finally, her refusal to fly—a refusal for which she paid with her life.

On January 15, Rosa Luxemburg and Karl Liebknecht were arrested and treacherously murdered by officers of the Free Corps. No doubt the murderers believed that they were doing their country a service by killing the Spartacist leaders. The Government of the Republic, however, was sufficiently short-sighted to permit the revival not only of the old army, but also of the old military tribunals. Thus the trial of the guilty officers was conducted by their own comrades, and they were sentenced by their comrades. The verdicts were as might be expected. Some of the accused were acquitted, and those who were condemned were aided to escape.

The death of Liebknecht and Rosa Luxemburg was a very heavy loss to the Socialist Labour movement. Both were upholders of a deliberately reasoned and scientific Socialism that took into account actual conditions. If they had lived longer they would certainly have brought about the separation of their own Party from the Utopians; and they would have been the most suitable leaders of a truly Socialist mass movement of the German proletariat. Above all, Rosa Luxemburg and Karl Liebknecht as leaders of the KPD would never have permitted themselves to be

used as the tools of Russian State policy. They would have possessed sufficient authority to reject the so-called 'Leninism' after 1921. The fateful tendency that caused the German radical Socialist movement to become the slave of a Russian peasant policy, and to be paralysed by it, might perhaps have been avoided if Liebknecht and Rosa Luxemburg had lived longer.

There is not a shred of evidence to prove that the Majority Socialist Representatives of the People desired or agreed to the murder of Liebknecht and Rosa Luxemburg. On the contrary, it was a terrible blow to the Government of the Republic. The moral support which the suppression of the rising had brought the Government was destroyed by it. The mass of the German workers realized with horror the kind of troops Ebert and Noske had raised for the protection of the Republic. The indignation of a large section of the German working class with the Majority Socialist Party really dates from January 15, 1919. Although the occurrence was too recent to have much effect upon the elections for the National Assembly on January 19, it was nevertheless a potent factor in causing millions of workers to turn their backs on the SPD. The fact that the Government lacked the power to prosecute the culprits itself, and allowed their trial by a court-martial, made a calamitous impression upon the proletariat.

After law and order had been re-established by the suppression of the rising in Berlin, similar revolts took place in other parts of the Reich. During the first half of 1919, Government troops were sent on punitive expeditions to Bremen and Hamburg, to Leipzig, Halle, and the central German mining districts, to Brunswick, to Thuringia, and on several occasions to the Ruhr. In addition, there were numbers of small local skirmishes and clashes. It would be a lengthy

and wearisome task to inquire into the rights of each individual case. Only the political significance of the situation as a whole is of historical importance.

It is necessary to emphasize the undoubted truth that the Government, and Noske in particular, never sent out the troops without definite reason. The occasion for intervention by the Government troops was generally provided by local unrest or Left wing revolts. Nevertheless there was a very definite purpose behind the fact that the Government forces went in turn to all parts of Germany where the Councils still exercised any considerable local power. The middle classes and the members of the Majority Socialist Government were of opinion that the Councils had become superfluous since the elections for the National Assembly, and that normal administrations on the old pattern should be reintroduced everywhere.

In those districts where the Councils were able to continue their work, and did not yield place to bureaucracy, clashes and disorder naturally occurred. In towns where the Workmen's Councils were still in power, their authority was as a rule not extensive. After the demobilization of the old army, and the consequent disappearance of the Soldier's Councils, the Workmen's Councils had no proper troops at their disposal. Hemmed in on the one side by middle-class bureaucratic opposition, and on the other by Utopian forward movements, they could not develop much real strength. Any government that had understood the meaning of the new popular democracy would have done all it could to strengthen the Councils and to teach them the use of their executive functions. But Ebert and Noske, in agreement with the middle classes and the Generals, regarded the governmental activities of the Workmen's Councils only as sedition and disorder, especially when strikes, demonstrations, or occasional

attempts at a *coup d'état* took place. The resistance shown to the Government forces on these expeditions was nowhere great. Nevertheless almost every intervention on the part of these troops cost the lives of some workers. From every place occupied by them came complaints of misdemeanour by the troops. Cases occurred where workmen—even perfectly innocent men—were mishandled or shot. Martial law was proclaimed in specially disturbed areas, and the freedom of the Press and the right to hold meetings was curtailed. Any one suspected of opposition tendencies might be taken into protective custody; arrested persons were mishandled in prison; and numerous cases of prisoners 'shot during attempted flight' occurred.

These local encounters and affrays were particularly violent towards the end of February and the beginning of March, 1919. A general meeting of the Berlin Workmen's Councils in March decided upon a general strike as a demonstration against the Government. The political aim of this, as of similar actions, was the carrying out of nationalization which had come to a total standstill, and the disbandment of the volunteer troops. The People's Naval Division still existed in Berlin. But it now feared that it would be disbanded by the High Command of the newly constituted army. Hence the greater number of the sailors took advantage of the general strike to attempt a revolt against the Government. Few of the Berlin workmen, however, joined in the rising. The strike leaders were the old members of the *Obleute* (Däumig, Richard Müller). They had no connexion with the rising. The Government forces, which were numerically much stronger, were able without much difficulty to crush the sailors. At the beginning of the rising, wild rumours regarding alleged acts of violence by the rioters spread through

Berlin and caused Noske to allow himself to be persuaded to publish a fateful decree. He ordered that every rioter found with a weapon in his hand should be shot. Noske intended that this decree should act as a deterrent and that thereby the disorders should be brought to a swift conclusion. But he should have known the temper of his volunteers better, and should have realized what might be the consequences of permitting them to execute men freely. The suppression of the rising in Berlin was accompanied by mass executions. Numbers of people were killed who had nothing to do with the riots. The worst case of this kind is connected with the name of a Lieutenant Marloh of the Government troops. A group of thirty members of the People's Naval Division, who had taken no part in the rising, came peacefully to collect their pay. Marloh arrested the sailors and shot every one of them.

The political result of the civil war that was waged during the first half of 1919 in Noske's name was the total destruction of the political power of the Councils. Any Workmen's Councils that continued in existence were absolutely devoid of influence. Thus the attempt to found a democracy to succeed to the Revolution was an utter failure. As a result, the disarmament of the working class was carried out systematically and with the greatest thoroughness by the officers. On the other hand, the volunteer army under the command of former professional officers grew more and more extensive. By the middle of the year the real power in Germany lay with the Free Corps and not with the National Assembly. Hand in hand with it went the systematic armament of the propertied middle class, of estate owners, students, and so forth, who enlisted in temporary volunteer regiments and Civil Defence Leagues. This whole vast extension of the—if not

monarchist, at least middle-class capitalistic—counter-revolution was carried on under the slogan: 'For Law and Order against Spartacus.' The Majority Socialist Ministers either could not, or would not, see the peril. The Prussian Minister, Wolfgang Heine, vied in his blindness to existing facts with Ebert and Noske.

The German working class saw in this development the victory of the counter-revolution. It seemed to the workmen that the Revolution had been useless, and that they had once more fallen into the hands of the officers and capitalists with still less guarantee of their own rights than they had enjoyed in imperial days and even during the War. During the year following the election of the National Assembly, Majority Socialism lost about one-half of its followers. Thanks to Noske's policy the USPD experienced a mighty revival. Those workers who indignantly turned their backs on Social Democracy either wanted to have nothing more to do with politics or they joined the Independent Party. This renaissance of the USPD in 1919 was completely artificial. For the Party was a chance product, convulsed with the severest internal strife and, in truth, long since ready for dissolution. Now, however, indignation against Ebert, Scheidemann, and Noske gave the USPD an artificial unity. The Berlin paper, *Freiheit*, brilliantly edited by Hilferding, with its outspoken criticism of the Government and of Majority Socialism, became the mouthpiece of an increasingly large section of the German Socialist working class.

After the fighting in January, 1919, the Communist Party had been driven into illegal existence almost everywhere in Germany. The intellectual leadership of the Party after Rosa Luxemburg's death, was taken over by Paul Levi, who was soon involved in violent

conflict with the Utopian wing. The authority of the Party leadership over the membership was slight. The leaders of the KPD were not implicated in local actions and attempted *coups* by groups of extremists. Curiously enough, the KPD gained nothing from the radicalization of wide sections of the working classes in 1919. While the USPD grew more powerful, the influence of the Communists did not spread among the working classes. This was partly due to the prevalent mistrust not only among the middle classes, but also among the greater part of the German proletariat, of the unreliable Spartacists. Paul Levi and his Marxist friends recognized that the Communist Party must at all costs be swept clean of adventurers and other undesirable elements that were cluttering up its ranks. Not until that had been done could the KPD become a mass-movement. The leaders of the Party therefore gradually prepared for a purge.

The militico-political development associated with the name of Noske spread over all parts of Germany from the end of January, 1919. Only Bavaria formed an exception. Here there were no Free Corps, no reconstruction of the old military system, no arming of the middle classes, and, above all, no internecine war among the Socialists. The exceptional situation in Bavaria was primarily the work of the Prime Minister, Eisner. It is especially noteworthy that Eisner enjoyed the confidence of the revolutionary sections of the working classes, despite the fact that in the question of nationalization he was at least as cautious as Ebert and Scheidemann. It is clear from this that in the German Revolution, minds were divided over the question of democracy much more than over the question of socialism. The Bavarian Government, led by Eisner, did not deliver lachrymose moral sermons to the population, but it endeavoured to animate the new

democracy with forcefulness and optimism. Eisner showed himself to be a master teacher in indicating the future tasks of the Councils to them in his speeches. In contradistinction to the remainder of the Reich, Bavaria had succeeded in including at least a section of her peasantry in the Soviet organization. The Peasant Association (*Bauernbund*), which was influential especially in the South of the State, had espoused the revolutionary cause and introduced the Soviet idea in the villages. Furthermore, a larger percentage of troops remained in the Bavarian barracks than in the rest of the Reich, and the revolutionary enthusiasm of the Bavarian soldiers was considerably stronger. Even after Christmas, 1918, Eisner could rely upon the support not only of Workmen's Councils, but also of Soldiers' and Peasants' Councils capable of action. And he did all in his power to strengthen the Bavarian Councils.

Of course difficulties gradually increased for Eisner as well as for the people. The retrogressive movement of the German Revolution also exercised an influence upon Bavaria. A large number of the Bavarian peasants who belonged to the Centre, as well as the other middle classes, would have nothing to do with government by Councils. And there were plenty of officials of the old school among the Majority Socialists, who strove to make the Bavarian course congruent with that of the Reich as a whole. The representative of those Majority Socialists who more or less stood for the Ebert-Scheidemann course in Bavaria was Auer, the Minister of the Interior. Thus the opposing tendencies in German Socialism were incarnated in two members of the Bavarian Cabinet.

Eisner was obliged to agree to the election of a new Diet in Bavaria. But he was determined to preserve the definite rights of the Council organization

beside the Diet. Polling took place on January 12, 1919. The results gave the pro-Soviet revolutionary Parties eighty seats—the SPD being reckoned in this camp. The middle-class Parties obtained one hundred seats—the centre, which called itself the ‘Bavarian People’s Party,’ obtaining sixty-six, the Democrats twenty-five, and the Conservatives nine. In the other camp, the SPD had sixty-one seats, the Peasant Association sixteen, and the USPD only three. It was very embarrassing for Eisner that his own official organization, the Independent Socialists, had only polled so few votes. But his policy was approved by the majority of the Bavarian Social Democrats, by the Peasant Association, and, above all, by the Red soldiers and the Councils. If it should prove possible to hold the three Soviet Parties together as a block under Eisner’s leadership, they had 45 per cent. of the seats in the Diet. In other words—a sufficient parliamentary representation if the armed workers and soldiers were added to their supporters.

Eisner and his colleagues quietly remained in office after the elections. But the agitation against Eisner among the middle classes, and especially in the middle-class Press, increased, and the Conservative wing of the Majority Socialists began to vacillate. When Eisner was on his way to the opening of the newly elected Diet on February 21, he was assassinated by a counter-revolutionary student, Count Arco. The German Revolution, and the German Socialist working class especially, lost the only constructive statesman who had appeared since November, 1918, in Kurt Eisner. In the days of hesitancy and mediocre leadership that lay ahead, Eisner’s loss was to be felt only too keenly.

The news of Eisner’s murder caused immense perturbation among the workmen and soldiers in Munich.

An enraged follower of Eisner's pushed his way into the sitting of the Diet just as the news of the murder was being announced, shot at Auer, and killed a middle-class deputy. Auer was as innocent of the death of Eisner as Scheidemann of the death of Liebknecht. But in both cases revolutionary workers thought that political opponents were morally implicated in the deed. Auer was severely wounded and was taken to hospital. The Diet dispersed hastily as a result of the outrage. The Munich working men armed themselves, the soldiers put themselves on an active service footing, the Bavarian Congress of Councils met again and took over the actual power in the State.

It is the best proof of Eisner's personality and of his statesman-like work that after his death the Bavarian masses at first acted in unison in the spirit of his teaching. The SPD, USPD, and the Peasant Association met and decided to collaborate in the defence of the Bavarian Revolution. They formed a coalition Government under the premiership of the Majority Socialist, Hoffmann, which was supported by the Councils and the Red soldiery.

When calm had been once more restored, the Diet was summoned to a short session at Munich. Out of fear of the armed revolutionary masses the middle-class majority in the Diet decided to express their confidence in the Socialist Government and to endow it with the necessary powers. Bavaria remained quiet. Events in Bavaria were obviously extremely unwelcome to the Reich Government and to the Weimar National Assembly. In view of the defiant attitude of the Bavarian workers, soldiers, and peasants, intervention was nevertheless not attempted. Thus it appeared in March, 1919, as though the Revolution had maintained itself in Bavaria alone, while in the rest of the country revolutionary achievements were

being rapidly undone. Bavaria presented a model for a reasonable combination between the Councils and the Constitutional Parliament.

Whether it would have been permanently possible for Bavaria to continue along her own lines beside the totally different tendency in the rest of Germany is doubtful. It is at least certain that the hopeless collapse in April would not have occurred if Eisner had lived, or if there had been some one of equal ability to carry on his work among the proletariat. The new Socialist Ministers were good men and utterly loyal to the Socialist cause. But none of them had the authority and forcefulness that were necessary in the particularly difficult circumstances in Bavaria. As the result of the elections on January 12 showed, the Majority Socialist Party was numerically vastly superior to other Socialist Parties. In Bavaria there was one Independent or Communist to every twenty Majority Socialists. Nevertheless, because the SPD in Bavaria had almost the whole of the proletariat behind it, it comprised within itself all the various tendencies that had sought other organizational forms in the rest of Germany. Those who in Berlin would have been adherents of the *Obleute*, or of the Utopian-radical wing of the Spartacus Union, mostly called themselves Majority Socialists in Bavaria.

At the beginning of April a wave of unrestrained Utopianism swept over Bavaria and destroyed Eisner's work. It was a form of Utopianism emanating from Majority Socialist officials and workers. The Utopian-radical workmen in Bavaria were dissatisfied with existing conditions. They regarded the juxtaposition of the Councils and the Diet as a half-measure which could not last. A Soviet Republic had been declared in Hungary. The workers of neighbouring Austria were in a state of ferment ; and it was expected that

Vienna would follow the example of Budapest. From Austria the wave swept on to Southern Bavaria. The Utopians in Augsburg and Munich felt that the hour had struck for them too, and that a Soviet Republic would be proclaimed in Bavaria. In reality, Bavaria had been a Soviet Republic since Eisner's revolution in November. But it was a rational Soviet Republic based upon existing conditions. The new Soviet Republic that the extremists wished to establish was not only to imply the official suppression of parliament, but also a fantastic abolition of all private property and a propaganda campaign against the rest of Germany. While Eisner had succeeded in winning over the peasants to his side, or else in ensuring their neutrality, the new Soviet Republic would be bound to evoke the bitter enmity of the Bavarian peasantry and middle classes. It would be bound to break the unity of the proletariat which had hitherto weathered all storms, and to provoke the intervention of the Reich.

Attacks of Utopianism have to be reckoned with in every revolution. But revolutionary discipline must be strong enough to suppress them. After Eisner's death there was no one in Bavaria who could control the masses at a critical hour. Nor could the Majority Socialist Party, which peacefully united all shades of opinion from Noske's to Bolshevism, dam the wave of Utopianism.

It was indeed the Majority Socialist officials themselves who in Augsburg and Munich demanded the union of the proletariat and the proclamation of a Soviet Republic. Opposition was weak in Southern Bavaria. By April 7 the new Soviet Republic had won Munich. The USPD believed that it could not stand aside from the movement of the masses. On the other hand, Munich Communists, under the

leadership of Leviné, took an altogether reasonable and realistic view of affairs. They declared that the new Bavarian Soviet Republic was nothing but a wretched farce; and, moreover, a farce which had been staged by persons who had hitherto been the fiercest opponents of Communism. Hence the KPD at first refused to have anything to do with the Soviet Republic. The list of the new Bavarian Representatives of the People made a sorry showing. In the general confusion then prevailing in Munich all manner of obscure adventurers, sometimes of a definitely pathological character, had pushed themselves into the limelight. Such individuals now proposed to be the leaders of the Bavarian Soviet Republic as People's Commissars. Only one man of any note was among the new Representatives of the People—the anarchist philosopher Landauer, who, however, was only interested in ethical and cultural questions and was incapable of restraining political folly.

Northern Bavaria did not support the Soviet Republic. The Majority Socialist Prime Minister very naturally refused to recognize the Munich Soviet Republic. He and the other Majority Socialist Ministers went to Bamberg, where they carried on the work of the Government and prepared an attack on Munich. At the end of a single week the adventurous existence of the Soviet Republic in Munich was over. The visionaries who had hoped to play the part of saviours of the people were deposed. Now, however, Leviné regarded it as the duty of the Communist Party to leap into the breach and to save the honour of the Soviet faith. They organized another Soviet Government and, supported by a section of the Munich workmen and soldiers, sought to offer resistance to the advancing Government troops. If the Bavarian Soviet Republic was a farce on April 7, it was no

better a week later. There was no reason for Leviné and his friends to have revised their originally correct opinion, to adopt an utterly hopeless cause, and thus to make the defeat of the proletariat even more complete. Leviné succumbed to the same inhibitions as Rosa Luxemburg had done in January. A mistaken feeling of revolutionary honour appeared to prescribe that 'the masses must not be left in the lurch,' although such tactics would force Marxists to sacrifice their better insight, their very existence, to the whims of any adventurer who could collect a number of revolutionary workers around him.

The Reich Government sent a number of Free Corps to Munich to overthrow the Soviet Republic. They were joined by the newly formed Bavarian volunteer forces. The Bavarian volunteers, who were recruited from the middle classes and led by former royalist officers, wished to have a reckoning with the Bavarian Revolution and with Eisner's work. The fury of the Government troops was increased when it became known that the Soviet authorities had shot a number of middle-class hostages.

On May 1 and 2 the Government troops took Munich. Hundreds of people were put up against the wall and shot. Among the victims was Landauer. The most ghastly episode occurred when a troop of volunteers raided a meeting of twenty peaceable Catholic journeymen, insisted that they were Spartacists despite their protests, and murdered the lot. Leviné was taken into custody, condemned to death by a drumhead court-martial, and shot. His steadfastness and bravery during the trial and execution won him the liveliest sympathy even among those who disagreed with his policy.

The Hoffmann Government returned to Munich when the bloody work was done. It had been impossible

for the Government to exercise any sort of control over the behaviour of the troops during the capture of Munich. The Bavarian Diet elected a democratic coalition Government, composed of representatives of the Social Democrats, Bavarian People's Party, and the Democrats. The Social Democrat, Hoffmann, remained as Premier. The history of Bavaria during the years 1919 and 1920 shows how completely unrepresentative a parliament can be of the actual social forces in times of revolution. The Diet embodied middle-class parliamentary democracy. From January to April it was too far Right for the prevailing social forces, and was therefore powerless. But after May, 1919, the Diet was further Left than the real forces. Hence it could do no more than form a shadow-government and exercise shadow-rule. The true power in the State was held by a fanatical militarist counter-revolutionary Party with strongly monarchist sympathies. Since their experience of a Soviet Republic, the middle classes and the broad mass of the peasantry had almost as a body gone over to the counter-revolutionary camp. The working classes were disarmed and powerless. The Red soldiery had not existed since May, 1919. In these circumstances the Democratic-Socialist Government was trembling in the balance, as was shown in the following year by the effects of the Kapp Putsch in Bavaria.

With the entry of the volunteer troops into Munich, the adjustment of Bavaria to the rest of the Reich was complete. The attempt to maintain the achievements of the Revolution, and in particular of the Soviet Democracy, had failed in Bavaria.

CHAPTER IV

THE NATIONAL ASSEMBLY AT WEIMAR

THE National Assembly that was to vote the constitution of the German Republic and to turn the Revolution into new channels was elected on January 19, 1919. Of the Socialist Parties, the SPD and USPD took part in the elections, while the Communists, acting on the resolution passed at the Party Conference in Berlin, refused their participation. The democratic and middle-class masses were represented by the Centre as well as by the German Democratic Party, which had taken the place of the former Progressives. The various Conservative groups had united to form the German National People's Party, and the industrial Right wing of the former National Liberals reappeared as the German People's Party.

The election results still reflected public opinion as it was in November and December, 1918. Those who sympathized with the Revolution and the Republic, the Socialist and Democratic Parties, achieved a great success. The Majority Socialists polled eleven and a half million votes, and the Independents two million three hundred thousand. Nearly fourteen million Socialist votes were recorded out of a total of thirty millions. Thus the Socialist vote represented 45 per cent. of the electorate. The Centre polled six million votes, the Democrats five and a half million. On the other hand, the Nationalists and the People's

Party together polled only four and a half million votes, or 15 per cent. of the electorate. Although both Parties of the Right had formulated their programmes very carefully to accord with the new political situation, and were desirous of coming to an agreement with the parliamentary Democracy, they were completely submerged in the elections.

The Revolution was approved by 85 per cent. of the electorate notwithstanding individual differences of opinion on the merits of the various Party programmes.

The National Assembly was summoned to meet in Weimar. The Government decided upon this venue in order to liberate the Parliament of the Reich temporarily from the influence of the radical working classes in Berlin who had brought serious pressure to bear upon the Congress of Councils in December. Moreover, it was intended that Weimar should be a symbol of the new Germany whose ideal was no longer to be Potsdam militarism, but the traditions of Goethe and Schiller.

History enjoys discrediting arbitrarily chosen symbols. The Republic sought to banish Potsdam militarism. When, however, the National Assembly met in Weimar at the beginning of February, the Republic had created a new form of militarism in the Free Corps, which oppressed the working classes even more heavily than the old imperial militarism had done. The formation of a new volunteer army led by imperial officers created a political power in Germany which was in reality opposed to the spirit of the National Assembly. The test of the National Assembly was to come over its attitude to military questions.

Since the withdrawal of the USPD from the Reich Government, the Cabinet had been composed of Majority Socialists alone. The Social Democrats now

sought for some one to share with them the load of responsibility which they could not support themselves. The first suggestion for the formation of a coalition was addressed by the Majority Socialists to the USPD. On February 5, the Social Democratic group in the Reichstag passed the following resolution: 'That the Independent Socialist Party be asked to reply to the question whether it is prepared to enter the Government on the understanding that it accepts parliamentary democracy, that is to say, a form of government which is determined in every respect by the will of the majority of the people, and which, especially, precludes any form of *coup d'état*.'

It redounds to the credit of the SPD that it adopted this resolution despite all the attacks to which it had been exposed during the past few weeks on the part of the USPD. The sole condition made by the SPD for co-operation—to respect the wishes of the majority of the people, and to forswear any attempt at a *coup d'état*—was not unreasonable. If it had proved possible to restore co-operation between the two Socialist Parties at this moment, the threatened hegemony of the Army might have been averted, and the alienation of the Socialist working classes from the Republic might have been avoided.

The USPD replied to this request without delay on February 6. Its reply was highly characteristic: 'There can be no question of the USPD entering the Government until the present tyranny has been abolished, and until all the members of the Government not only make profession of their intention to secure the democratic and Socialist achievements of the Revolution against the middle classes and against a military autocracy, but also give practical proof of their determination to give effect to these professions.'

The danger threatening the Republic and the

Socialist working class was very clearly shown in the USPD's declaration. But the struggle to avert that danger would have been made much easier if the two Socialist Parties could once again have presented a united front. Since the events of January, however, the wing of the USPD led by Däumig was still more unwilling to collaborate with the Majority Socialists, while Haase's and Dittmann's supporters did not wish to do anything to disturb afresh the precarious balance in the unity of the USPD.

After the failure of their attempt to regain the co-operation of the USPD, the Majority Socialists turned to the middle-class central Parties. The SPD suggested to the Centre and the Democrats that they should coalesce on three conditions—firstly, unreserved recognition of the Republican Constitution ; secondly, a financial policy involving severe burdens upon private property of all kinds ; and thirdly, a far-reaching social policy with nationalization of all suitable industries. The two central middle-class Parties accepted the Social-Democratic conditions. It is noteworthy that not even the demand for nationalization met with any great opposition. The Christian Trade Unions, who now determined the views of the Centre, were not inclined to fight for the employers, nor had the central strata of the middle classes—clerks, officials, intellectuals, etc.—any particular feeling for the great capitalists. The conviction that extensive nationalization was necessary had come to be widely held in Germany, and was very popular. The Party leaders and deputies of the Centre as of the Democrats were prepared to respond to this demand on the part of the nation, and it is obvious on careful consideration that the theory that the coalition of the Social Democrats with the middle-class Parties sealed the doom of the German Revolution is not tenable.

When the National Assembly first came into being, the Social Democrats had the leadership entirely in their own hands. Social Democracy could have carried any measure through Parliament if it was supported by the momentum of the revolutionary masses and of the armed forces. In this connexion the example given above of the Bavarian Diet in February and March, 1919, is very instructive. The percentage of Socialists in the Bavarian Diet was about the same as in the German National Assembly. They could have enforced their will in Weimar just as they did in Munich. The revolutionary aims remained unattainable, not on account of the opposition of the Centre and Democrats, but because the momentum of the SPD slackened, and because the civil war during the first half of 1919 completely altered the military and political balance of power.

The National Assembly first agreed upon a provisional emergency Constitution. On February 11, Ebert was elected as provisional President of the Republic. On February 12 the new Reich Government was formed with Scheidemann as Chancellor. The other three Majority Socialists also remained in office—Landsberg as Reich Minister of Justice; Noske as Reichswehr Minister [the official name given by the Republic to the army was now 'Reichswehr' (State defence)]; and Wissell as Reich Minister for National Economy. In addition, there were three other Majority Socialist members of the Cabinet—Bauer, David, and Robert Schmidt. The Centre provided three Ministers, including Erzberger; the Democrats also provided three, including Preuss. The Minister for Foreign Affairs, Count Brockdorff-Rantzau, was regarded as being bourgeois in sympathy but politically independent. There were therefore seven Social Democrats and seven middle-class Ministers in the Cabinet. Since the

Chancellor was a Social Democrat, and, moreover, the Ministries of Defence, of National Economy, of Food and of Social Welfare were under Social Democratic control, the German Republic appeared to be assured of Socialist leadership.

In the course of the great English and French Revolutions, parliamentary institutions spontaneously developed the energy with which the Revolution was carried on and vacillating sections of the populace were won over to their side. In England the Long Parliament worked in this spirit, and in France the Convention. But the Weimar National Assembly was no Convention. Its level was that of the German Reichstag of pre-revolutionary days—that is to say, it was composed of decent, honest, hard-working men altogether lacking in revolutionary fervour. True revolutionaries would, above all, have faced the danger that threatened from the army. The National Assembly might have declared in the manner of the Convention that the Republic was in danger. It might have called all Socialists and Republicans to arms to save their country. A general armament of the people would have rendered the Free Corps harmless, would have nipped in the bud any danger of individual *coups*, would have secured the eastern frontier against the Poles, and might even possibly have strengthened the position of Germany in face of the Entente at the peace negotiations. No such armament of the people took place, for it would have accorded ill with the ideal of 'Law and Order,' which the men in power revered above all else.

In the new Reich Government's declaration of policy is a section concerning military policy. It deserves reproduction in full: 'The creation of a national army based upon democratic principles for the protection of the Fatherland, with a considerable reduction of the

period of service. Every unit to elect a committee to represent its views in matters concerning the commissariat (canteen), furlough, accommodation, and complaints. The demobilization of all soldiers at present in barracks, including the 1899 class. The abolition both of military institutions created solely for the purpose of prosecuting the War and of those belonging to the peace-time strength of the army that may now be regarded as superfluous. A scheme of pensions for former regular officers and N.C.O.'s. Officers elected by the soldiers to be confirmed in their rank for the time being in so far as they have proved themselves fit.'

The military policy is obviously lacking in any basic principle. The old imperial army is indeed to be disbanded. Nevertheless there is no indication of any clearly defined attitude towards the new army of the Free Corps, apart from the committees set up to control the canteens. The National Assembly subsequently comforted itself by supposing that the Free Corps were only a 'temporary phenomenon.'

The National Assembly was equally little capable of dealing with the problem confronting it in the Councils. Another part of the Government's declaration of policy runs: 'Freedom of association is to be secured for every one in the Constitution. Conditions of wages and labour are to be settled between the employers' organizations and those of the workmen and other employees. Representatives of the employees shall supervise their execution. Labour laws must be adjusted to the new conditions.' Thus it was only proposed to extend the powers of the traditional workers' committees entrusted with the supervision of labour conditions. There were to be no Workers' Councils whose functions should be economic or political. Nevertheless the great wave of unrest that swept through Germany in

the course of February and March showed that considerable sections of the German proletariat were not prepared to allow the Councils to lapse. Thus the Left wing of the Social Democrats temporarily won the upper hand in the question of the Councils. On March 22 and 23 a joint conference took place in Weimar between the Social Democratic Party Committee and other leading Party officials and the Party representatives in the Reichstag. The following resolution was passed :

‘Legally regulated representation of the workers shall be created to contribute towards the realization of nationalization, to inspect Socialist enterprises, and to supervise production and distribution in the economic life of the nation. In a law to this effect that shall be passed as soon as possible, provision must be made for the election of Industrial, Workmen’s, and Employees’ Councils, whose tasks must be defined, and which will be expected to collaborate on an equal footing in the regulation of labour conditions as a whole. Further, provision must be made for District Labour Councils and a Reich Labour Council, which in conjunction with the representatives of all other producers, shall give their opinion as experts before the promulgation of any law concerning economic or social questions, and may themselves suggest that such laws should be passed. The provisions in question are to be included in the Constitution of the German Republic.’

It is noteworthy that the SPD was capable of passing such a resolution in favour of the Councils. The Party also fulfilled its promise and duly inserted an appropriate paragraph in the Constitution concerning the rôle and the duties of the Councils. Nevertheless, when transformed into actual fact, the proposals proved to be valueless. The Industrial Councils which

were later introduced by a Reich law were the same old Workers' Committees in a new guise. In reality, their functions were confined to social welfare.

A provisional Reich Economic Council composed of the representatives of the different classes of employment was also set up. It vegetated pleasantly, and only occasionally became active in giving expert opinions on Customs questions, etc. No German worker ever regarded the provisional Reich Economic Council as a realization of the revolutionary ideal. No attempt was ever made methodically to build up from below a system of Workers' and Economic Councils.

It is possible that in March, 1919, the influential men in the SPD only acquiesced half-heartedly in the Soviet ideal. With the decrease of the power of German Socialism and of the working classes, it no longer proved possible to give the Councils an important position in German political and economic life. Thus the greatest ideal of the German Revolution never achieved realization.

Ever since November 9 the SPD had advocated nationalization in principle. But it had never proved possible to define precisely what nationalization was really intended to be. Immediate expropriation of mines and other branches of heavy industry was regarded as impracticable. Meanwhile Wissell, the Reich Minister for Economy, was a passionate believer in planned economy. In this manner he proposed to increase the power of the State and of the community in economic life, and to give Socialism its opportunity to play an active part. The first beginnings of planned economic control were to be seen in the laws passed by the National Assembly regulating the coal and potassium industries. A Reich Coal Council and a Reich Potash Council, com-

posed of representatives of employers, employees, and consumers, were set up and placed under State supervision. The Councils were to assume the management of these industries. Both were at first no more than frameworks, and it remained to be seen how these frameworks would be filled out in practice.

At the Party Conference of the SPD at Weimar in June, Wissell had explained his proposals for the adoption of planned economy as a path to Socialism in a brilliant speech delivered amidst the liveliest applause. But even at this Conference it was obvious that the conservatively-minded Party leaders were not in sympathy with his ideas. An increasing opposition to the Reich Minister for Economy manifested itself. On July 12 Wissell resigned, and was succeeded by Robert Schmidt, an outspoken opponent of planned economy. With the fall of Wissell the attempt to carry the ideal of socialization to victory in Germany had failed. Old-style private capitalism once more obtained the upper hand. The Reich Coal and Potash Councils became decorative figure-heads, and only made their existence unpleasantly felt by raising prices.

The National Assembly thus failed to achieve constructive results alike in military matters, the Councils, and socialization. Its positive achievement was the Reich Constitution, which was finally passed on July 31, 1919, after much laborious work. It is necessary to recall the situation in Germany that summer, when Socialist and revolutionary influence was steadily decreasing and the power of the army and of capitalism was steadily increasing, in order to understand that the Weimar Constitution was in fact a revolutionary achievement. For the National Assembly with all its shortcomings was in the last resort a product of the first months of the Revolution. It was controlled by

the majority block of the definitely democratic Parties. These Parties had meanwhile lost a great part of their adherents throughout the country. But in the National Assembly they were still a power, and they fashioned the Constitution according to their principles. The fate of the Weimar Constitution of 1919 was very similar to that of the Reich Constitution of 1849. The National Assembly which met in Saint Paul's Church at Frankfurt was reactionary compared with the Revolution of 1848. But in those days the revolutionary wave receded so fast that the National Assembly in drafting the Reich Constitution in 1849 found itself in an advanced radical position in comparison with actual developments in Germany.

The Weimar Constitution was largely the work of the Democrat Preuss. It is animated by the principle of parliamentary democracy. The Reichstag, elected by the whole nation, is the highest authority. It holds the legislative power and can at any time overthrow the Government by a vote of no-confidence. Beside the Reichstag is the Reichsrat representing the individual States. It possesses only the power of delayed veto upon the legislation enacted by the Reichstag. If on receiving back its original measure from the Reichsrat the Reichstag passes it again with a two-thirds majority, the objection of the Reichsrat is thereby quashed and the will of the Reichstag receives the force of law. *

According to the Weimar Constitution the parliamentary principle was to be supplemented by two other principles; that of direct appeal to the nation; and that of a system of occupational Councils. As has been stated above, the clauses in the Constitution regulating the system of Councils remained merely paper provisions. Nevertheless they are an integral part of the Weimar legislative ideology. If the develop-

ment of the German Republic had been along more favourable lines, they might have been realized in the spirit of the Constitution.

The direct appeal to the people was to be resorted to immediately in the election of a President of the Reich. In the summer of 1919 there was nevertheless some hesitation in holding a plebiscite for or against Ebert because an electoral struggle would still further arouse political passions. The Reich President who had been elected by the Reichstag therefore remained in office until his death with the consent of all the political Parties. According to the Constitution the President nominates the Chancellor, but the Chancellor can only hold office if he possesses the confidence of the Reichstag. This provision was sufficient to assure the predominance of the Reichstag over the President until the constitution ceased to remain in force, i.e. until Brüning's Chancellorship. If any insuperable difference of opinion arose between the President and the Reichstag, it was to be referred to the nation either in the form of a plebiscite upon the proposed measure or by dissolving the Reichstag and holding new elections.

There was no room in the Weimar Constitution for a presidential dictatorship. For the much-quoted Article Forty-Eight properly interpreted only gives the President power to restore order by decrees in case of sudden disturbances. Such emergency decrees are to be rescinded immediately upon demand by the Reichstag. The interpretation of Article Forty-Eight to authorize the promulgation by the President of emergency decrees as a substitute for normal legislation goes beyond the meaning and intention of the Weimar Constitution. The victory of a dictatorship ruling by emergency decrees under Brüning marks the end of the Weimar Republic. Hence emergency decrees as pro-

mulgated under Brüning cannot be used as evidence in criticizing the original Weimar Constitution.

Apart from the election of the Reich President, direct co-operation in legislation of all those entitled to vote was to be aimed at by means of popular referenda and plebiscites.* This was a true and most fertile democratic conception. It was, it is true, afterwards found that in practice the method of holding a plebiscite under the Weimar Constitution was much too complicated. Actually, it was hardly possible for a plebiscite held according to the conditions laid down in the Constitution to be successful. Nevertheless, if the German Constitution had undergone progressive evolution, these technical difficulties could have been eliminated and the basic principle of the legislators could have been restored.

Naturally the Constitution was not able to eliminate the difficulties which from the very beginning had beset German revolutionary development. The Constitution left untouched the individual States; it preserved the traditional rights of officialdom; and it did not interfere with the irremovability of judges. It did not define clearly either the relations of the new Republic to the former ruling Houses in pecuniary matters and the possession of property, or the relations between Church and State. Nevertheless, the Constitution did leave the way open for developments in the future. It permitted of the extension of the Council system as it did of the progress of nationalization. Moreover, the Constitution made reasonable provision for its own future development. The predominance of the army in the German Republic was not a result of the Weimar Constitution, but of a development which occurred outside the law.*

Many Germans after 1919 were only too ready to ascribe all the misfortunes that happened under the

Republic to the Weimar Constitution and to democracy. Impartial historical research is able to refute the greater part of these accusations. For the Constitution as it came into existence in the summer of 1919 was a tool which the German people might have used in a progressive manner for the promotion of Democracy and Socialism. The fact that events developed along different lines was not the fault of the Constitution. And the basic mistake made by the legislators themselves does not lie in their having composed these particular paragraphs, but in their being unable to reconcile their paragraphs with conditions of everyday life.

In addition to drafting the Constitution the main task of the National Assembly was the conclusion of peace. After the loss of the War the foreign policy of the German Republic was to a large extent dictated by necessity. The victorious Powers, and especially the middle-class democracies in France, England, and America, were determined to destroy utterly Germany's position as a world Power and the so-called militarism of imperial Germany. Germany was to lose its colonies, to return Alsace-Lorraine to France, to be disarmed as completely as possible, and to be burdened with the heaviest possible reparation obligations. The union of Germany and Austria was not to be permitted, and Germany was to be rendered powerless in Eastern Europe by the creation of the new States of Poland and Czechoslovakia. The conditions of peace as formulated by the Allied and Associated Powers were unbearably severe. Nevertheless Germany had no choice in 1919 but to accept the treaty.

Since Germany was not in a position in 1919 to go on fighting, it was obliged to sign the peace in order at least to gain a breathing-space. Lenin acted with perfect logic in 1918 when he advocated the signature

of the Treaty of Brest-Litovsk. In 1919 and 1920 Lenin was equally convinced that in the prevailing conditions even a German Socialist Labour Government would have been obliged to sign the Treaty of Versailles. The opposition offered by the KPD to the signing of the Treaty met with Lenin's marked disapproval.

The majority in the National Assembly ultimately accepted the inevitable and took the only proper action. The SPD and the Centre, as well as the USPD, were strongly convinced that it was absolutely necessary to accept the Peace Treaty despite objections in detail. The power of the Army had meanwhile grown to be so great in Germany that the Government dared not sign the Treaty without its consent. Certain of the Generals refused in any circumstances to agree to the "humiliation" of Versailles. Nevertheless, General Groener realized that the resumption of hostilities would be fatal not only to Germany as a whole, but also to the Corps of Officers in particular. Hence Groener used the paramount influence of the High Command to secure acceptance of the peace-conditions, and was largely responsible for the signing of the treaty. After the conclusion of peace the High Command under Hindenburg and Groener ceased to exist. Its disappearance removed the main link between the Government and the Army, and the troops were now virtually without a leader, for the civilian Reichswehr Minister had no real authority. The consequences of this state of affairs materialized in the Kapp Putsch.

Meanwhile the Chancellor, Scheidemann, was so strongly opposed to the signing of the Treaty that he handed in his resignation on June 20. A new coalition was formed that at first consisted only of Social Democrats and the Centre. The Democrats did not

return to the Government until several months later. Landsberg left the Government with Scheidemann. Scheidemann's resignation was not only due to differences over the question of peace, but also to the widespread conviction that both his domestic and his foreign policy had suffered shipwreck. Scheidemann never again held office.

The Majority Socialist Bauer became Chancellor. Of the well-known Social Democratic leaders, Noske, David, and Hermann Müller were in the Cabinet, and also Wissell for a few weeks. The most important Centre Minister was Erzberger, who very soon became the real leader of the Cabinet owing to his great energy and his oratorical gifts. The fact that the Bauer Cabinet was already taking its cue from a bourgeois Minister is significant of the decline of Social-Democratic influence in the latter months of the year. The old SPD leaders were politically worn out and the Party failed to produce new men to take their place. The governance of the German Republic was therefore transferred temporarily to middle-class democrats from the ranks of the Centre, to men like Erzberger, Wirth, and Fehrenbach, until in 1923 there began the undisguised reign of Capital under Cuno.

· On June 22 the National Assembly assented to the signing of the Treaty of Versailles.· This is not the place in which to analyse the whole complex of the Treaty and its involved application. As things were in Germany at the time, the loss of the colonies and of Alsace-Lorraine had to be submitted to. The cession, though painful, of Northern Schleswig and of Eupen-Malmedy, which followed as a result of plebiscites, affected no vital German interests. The new territorial arrangements in the east, however, were simply intolerable, involving as they did the severance of the German territories of Danzig and Memel, the inter-

position of the Polish Corridor reaching to the sea and cutting off East Prussia from the Reich, and the later dismemberment of Upper Silesia as the result of a plebiscite. A dangerous situation was created by the Articles of the Treaty ordaining an Allied military occupation of the left bank of the Rhine for many years. For it was very questionable whether the foreign troops would ever evacuate the Rhineland, and whether separatist ideas would not meanwhile arise on the left bank of the Rhine. Finally, the reparation demands of the Allies were absolutely impossible of fulfilment. Any attempt to carry them out must involve the utter economic ruin of Germany, while Germany's incapacity to make the required payments must continually provide fresh occasion for sanctions on the part of the victors.

It was impossible to alter these conditions at the moment. But it was necessary for the statesmen of the German Republic to make sure what the future course of their foreign policy was to be. It would obviously be exceedingly difficult for Germany to achieve any success in this situation, but at all events it was essential to know what were the political aims that could or could not be pursued in foreign policy. The Republican Government did not, however, succeed in evolving any such clear-cut foreign policy. Hence not only did success not attend its efforts in any direction, but in addition it allowed itself to become involved in a hopeless Baltic adventure.

At the Peace Conference in Paris the three leading Powers of the Entente—America, England, and France—were united in principle as to the treatment of Germany. Nevertheless the interests of the three Powers in German affairs were different. For America European affairs were only of secondary importance. After Woodrow Wilson's retirement, the dissociation of

America from European politics became increasingly marked. England is a European Power, but its interests are bound up with those of the British Empire which extends over five continents. France also possesses a large colonial Empire, but the vital interests of France are dependent upon European, indeed Central European, events. In these circumstances France was the Power within the Entente with which it was primarily essential for Germany to come to terms. If an understanding could be reached with France, the Anglo-Saxon Powers could not become dangerous to Germany. On the other hand, an understanding with the Anglo-Saxon Powers would not have helped Germany in the least. Neither America nor England would have allowed itself to be placed in a situation which would have brought it into open enmity with France for the sake of Germany. If a Franco-German agreement could be achieved, neither reparations nor problems arising out of her eastern frontier would provide serious difficulties for Germany. If France had been convinced that it must co-operate with Germany, reparations would have had to be fixed at a figure that did not endanger the vitality of German economic life; while Poland would be powerless in a conflict with Germany if it were not backed by France.

In 1919 and the following years the way to a Franco-German understanding was made harder by innumerable difficulties both material and psychological. Nevertheless an attempt should have been made to pursue it. Instead, German foreign policy was preoccupied with the English illusion. The Anglo-Saxon illusion is a phenomenon dating from the Bethmann-Hollweg period. Before the World War, leading German politicians had gradually become anxious at the growing isolation of Germany. Bethmann-Hollweg and his advisers persuaded themselves

that even if the worst came to the worst England would not fight against Germany. English statesmen had no hand in creating this illusion. They had emphasized over and over again that, in event of a German attack on France and Russia, England could not hold aloof. Nevertheless, up till within a very few days of the outbreak of war, Bethmann-Hollweg clung to the straw of British neutrality.

The illusion persisted during the World War. The leading men in England set forth their war aims with the greatest precision. Their chief aim was the destruction of German imperialism and of German militarism. There were, however, many politicians in Germany who still believed that England was to be persuaded to a tolerable compromise with Germany. While in Germany, supporters of the so-called 'victorious peace' proposed holding England in check by means of submarines and the fortification of the Belgian coast, advocates of peace by mutual understanding were opposed to all methods of warfare and all war-aims that would inflict serious injury upon England. The advocates of a victorious peace were mostly to be found in the Parties of the Right, while the Left Parties demanded peace by mutual understanding. The latter, it is true, only wished for a sincere understanding with England and America, while they regarded the overthrow and dismemberment of Russia, and considerable conquests in the East on the Berlin-Bagdad line as quite admissible.

When the fortunes of War turned against Germany in 1918, the advocates of peace by compromise acquired the ascendancy; and Bethmann-Hollweg's traditional foreign policy was revived. It was hoped that England and Woodrow Wilson would help the Germans to a tolerable peace. The Anglo-Saxons might even allow Germany to keep its predominance over a dismembered

Russia by giving their sanction to the policy of Brest-Litovsk. Germany would of course have to undertake in return to act as the 'protector of European civilization' against Bolshevism.

In the light of these opinions it is understandable why Prince Max of Baden's Government accepted Woodrow Wilson's conditions and asked the Western Powers for an armistice, but at the same time left the German troops in the occupied Eastern districts and made no effective attempt to liquidate the Treaty of Brest-Litovsk. Thus the first democratic Government of Germany incurred the enmity of Soviet Russia. The Soviet Government supported the efforts of the German working classes to put a revolutionary end to Prince Max of Baden's Government. The intervention of the Russian Embassy in German internal politics could not be concealed, and therefore shortly before the November Revolution diplomatic relations between Germany and Russia were broken off.

The Government of the Representatives of the People carried on its foreign policy along the lines of that of Prince Max of Baden. Although a Russo-German understanding was absolutely essential, the conflict with Russia continued. It would of course have been madness on Germany's part to have planned to resume hostilities with the Entente in alliance with Soviet Russia. A political bond between Germany and Russia might nevertheless have exercised a beneficial effect upon the negotiations with the Entente and might have strengthened Germany's international position. An understanding with Russia would have been easy to achieve if Germany had quickly evacuated the occupied territory in the east and had come to an agreement with the Soviet Government upon the basis of mutual non-intervention in internal affairs. But Germany did not come to such a decision. And there-

fore the Soviet Government continued to make life difficult for the German Representatives of the People by encouraging Spartacist demonstrations.

At the end of the War the German troops were obliged to evacuate the Ukraine and Poland. The situation was, however, different in the Baltic countries—Esthonia, Latvia, and Lithuania. The great landowners in the Baltic States, who were of German origin, had welcomed the German invaders. In the imminent event of the separation of these States from Russia, the German Baltic landowners hoped to rule these countries with the help of Germany. After the November Revolution the German ruling class in the Baltic States feared the approach of Bolshevism.

In addition, however, to the friends of Soviet Russia and the German nobility there was yet a third party in the Baltic States—that of the native peasantry and middle classes. They wanted the establishment of national middle-class democratic States. The Entente sympathized with their aspirations and thought it would be a good plan to set up independent democratic Republics in Esthonia, Latvia, and Lithuania. Towards the turn of the year 1918-19 there was a singularly united front against Bolshevism along the Baltic coast. The nationalist peasants and artisans marched against the Bolshevists side by side with the German aristocracy. The Entente gave its blessing to the movement. In all parts the demand arose for the retention of the German troops in the Baltic States in order for the time being to act as frontier guards against the Red Army. Although the German Army was melting away here, as in other parts, the Baltic States became the goal of more and more bands of German volunteers who fought there against Bolshevism with the assent of the local Governments and of the Entente.

This development was altogether contrary to Germany's general interests. In the first place, Germany might have been involved in open warfare with Russia on behalf of the Baltic States at the very time when Russia's friendship was urgently necessary. Further, it was a fantastic illusion to suppose that the Entente, while removing Danzig and Posen from Germany, would permit the presence in Riga and Reval of a German army and of Governments dependent upon Germany. Even if for the moment the German volunteers were needed as cannon fodder against Bolshevism, the time was bound to come when the servant had finished his work and would be dismissed. It was impossible to hope for permanent harmony between the German landowners and the Latvian peasants. The time would come when the native democrats of the Baltic States would turn against the German aristocracy and its military allies. Finally, it was quite possible that serious internal danger to the German Republic might develop in the Baltic States. For the German volunteers in those States, who were not officially serving Germany, were much less dependent upon their own Republican government even than their comrades in the Reich. The Baltic States became the headquarters and rallying-place of an undisguised military counter-revolution.

For all these reasons the Republican Government should have brought the Baltic adventure to an end as quickly as possible. The Communists, the USPD, and the opposition Majority Socialists estimated the danger emanating from the Baltic at its true worth, and criticized the Government's eastern policy most severely. The attitude of the Government itself and of the official SPD remained vacillating and vague. It is true that the Ministers gave continual assurances in their official declarations, that they had no intention of

either going to war with Russia or of interfering in the internal conditions of Esthonia and Latvia. They avowed that any German troops which still remained in the Baltic States would be withdrawn from these countries with all possible speed.

At the same time, powerful sections of the German Army and of German diplomacy looked at the Baltic question with different eyes. They hoped to make this an opportunity for maintaining at least a part of the German conquests in the east, of coming to an agreement with England on the basis of a joint struggle against Bolshevism, and thus of changing Germany's whole course in foreign policy. German volunteers poured into the Baltic States because the local Governments promised them land for settlement in return for their aid against Bolshevism. A few German Social Democrats like Winnig, the Reich Commissar in the Baltic States, openly supported the Baltic policy.

The intervention of the Reich Government was made more difficult by the fact that the German troops in the Baltic States theoretically entered foreign service. They were no longer part of the German Army, but were ostensibly serving some Latvian shadow Government that owed its existence to German machine-guns, or taking part in some Russian monarchist venture for restoring Tsarism with the Baltic States as its base. The German Government gave assurances that it had no control over these—officially foreign—bodies of troops. None the less, war material, food-stuffs, money, and reinforcements were continually sent from Germany to the Baltic States. The Reich Government was not strong enough to call a halt to the adventure.

The situation became critical towards the end of the year. The Soviet Government labouring under great difficulties at home was forced to abandon its attacks upon the border States. Hence the Esthonians

and Letts no longer needed their inconvenient German helpers, and gave them their marching orders. Sanguinary conflicts occurred between the Letts and Esthonians and the German Free Corps who refused to evacuate the country. The Entente intervened and demanded under threats of an ultimatum that the German troops should leave the Baltic States. No resistance was possible to this demand and the Free Corps returned home. These Corps were the shock troops of counter-revolution who had started on their march from Riga to Berlin. The German Republican Government found that it could not yet exorcize the spirits it had itself conjured up.

Thus Germany's Baltic policy ended in total failure. The illusion that England would conclude some form of alliance with Germany had been dispelled. England demanded Germany's acceptance of the conditions of the Treaty of Versailles with the same firmness as France and the other Entente Powers. The policy which had been pursued in 1919, both officially and semi-officially—to represent France as the real enemy, and to make demonstrative overtures of friendliness to the Anglo-Saxon Powers—was useless. It did not win over the Anglo-Saxon Powers. It destroyed any possibility of a Franco-German agreement and therewith any prospects of success that might have attended German foreign policy.

Within Social Democracy it was the opposition group about the *Sozialistischen Monatshefte* who above all advocated an understanding with France and fought against the 'English illusion.' This so-called continental policy did not by any means require that Germany should take up a hostile attitude to England because such an attitude would have been rank folly. All that it did was to combat the idea fixed in the minds of influential German politicians, namely, the belief that

England's policy would be antagonistic to France and promote the revival of Germany as a Great Power. The official SPD, on the other hand, unconditionally rejected this continental policy. The Independents and the Communists demanded that Germany should come to an agreement with Soviet Russia : a demand which was perfectly reasonable. The Reich Government did indeed continually profess its desire to live in peace and harmony with all nations, and was thus faithful to the traditional pacifist tendency of Social Democracy. Nevertheless, German policy only succeeded in completely alienating Russia and France without at the same time winning the friendship of the Anglo-Saxon Powers.

CHAPTER V

THE KAPP PUTSCH

ON June 14, 1919, Wissell, then Reich Minister for Economy, said at the Socialist Party meeting in Weimar : ' Despite the Revolution, the nation feels that its hopes have been disappointed. Those things which the people expected of the Government have not come to pass. We have further consolidated political democracy in a formal sense ; true. But we have not yet done anything but carry on the programme which had already been begun by the Imperial German Government of Prince Max of Baden. The Constitution has been prepared without any real and active participation on the part of the people. We have not been able to satisfy the dull resentment with which the masses are imbued because we have had no real programme.'

' Essentially we have governed according to the old forms of our State life. We have only succeeded in breathing very little fresh life into these forms. We have not been able so to influence the Revolution that Germany seemed filled with a new spirit. The inner structure of German civilization, of social life, appears little altered. And even so, not for the better. The nation believes that the achievements of the Revolution are simply negative in character, that in place of one form of military and bureaucratic government by individuals another has been introduced, and that the principles of government do not differ

essentially from those of the old régime. . . . I believe that the verdict of history upon both the National Assembly and ourselves will be severe and bitter.'

✓ It must be admitted that Wissell saw very clearly the state of affairs in Germany at that time. In every way the minutes of this first Party meeting held by the Majority Socialists after the Revolution is a document as affecting as it is instructive. On the one side stood the opposition minority, among whom Wissell must actually be reckoned, which recognized the fatal nature of the path that the German Revolution was treading. On the other side was the majority, which was grouped about the Party leaders and the Government, and which strove convulsively after optimism. The motions put forward by the opposition organizations show the temper then prevailing among millions of workmen. The motions demanded over and over again that efforts should be made to restore peace with the USPD, even if discredited leaders had to be sacrificed. The Münster organization demanded: 'The Reichswehr Minister Noske shall be expelled from the Party.' Frankfurt-on-the-Main demanded: 'The Social Democratic group in the Constituent National Assembly shall be ordered to do all in its power to ensure the rapid disbanding of the Volunteer Corps and the formation of a National Defence upon democratic foundations.' Hamburg said: 'The meeting of the delegates of the Social Democratic Party of Hamburg regards the volunteer army as constituting a serious danger to the achievements of the Revolution. Its delegates to the Party meeting are therefore under the obligation to demand the creation of a national army according to the provisions of the Erfurt programme.'

Other motions advocated the Councils, nationalization, the democratization of the administration, the abolition of the old bureaucracy. To these were added

the wails of delegates from rural districts, who felt that they had been abandoned, and complained that since the lapse of the Workmen's Councils they had been delivered over to the old powers again. The majority at the Party meeting undoubtedly felt equally strongly the grievances that were raised. But in view of the course hitherto taken by the Revolution they saw no way out and voted down the Opposition's motions.

The exodus of the workmen from the SPD to the USPD became increasingly rapid. And the embitterment of the radical masses was greatly increased by the sanguinary events that took place in Berlin on January 13, 1920. The Reichstag was at that time discussing a Government measure for the establishment of Industrial Councils. Its purpose was to confine the activity of these Councils essentially to the sphere of social welfare. The opposition among the working classes regarded the proposed law as inadequate. The USPD organized a mass demonstration in front of the Reichstag, against the Government Bill and in favour of wider powers for the Councils. The Communists joined in the demonstration. The demonstrators were perfectly peaceful. Nobody had any idea of storming the Reichstag, or of attempting a *coup*. Various working-class leaders made speeches to the assembled masses in front of the Reichstag. The technical mistake was indeed made of keeping the masses assembled before the Reichstag for too long a time. Slight brushes occurred between the workmen and the police who had been called up in case of emergency. At length the police came to the conclusion that there was reason to fear an attack upon the Reichstag, and machine-guns were turned on the unarmed demonstrators. The crowd was dispersed. Forty-two workmen were killed. The political responsibility for the attitude of the police on January 13 was

borne by the Prussian Minister for the Interior, Wolfgang Heine.

At the very time when the SPD was losing a large part of its adherents the great majority of the middle classes openly turned against the Republic. The urban and rural middle classes had been perfectly prepared after November 9 to accept the new order, and to cooperate in building-up the Republic on democratic lines. Out of consideration for the middle classes the Government had believed it necessary to proceed with the utmost caution. Yet it was the hesitancy of the republican leaders that alienated the middle classes. If great and decisive action had been taken, such as, for example, the expropriation of great landowners and the nationalization of mines, and if the Government had shown the people that a new era had really dawned, then the Government would also have carried the middle classes along with it. Since, however, everything was obviously going to remain unchanged, enthusiasm for the Revolution evaporated and the Republic and Democracy were blamed for all the trials of daily life.

The middle classes suffered under the hopeless economic conditions and the increasing devaluation of the currency. Above all, however, the Government seemed incapable of securing law and order in the country. In this case, again, the Majority Socialist leaders achieved the exact contrary of what they were aiming at. They esteemed law and order above everything, and were continually in conflict with the radical working classes in the name of order. But it was the disappointment of the workers at the course taken by Revolution and at the Government's relentless policy of orderliness that led to continual strikes, unrest, and fighting. Thus the middle classes, who were anxious once more to lead a quiet if modest existence, came to the conclusion that republicanism

was responsible for the confusion ; and that it produced impoverishment, profiteering, corruption, and dissension. Longing eyes looked back to the old days of the monarchy, which, though it had its faults too, permitted a man to attend to his business quietly and under the protection of the law.

To the ill success of the Republic in material matters was added its failure in national affairs. It was not the fault of the Republican Government that the conditions of peace were so hard or that Germany's position as a world Power was destroyed. It was the legacy of the old system which was taken over by the Republic. But the republican Parties, and especially the SPD, did not discover the right attitude to adopt towards the increasingly important national problems for Germany arising out of the Treaty of Versailles.

Marx, Engels, and Lassalle had always felt themselves to be responsible for the whole German nation in the sphere of the revolutionary democracy of 1848. In their determined advocacy of the interests of the German people they had never permitted themselves to be outdone by any other body of political opinion. Social Democracy after 1871, on the other hand, looked upon itself predominantly as the standard-bearer of the workers' opposition to the ruling system. It criticized the foreign policy, the 'militarism,' and the nationalist demands of the ruling classes, but was not in a position to confront imperial policy with a real national and Socialist programme. When war broke out in 1914 German Democracy sanctioned war-credits and maintained the political truce out of sense of patriotic duty.

Thus Majority Socialism had a true nationalist tradition at its disposal if it chose to use it. By remaining true to its attitude of 1914-18 it might have made the fight for the threatened existence of the German

nation and for the revision of the Treaty of Versailles the central aim of its agitation. The Party did, in fact, make a determined protest against the dictated peace. It was not, however, in a position to seize the leadership of the new national opposition to the Entente that was now in process of formation in Germany. The SPD, and the same is also to some extent true of the Democrats and the Centre, wished on the one hand to maintain Germany's national interests, but on the other hand also to promote pacification and international understanding. The antagonism between the different aims prevented the laying down of a clearly defined programme for the daily agitation of the republican Parties. Thus the leadership of the national opposition to the enforced peace drifted into the hands of the Parties of the Right—an event destined to have serious consequences.

The Republicans might have combined a definitely national attitude with a revelation of the mistakes made by the old system at the outbreak and during the course of the War. As a matter of fact it is historically false to ascribe to William II and Bethmann-Hollweg, both of whom were fundamentally pacific by nature, a conscious desire to provoke the World War. The moral accusation of war guilt which the Entente made against the rulers of Germany in 1914 was unjustified. But the fact remains that the appalling mistakes made by the rulers of Germany in foreign policy very definitely contributed to Germany's becoming involved in a war that held out no prospect of victory. The mistakes of the old régime also prevented Germany's finding a tolerable way out of the post-War miseries.

The instinct of self-preservation alone should have obliged the republican Parties continually to reiterate in their agitation not the moral but the political

war-guilt of the old system. Even if the mistakes of Bethmann-Hollweg were condemned, the vital interests of the German nation could at the same time be resolutely defended against the Entente. When, however, men like Eisner, Bernstein, and to some extent also Erzberger, tried to broach the question of the war-guilt of the old régime publicly, they were met with indignant protests, and were almost without support even in the republican ranks.

It is unfortunately undeniable that German republican policy was guided largely by a desire not to overstep the bounds of 'good form.' It 'was not the thing to do in Germany' to discuss the question of the war-guilt of the Imperial Government, because, so it was said, that was tantamount to playing into the hands of the Entente: for the Entente justified the severe conditions of the Peace Treaty by Germany's alleged war-guilt. The indignation with which Bernstein was greeted by a majority when he dared to make some critical remarks concerning war-guilt at the Party meeting of the SPD at Weimar, to which reference has several times been made, is significant. But if the majority at the SPD Party meeting was so sensitive in national matters and was so indignant with the alleged anti-nationalism of Bernstein—why did not these same men go into every corner of the land and passionately summon the masses to fight against the policy of the Entente? The fact was that nothing was done consistently and whole-heartedly. People were as patriotic as decency demanded, and were quite genuinely indignant at Bernstein's 'anti-nationalism.' But they could not work themselves up to a vehement nationalist agitation. Thus the Republicans left unused the immensely strong weapon which they possessed against the old system in the question of war-guilt. At the same time they abandoned the

leadership of the nationalist movement to counter-revolutionary forces.

The opinion of Marx and Engels upon the part played in the life of nations by war and force was perfectly sound and matter-of-fact. The Second International, on the contrary, had displayed a vague, temperamental pacifism in its opposition to militarism and imperialism. The German Revolution in November 1918 was mainly the outcome of a longing for peace on the part of the masses. Hence republican agitation from the very beginning was inclined to peace at any price and to cultivate a horror of war. This pacifist tendency on the part of the German republicans also prevented their presenting a decided nationalist front to the Entente, because they feared that a determined struggle against the policy of the other nations would be contrary to the principle of peace and conciliation.

It was in consequence of this belief that the republican Parties never came to assume a proper attitude to the tradition of the World War. It is indisputable that despite tremendous mistakes made by their rulers the German nation in arms achieved great deeds during the four years of war. The enormous and justifiable longing for peace that filled the German nation in November 1918 could not permanently extinguish the memory of the deeds of the German troops during the War. When those who had taken part in the War began to cultivate their military traditions again, the republican Parties could not decide what attitude to adopt towards them. Since millions of those who had taken part in the War were to be found in their own ranks, the republicans might have made it a part of their work to preserve what was valuable and honourable in military-tradition. Nevertheless, even in this sphere, which was so important

morally, the leadership was left to the Parties of the Right.

A serious psychological mistake was made in the same sphere by the republican majority of the National Assembly in the question of the national flag. If the red flag of Socialism was not to be hoisted as the Reich flag, there was no reason for not retaining the old colours—black, white, and red. They were the symbols of that German unity created by Bismarck which the Republic wished to preserve. The symbol of feudal reaction was to be found not in the black-white-red colours of Germany but in the black and white banner of Prussia. Curiously enough, the Republic left the black and white flag in existence and abolished the black-white-and-red. The new colours, black-red-gold, which implied a return to the traditions of 1848, remained alien to the masses of the German people. The Socialist working class without distinction of Party preferred the red flag and the middle classes were faithful to the black-white-red. Outside official republican Government circles the black-red-gold colours never achieved any real popularity. The adherents of the military tradition, even in a good sense, felt themselves deeply injured by the change of flag. The Parties of the Right flew the black-white-red flag with the more determination at their demonstrations.

The Republican Government alienated the middle classes to such an extent that on both material and moral grounds they wanted to have nothing more to do with any republic on the Weimar pattern. The mass movement of middle-class electors to the Right resulted in something very near to the annihilation of the Democratic Party and in heavy losses to the Centre. The middle-class and nationalist opposition saw the main support of the hated new system in the

Majority Socialists who appointed the President and the Chancellor, and who were the leaders in the National Assembly. The demand, therefore, came from the middle classes that the Social Democrats should be ousted from the Government in order that Germany might once more return to better conditions. The National Assembly had completed its task—the drafting of the new Constitution—by the summer of 1919. But it still remained in session, and the middle classes accused the Government of delaying new elections in order to remain in power themselves. The cry rose ever louder that the National Assembly should be abolished to make room for a new parliament. The middle classes were convinced that when the new elections were held the Weimar régime would collapse.

As has been stated above, Erzberger had gradually come to take the leading part in the Bauer Government. As Finance Minister he endeavoured to increase the income of the Reich by a series of new laws. His determined antagonism to the old régime made him an object of especial hatred to the middle-class opposition. Erzberger, an impulsive and temperamental nature, was not always as careful as a leading statesman should be either in public or private life. Fundamentally he was an absolutely honest man, but even in official matters he committed errors which were exaggerated out of all proportion by his opponents. The Nationalists, especially the former imperial Minister, Helfferich, began a violent agitation against Erzberger, who was pilloried as the symbol of republican corruption. Excitement ran so high that towards the end of January, 1920, an ex-ensign named von Hirschfeld fired a shot at Erzberger in Berlin. The Minister was slightly wounded. Erzberger took an action for libel, which he lost. He resigned on March 12. On the following day the troops of the counter-revolu-

tion marched into Berlin under the black-white-red colours.

The middle-class opposition of the Right was not only continually growing in numbers, but under the prevailing conditions in the Republic it was also in control of the armed forces.' It was therefore by no means beyond the bounds of probability that if the Government and the National Assembly would not disappear of their own free will, they would be swept away by force. It was believed that the working classes, disarmed and disunited, were no longer to be feared.

A plot was hatched for the downfall of the Republican Government. The leaders were the Nationalist politician, Kapp, who had even during the World War been prominent as a violent opponent of Bethmann-Hollweg, and the Reichswehr General von Luttwitz. The attempt was to be made by the Free Corps from the Baltic States. These units were then supposed to be in process of demobilization. They resisted demobilization and were prepared to do anything to maintain their existence.

On March 13, 1920, the Ehrhardt Brigade marched into Berlin. Noske proved to have no reliable troops at his command ready to undertake the defence of Berlin against the rebels. The Government and the President were obliged to leave the capital. They went first to Dresden and then to Stuttgart. Kapp proclaimed himself Chancellor, and, guarded by Ehrhardt's machine-guns, took up his quarters in the Chancellery in the Wilhelmstrasse. The counter-revolution appeared to have triumphed all along the line. But it soon became apparent that the necessary political preparation was lacking to Kapp's enterprise. The venture might easily have succeeded if it had been proclaimed as the movement of an influential section

of the German middle classes. If the leading politicians of the middle classes, or at all events of the Nationalist Party and the People's Party, had headed the revolt, the workers would not have been able to put up any resistance worth speaking of. The Army and the Police, the Home Defence Service, and the short-service Volunteers, in addition to the Civil Service, would have put themselves at the disposal of the new rulers. It is even possible that the revolt might have received parliamentary sanction with the help of the Middle-class and Central Parties in the National Assembly, and that a new and purely middle-class Conservative Government might have been formed.

Once again it was Bavaria that provided a clever and purposeful counter-revolution, just as it had in the earlier part of the Revolution given the decisive example. Simultaneously with Kapp's enterprise in Berlin, Hoffmann, the Social Democratic Prime Minister in Munich, was forced by a move on the part of the army officers to resign. In Munich the supporters of the new movement had assured themselves of the sympathies of all the middle-class Parties in the Diet. As a sequel to the military revolt, therefore, the Diet in a perfectly legal manner elected a new and purely middle-class Government. A well-known Conservative civil servant named von Hahr became Premier.

Meanwhile it was soon found in Berlin that Kapp's following consisted of none but a small group of military conspirators. The broad masses of the middle classes and also the middle-class Parties regarded Kapp with distrust or, at most, were willing to wait and see. It was significant that the officials of the Berlin Ministries did not recognize the Kapp Government, met it with passive resistance, and thus from the very beginning paralysed the central authority of the Government. The working classes throughout

Germany joined in a general strike in answer to the Kapp Putsch, and carried it through with remarkable unanimity and accord.

↳ In Berlin sat Kapp surrounded by a few thousand soldiers from the Baltic States as though he were sitting on a powder-barrel in the midst of a hostile population of millions. The attitude of the army to the Kapp Putsch was not uniform. While a number of officers and certain regiments, especially to the east of the Elbe, openly declared themselves in favour of Kapp, others remained neutral ; and others again were loyal to the constitutional Government. In certain regiments in which there were still traces of democratic traditions, the non-commissioned officers and men actually arrested their pro-Kapp officers.

In the industrial district of Rhenish-Westphalia the Kapp Putsch led to a great proletarian rising. The workers rose without distinction of party, acquired weapons, attacked and drove out the pro-Kapp Free Corps. In Central Germany, too, and in Thuringia open fighting occurred between armed workmen and pro-Kapp troops. Nowhere west of the Elbe and in Southern Germany did Kapp achieve any success worth mentioning. For even the new Bavarian Government went its own way, took care not to be compromised by association with the Kapp faction, and protested its loyalty to the Reich Constitution.

Politically, Germany was split into five sections by the Kapp Putsch. Firstly, the lands east of the Elbe, where Kapp on the whole had a majority, although the general strike greatly embarrassed the Kapp Government. Secondly, the districts where the old Government was popular—above all, Württemberg, Baden, Hesse, and the North Sea coastal districts. Thirdly, the scene of the successful proletarian rising in the Rhineland and Westphalia. Fourthly, Bavaria with

its individual development. Fifthly, and lastly, the central German districts in which none of the warring factions held a clear majority, but pro-Kapp troops, revolutionary workmen, and adherents of the legitimate Republican Government strove for the mastery:

The ascendancy which the army and the middle classes had gradually regained in the Republic was seriously endangered by Kapp's premature rebellion. For the middle classes and the troops were divided into two camps by their division of opinion over Kapp, and were thus to some extent paralysed. On the other hand, a great wave of martial ardour and of the desire for unity swept over the working classes. The Majority Socialist workers now wished for the removal of Noske and Heine, and for an alliance with the USPD. Even the Christian workers were prepared to join a block for the defence of democracy and against the old military powers. Thus the forces ranged against the Kapp Putsch were for the most part not the adherents of the Weimar Republic and of the Ebert-Noske policy, but the advocates of a proletarian revolution of which the aim was to turn the ebbing tide of the Revolution and to continue the work of November 9.⁴

It took only four days to dispatch the so-called Kapp Government in Berlin. When unfavourable tidings came in from most parts of the Reich, Kapp despaired of the success of his undertaking, and on March 17 he announced his resignation.⁵ The question then arose as to who was to be his successor. The mass of the workers did not wish for a return to the discredited Weimar régime which had permitted of a *coup d'état* like that of Kapp being made; but they wanted a new political configuration in which the Socialist working classes would have a decisive voice. Above all, it was the leaders of the Trade Unions with the Majority Socialist Legien at their head who,

above all others, regarded such an issue to the Kapp affair as essential. Legien wished to replace the Weimar Coalition by a German Labour Government supported by the SPD, the USPD, the Free and the Christian Trade Unions. Noske's following had been so weakened by what had happened in the SPD that it could not have opposed such a course. And the army was so disintegrated by the Putsch, especially since the defeat of Kapp, that it would not have been capable of any united action against a Labour Government.

A Labour Government of this description, which would have been quite feasible at the time, might perhaps have introduced a truly democratic spirit into the army and administration, and thus have arrested the retrogressive course of the Revolution. The failure of the project for a Labour Government was due less to the SPD than to the doctrinaire obstinacy displayed by the Left wing of the USPD, especially that of Däumig, who was the most influential man in its Berlin Party organization. Since the USPD refused co-operation, nothing remained to the SPD, but to form another Coalition Government on the old model. The Chancellor, Bauer, the Reichswehr Minister, Noske, and the Prussian Minister for the Interior, Heine, were indeed obliged to retire. Hermann Müller became Chancellor, the Democrat Gessler took over the Reichswehr Ministry. The new Government made all kinds of promises to the Trade Unions to punish severely all who had been implicated in the Kapp Putsch, and to make serious efforts to democratize the army and the administration. The demands of the Trade Unions were set forth in lengthy memoranda. Since, however, the new Coalition Government upon the old model was backed by no new force, everything remained on the whole as it was

before. The working class had once more demonstrated in these March days that it could strike in unison and bear arms for its ideals. But the Socialist proletariat was not capable of rebuilding Germany politically, and thus the Kapp Putsch really ended with the defeat, not of the army but of the working classes.

The Hermann Müller Government was at once accepted almost all over Germany. The military and administrative services were quickly reorganized. Only in the Ruhr there existed a Utopian minority of workers who refused to submit to the new circumstances and wanted to carry on the struggle. The Government sent its Volunteer troops against the rebellious minority of miners quite in the old style. The Generals, who had regained their influence, sent several well-known Kapp battalions, who had 'returned to the constitutional fold,' to the Ruhr. At the beginning of April the last traces of the rising were suppressed with peculiar relentlessness. That was the army's revenge for the defeat of the Free Corps in March. This termination to the anti-Kapp revolt of the workers in the Ruhr showed very clearly the new distribution of power in Germany.

It was now impossible to postpone the Reichstag elections any longer. The polling took place on June 6. The provinces of East Prussia, Upper Silesia, and Schleswig-Holstein, in which plebiscites had still to be taken according to the provisions of the Treaty of Versailles, did not vote on this occasion. The election resulted in the complete defeat of the Weimar Parties. Of the Socialists, the SPD had only five million six hundred thousand votes, and had lost about half its adherents in eighteen months; the USPD obtained four million nine hundred thousand votes; and the KPD four hundred thousand. Of the middle-class Parties the Nationalists and the People's Party

together obtained seven million three hundred thousand votes, and the Democrats only two million two hundred thousand. The Bavarian People's Party, in which the Conservative counter-revolutionary tendency now predominated, polled one million two hundred thousand votes, and the Centre three million five hundred thousand. Within the middle classes, too, the adherents of the Democratic Republic had forfeited half their following compared with the elections to the National Assembly.

The elections were a catastrophe for the Weimar Republic. Since no important change had resulted from the Kapp Putsch, the events of the year 1919 led to their logical conclusion. The SPD was so weakened by its defeat at the polls that it could no longer maintain the leadership in the Reich. The Majority Socialist Ministers left the Government. President Ebert remained in office, but adapted himself in strictly constitutional fashion to the new middle-class Governments.

On July 25, Fehrenbach, a Centre deputy, formed a new and purely middle-class Government. In so far as the November Revolution had tried to set up a democracy under the leadership of the Socialist working class, it had by the summer of 1920 failed, and failed finally.

CHAPTER VI

THE PERIOD OF CATHOLIC DEMOCRACY 1920-1922

FROM the summer of 1920 onwards considerations of foreign policy came into the foreground in Germany. The demands of the Entente and the burdens upon Germany increased steadily. It was in particular the question of reparations which prevented any recovery of the German Republic. It must be said, however, that the political insight brought to bear by the victorious Powers who at that time sought to rule the destiny of Europe and the world was slight. At Versailles in 1919 there was a lack of statesmen really equal to their task. At two earlier periods—one a century and one two centuries before—there had also been European wars in which victorious alliances of Powers had defeated a single State that was too arrogant. In both cases France was the conquered Power. And there were on both these occasions real statesmen among the victors who were capable of dealing with the situation. The Treaty of Utrecht in 1712 and the settlement effected at the Congress of Vienna in 1815 brought actual peace. They made provisions under which even the vanquished could continue to exist. These earlier peace settlements were followed by periods of real peace, and genuine economic and cultural progress.

Undoubtedly the task of the victorious Powers in 1919 was much more difficult than in either 1712 or

1815. Two hundred and one hundred years ago the capitalist order of society in Europe was still unbroken. In 1919, on the other hand, there lurked behind the political crisis a social crisis of vast extent. The difficulties confronting the restoration of Europe after the World War were far more serious than the difficulties at the end of the War of the Spanish Succession or the Napoleonic Wars. Nevertheless the utter political inadequacy of the work done at Versailles and during the following years cannot be excused. In the councils of the victors in 1919 there was neither a Bolingbroke nor a Metternich.

The victorious Powers in 1919 might have destroyed Germany entirely as an independent State. But such an attempt could only have brought immeasurable trouble upon Europe. Even the Partitions of Poland did not do the receivers of the spoil any good, and the German people, who were greatly superior to the Poles in number and vigour, would have borne partition even less willingly in the long run. The makers of the Treaty of Versailles did not for obvious reasons take this course, but decided to leave the German Reich in existence. As a result of this decision, however, the conditions of peace should have been so formulated as to make it possible for Germany to exist under them. Nevertheless the Entente statesmen of 1919-23 could not bring themselves to adopt this obvious view. The territorial provisions and their execution involved intolerable hardships for Germany. And the financial demands of the Entente became fantastic. Such sums were required from Germany for reparations that in the shattered economic condition of the country could never even with the best will in the world have been raised. Germany was continually being forced to express its readiness to pay, and when it proved impossible to fulfil the obligations that had been

extorted, the victors took punitive measures. No German Government could maintain itself for any length of time under this pressure. Every attempt to put German economic life on to a sound footing was nipped in the bud. Confusion grew increasingly greater, and there seemed no way out of the blind alley.

Certain sections of the wealthier French middle classes wished to exploit Germany's incapacity to pay in order to keep a permanent army of occupation in the Rhineland with the help of the so-called sanctions ; to add the Ruhr to the occupied area ; to separate these western provinces from Germany and to bring them under French influence in one form or another. In other words, they wanted to make reparations an excuse for territorial conquests that France had been unable to make in 1919 at Versailles. The English and Italian Governments did not favour this tendency in French policy, but they were not at all inclined to come into serious conflict with France over Germany. After 1919 America had at first retired wholly from European politics. Thus French influence was at that time predominant on the Reparations Commission. The genuinely republican Governments in Germany were the very ones that were not in a position to induce the Entente to grant any mitigation of the reparations demands. If the chief war-aim of the Entente was to destroy German militarism, and thus to give democracy a chance in Germany, the political practice of the years 1919-23 certainly did not contribute to its fulfilment. Bolingbroke in 1712 exerted himself to build golden bridges for Louis XIV's vanquished Government. Metternich and the other leading statesmen at the Vienna Congress of 1815 wanted to drive the spirit of revolution out of France, and to revive monarchical and conservative tendencies. Hence they

did all that was humanly possible to make the tasks of the restored French monarchy easier. The victors of 1919, on the other hand, did not possess this insight. The policy of the French, especially, made life impossible for every single republican or democratic Government in Germany. The forces of German democracy were driven into a hopeless struggle both internally and externally; and then people wondered why the counter-revolution and the old 'militarist' spirit in Germany revived.

The first purely middle-class Government of the German Republic, which was formed after the Reichstag elections in June 1920 as a consequence of the decisive defeat of Social Democracy, was led by the Centre deputy Fehrenbach as Chancellor. After the withdrawal of the Social Democrats, the two other republican Parties, the Centre and the Democrats, were not strong enough to carry the responsibility alone. Hence they were forced to include in the Cabinet representatives of one of the two parties hitherto constituting the monarchist Opposition. The capitalist German People's Party held three portfolios in the Fehrenbach Government. The German People's Party did indeed officially recognize the Weimar Constitution, at least as a political basis for German policy. Meanwhile, the entry of three members of the People's Party into the Government was an extremely significant symptom of the defeat of the German proletariat. The capitalist counter-revolution was already taking possession of the Government. The weakening of German Socialism, and thereby of the democratic Republic, was shown in the next few years in the two most important spheres of internal development—in military affairs and in economics.

The Reichswehr Minister, Gessler, who was officially a member of the Democratic Party, was taken over by

the Fehrenbach Ministry from the former Cabinet. In all subsequent Governments Gessler remained as the fixed pole, whatever Parties happened to be at the head of the Government, from German Nationals to Social Democrats. Until the year 1928 Gessler could never have been ousted. Gessler did not owe the unusual stability of his ministerial existence to his own outstanding capability. But it indicated that during these years the Reichswehr had become a State within a State and no longer allowed itself to be influenced by the political life of Germany. Under the political responsibility of Gessler, General von Seeckt, the so-called Chief of the Army Command, carried out the organization of the Reichswehr on non-political lines.

According to the provisions of the Treaty of Versailles, Germany was only allowed to maintain a professional army of one hundred thousand men. This army had no such contact with the broad masses of the people as an army formed by universal military service possesses. The officers of the Reichswehr represented the traditions of the old imperial army, and the men, who were carefully selected, were trained in the same spirit. The organization of the Reichswehr on non-political lines signified that the defensive force was intending to steer clear of current Party politics. The wild spirit of adventure that had had its being in the Free Corps of 1919 and 1920 faded out of the Reichswehr. It was not to be had for any minor political ventures. Nevertheless the Reichswehr was an entirely anti-democratic and anti-republican organization. Every vestige of Socialist ideas was carefully weeded out of the Reichswehr, and every connexion between the soldiers and organized labour was severed. In a wide political sense the Reichswehr under the leadership of Gessler and Seeckt became an

insurmountable obstacle to all Socialist or democratic progress in Germany. On the other hand, any effort for the restoration of the monarchy or for the establishment of a capitalist dictatorship could reckon on the support of the Reichswehr, always provided that it was not a case of some small and reckless plot, but of a serious movement on the part of the German upper classes.

The Reichswehr generals did not wish for any interference in the affairs of the army on the part of civilian politicians. The military establishment of the German Republic was in reality outside the control of the Reichstag. No member of the Reichstag ever fathomed the many secret funds of the Reichswehr Ministry. The Reichstag might pass any resolutions it liked; the Generals organized the army as they thought best. Nor did the Reichswehr tolerate any Minister that was not to its liking. Since the Generals were in harmony with Gessler, they prevented his removal from office in all the numerous crises of the Republican Governments for eight years. The Generals did not interfere in everyday matters of civilian policy, but in important affairs the veto of the Reichswehr sufficed at any time to exclude a person or to render impossible a course of action. From 1920 onwards the German Republic really always had a twofold government. One was the Chancellor and his Ministers; the other was composed of the leading Reichswehr generals. In any conflict between the two 'Governments' the Reichswehr generally emerged victorious. The whole was called 'German Democracy.'

After 1920 the upper middle-class and aristocratic counter-revolution forged an unbreakable weapon for itself in the Reichswehr. Parallel with this went the new structure of capitalist economy, the existence of which had at first been challenged by November 9 and

its consequences. Inflation was the lever with which the great capitalists renewed their power, dispossessed the middle classes, and continually forced down the standard of life of the working class. As has been shown above, it would in no circumstances have been possible to take over the Mark into peace conditions at its full pre-War value. But it should have been the task of the German Government to stabilize the Mark again after a little while at some other level.

As a result of her defeat in the War Germany had become an exceedingly poor country. But the poverty of a country does not necessarily lead to inflation. The example may be taken of a poor peasant country whose inhabitants have to live on the sparse produce of the fields and pastures. Such a land would possess little gold. It could only obtain few articles of luxury from abroad in exchange for its own goods. The administration could only be paid for with difficulty by the small yield from taxation. But there would not be the slightest need for such a poverty-stricken little country to suffer an inflation. On the other hand, a very rich country may undergo an inflation, although it has command of immeasurable quantities of gold, raw materials, and claims. A proof of this was given recently in the United States. An inflation is *per se* no indication either of the poverty or of the wealth of a country, but it is a speculative phenomenon attendant upon a crisis.

There had been innumerable causes since 1920 for the continually increasing internal devaluation of the German currency. First of all there was Germany's incapacity to pay for the necessary importation of raw materials and food with her own surplus products. Then there were the continual reparation demands of the Allies, which could only be satisfied by buying foreign bills with paper Marks, which of itself led to

the automatic sinking of the rate of exchange. Furthermore, there was the increasing disorganization of the Reich finances. In a short time the Reich was only able to fulfil its current obligations by discounting bills of exchange at the Reichsbank. The more treasury bills flowed into the coffers of the Reichsbank, the more bank notes had to be printed. Eventually the press, which continued merrily printing notes, became the main source of the Reich's sustenance.

The situation grew steadily worse. The above-mentioned evils were very much worse in November 1923 than, for example, in July 1920. Nevertheless the Mark was successfully stabilized in November 1923 by strong measures on the part of the Government and by a necessary adjustment in German economic life. Hence it follows that stabilization would have been possible at any time during the three preceding years, if it had been seriously desired.

That the stabilization of the Mark did not take place between 1920 and the end of 1923 was the fault mainly of uncertainty and indecisiveness on the part of the Governments, and, above all, of the democratic Governments, which allowed themselves to be imposed upon by the arguments of the capitalists' so-called experts. Primarily the reason for the unhindered spread of inflation—that curse of the German people—was the advantage gained from it by great capitalists, and the fact that this section of the people was strong enough to prevent stabilization. In the year 1919 the average value of the German paper Mark was about one-fourth of the gold Mark; the average for the year 1920 was one-thirteenth, for 1921 one-twenty-second. In January 1922 the paper Mark was worth about one-fiftieth of the gold Mark. In other words—it was worth about a farthing. In October of the same year the value was only slightly above one-thousandth

of a gold Mark, and on January 11, 1923, the paper Mark was equal to three-ten-thousandths of a gold Mark.

The chief sufferers from the inflation were the great masses of the German wage and salary earners. For the paper notes in which they were paid were devaluated almost as they received them. Thus the true wages and the standard of life of the broad masses of the people sank lower and lower. In the same way the taxes collected by the State were also completely devaluated, for between the time of the assessment and the time of payment the value of the Mark had again decreased considerably. In so far as they owned securities in paper money the German middle classes were utterly impoverished by the inflation. For the state of affairs was ultimately reached in which the only use to be made of War Loans, mortgages, and industrial bonds was to paper the walls with them.

Those who derived profit from the inflation were debtors and all those who possessed material valuables. The farmers were actually freed from their debts, and were able to alter the prices for their produce daily according to the value of the Mark. And heavy industry enjoyed a Golden Age. It too, was, freed of debt, and continually obtained from a kindly Reichsbank fresh credits which were in practice never repaid. Thanks to the inflation, the industrialists paid almost nothing in taxes, and they carried on production at the lowest possible real wages. Enterprising industrialists could in these years collect an immense amount of property and build up vast concerns. Outdistancing them all was Stinnes, who grew to be the head of German industry during the inflation. While the Reich was becoming more and more disintegrated, the power of the industrial magnates appeared to increase month by month. The big Banks as typical creditors

were the first to suffer damage through the inflation ; but in this period of enormous gains by speculation on the Stock Exchange, when prices of stocks and shares rose continuously with the dollar exchange, the financiers always more than made good their losses. Objectively the inflation became a kind of revenge carried out by the German upper classes, the big capitalists and great landowners, upon the masses of the people. It was in the nature of a reprisal for the alarm experienced by the masters on November 9 and during the subsequent months.

The Fehrenbach Government did nothing to prevent the progress of the inflation, the increasingly powerful position of heavy industry, or the detached development of the Reichswehr. In the spring of 1921 it was involved in a serious crisis in the domain of foreign policy. At the London Conference in March, 1921, the Entente demanded of Germany that it should admit an amount of debt that ran into astronomical figures. The German Government quite rightly refused the demand, whereupon the Allied troops occupied the towns of Düsseldorf and Duisburg as 'sanctions.' In May the Entente sent a new ultimatum to Germany demanding her acquiescence in a total debt of one hundred and thirty-two milliard gold Marks. The German Government was required within twenty-five days to pay off one milliard in gold or securities ; the remainder of the debt was to be paid in annual instalments of two milliard gold Marks, together with the value of 26 per cent. of the German exports. If Germany refused the ultimatum, the Ruhr was to be occupied by Allied troops.

The Fehrenbach Government resigned on failing to find a way out of its difficulties. The People's Party was once again excluded from the Government. The thorny task of guiding the German Republic, there-

fore, once more fell to the Parties of the former Weimar Coalition. Wirth, a Centre deputy, formed a new Government supported by his own Party, by the Democrats, and by the SPD. In theory the outcome of the crisis of May 1921 was a success for the Left. There was once again a purely Republican Government supported by the Parties which had drawn up the Constitution in Weimar. The representatives of the monarchists and capitalists had been obliged to retire from their Ministries. Nevertheless this Left success was only illusory. The power of the counter-revolution was so strong in industry, in the army, in the administration and justice, that its representatives could afford to ignore exclusion from the Cabinet. They bequeathed to the Republican Left the difficult and thankless task of fighting over reparations with the Entente.

The Wirth Government took office when the situation seemed completely hopeless. The Social Democrats did not want to abandon the Republic at such a time, and they accepted certain portfolios again. The tactical situation of the SPD within the working class had improved somewhat since the end of 1920. For a split had meanwhile taken place in the USPD, and the violent internal crisis which rent the radical working classes gave the moderate Party greater weight again. The Left wing of the USPD had been fused with the Communists. The Right continued for the present as a rump. Nevertheless it could not maintain itself permanently between the SPD and the Communists. Under the onslaught of the KPD the Right wing independents were obliged to seek union with the SPD. The Majority Socialists were therefore able to take the risk of re-entering the Government in May 1921.

The new Chancellor, Wirth, was a convinced demo-

crat and a friend to the Christian Trade Unions. He had every wish to defend the achievements of the German Revolution. If it proved impossible for him to tackle the superhumanly difficult problems that lay before him, this must be ascribed primarily to the unfortunate general situation in which the German Republicans and Socialists found themselves in 1921 and 1922. Nothing less than a fresh impetus from below, from the masses of the proletariat, would have given the Republic the strength to settle with the Generals and the industrialists within the country and to ward off the encroachment of the Entente from without. But the masses of the German workers were weary, disappointed, and exhausted. Here Wirth could find no fresh sources of strength. The new Government therefore confined itself to seeking to avert the worst of the dangers threatening Germany. It attacked neither the generals nor the industrialists, and endeavoured to soften the heart of the Entente by being as accommodating as it possibly could.

At the suggestion of the Wirth Government, the Reichstag voted for the acceptance of the London ultimatum. The Government embarked on the so-called policy of fulfilment of which the most important supporters were the Chancellor himself and the Democrat Minister Rathenau. The advocates of this policy imagined its development more or less on these lines : Germany must prove to the world that it was honestly intending to fulfil its obligations and to make reparation. Germany must therefore agree to the demands of the Allies and summon up all its forces in order to pay reparations. In course of time it would become obvious that Germany was materially not in a position to pay what was demanded of it. The victorious Powers would then realize for themselves that concessions must be made to Germany.

The policy met with no success. The Entente was not in this manner to be persuaded to a gentler treatment of Germany. On the contrary, the pressure put upon Germany grew increasingly stronger, and the disintegration of German economic life grew steadily worse. At the same time the authority and popularity of the republican Parties were exhausted to a terrifying degree. What other policy could Germany have pursued instead ?

It is impossible to put the signing of the Treaty of Versailles on a level with the actions of 1921 and the following years. It was absolutely essential, if only upon psychological grounds, that an official end should be put to the state of war, and that Germany should have a breathing-space. The later demands of the Entente were mostly concerned with matters which—at any rate in this form—were not contained in the Treaty of Versailles. The Treaty stated in general terms Germany's liability to pay reparations. The fantastic sums that were demanded of Germany in 1921 and the following years went far beyond any reasonable interpretation of the Treaty. Germany should at that time have laid stress upon her desire for an understanding with France, but at the same time have refused to do anything that could not be reconciled with a fair interpretation of the Peace Treaty.

In common with the other leading men in the German Republic since 1918, Wirth was quite prepared to come to an understanding with France. But a general willingness of this description was not enough. A definite programme for Franco-German co-operation in the political as in the economic sphere should have been drawn up, and have been supported by propaganda of every kind, including the moulding of public opinion with the help of the Government Parties and their Press. Every man and woman in Germany as

in France should have had it drummed into them that the German Government was prepared to work with France without any mental reservation or any regard for the past. The preliminary condition should have been that France should forgo her fantastic and arbitrary demands upon Germany. If no such agreement could be reached between the two countries, Germany should have unequivocally refused to comply with any demand and any ultimatum that went beyond the terms of the Treaty of Versailles.

A successful policy of conciliation between Germany and France was also prevented at that time by the pallid and abstract pacifism that had been spreading among the German Republican Parties since 1918. It was actually regarded as not permissible to make proposals of special political co-operation to any particular Power; for that would have been a return to the old policy of alliances. On the contrary, Germany should demonstrate to all Powers alike its willingness to come to terms. German policy could find no point of contact anywhere with all these well-meant generalisations. When France persisted in its policy of reparations, the German Government appealed accusingly to the 'conscience of the world,' to England, America, the Pope, etc., without achieving anything.

If every ultimatum were rejected it was to be expected that further parts of Germany, and the Ruhr in particular, would be occupied by the Allies. This would bring further misery and the greatest suffering to the German nation. But this cup, too, must be drunk. Proof had to be given that even with continually extended sanctions France could not squeeze money out of an impoverished Germany. The military occupation of a country containing sixty million inhabitants could not be maintained permanently. Once the policy of ultimatums and sanctions had been

exhausted, the way would be open for a reasonable compromise between Germany and France. During this severe but necessary struggle the republican Parties should have been at the head of affairs. They would thus have become in the best sense representatives of the national ideal, and have wrested their sharp weapon from the hands of the monarchist Opposition. The German people would have supported the Government in this hard path if every care had been taken to ensure that no one class made any profit out of the general distress.

The Wirth Government, however, and with it the Centre, the SPD and the Democrats, decided otherwise. Being honestly convinced that they were doing what was best for the people, they repeatedly recommended compliance with the hostile demands. They waited vainly for the moment when Paris should come to a clearer view of things. The result was that increasing numbers of the German people turned in bitterness and despair against the Republican Government. During the years 1921 and 1922 the reparations crisis continued unchanged in Germany despite the acceptance of the London ultimatum. The numerous international conferences that took place during these two years (no fewer than twenty-seven such meetings occurred between Versailles and the beginning of 1923) produced no result.

The financial sacrifices that Germany was obliged to make during this time did not procure for her any better treatment in territorial questions. The plebiscite in Upper Silesia had resulted in a majority for Germany. None the less, Upper Silesia was divided between Germany and Poland by the Council of the League of Nations in October, 1921. As a result of this decision the Wirth Government resigned. Soon afterwards Wirth formed another Government which differed in

composition only in unessentials from his earlier Cabinet.

The only positive success of German foreign policy at this time was the Treaty of Rapallo in 1922 between Germany and Soviet Russia. At the international conference at Genoa in May, 1922, a Soviet Russian delegation had appeared as well as a German one. Relations between the two Powers had been less strained after 1920, since the German troops had evacuated the Baltic States. Their common antagonism to the Entente brought Germany and Russia together. In Article 116 of the Treaty of Versailles the victorious Powers had expressly reserved the right for Russia also to make a demand for reparations from Germany. There was some danger that the Western Powers would approach Russia with the suggestion that it should join in the reparations campaign against Germany. This was prevented by the compact signed by the representatives of Russia and Germany at Rapallo. Russia renounced any claim for reparations from Germany, and both Powers promised to live together in peace and concord for the future.

The renewal of friendship between Germany and Russia in 1922 could not work miracles. Any idea of joint military resistance to the Entente could not be entertained either in Berlin or Moscow. Nevertheless the Treaty of Rapallo brought an enormous relaxation of the tension in Germany's Eastern policy. The Russo-German rapprochement, which lasted until 1933, at least prevented much trouble that might otherwise have overtaken Germany from the East at critical times. But unfortunately the fatal words 'Too late,' which characterize the whole history of the German Republic, are also written across the Treaty of Rapallo. A similar agreement concluded in December, 1918, might have given a completely

different turn to the internal and external policy of Germany.

The reasons for the defection of the middle classes from the ideal of a democratic Republic have been given above. The actual power of the republican Parties was as a matter of fact really very small during Wirth's chancellorship. Officially the Weimar Coalition of the Centre, the SPD, and the Democrats again bore the responsibility for the fate of Germany, and thus became the lightning-conductor for all the discontent and embitterment that arose in the nation. The capitalists and great landowners and their following were in the extremely satisfactory situation tactically that, while actually in possession of the true power in the State, they were at the same time able to carry on the fiercest opposition to the ostensibly ruling system. Thus the fantastic situation developed that dissatisfaction with capitalist mismanagement, with inflation and its attendant phenomena, weakened the Parties of the Left and gave an increased following to those of the Right.

During these years it was not only the official policy of the Nationalist and the People's Party—advocating as it did monarchy, authority, and private property—that attracted the middle classes in town and country, the peasants and the clerks, and also in increasing numbers the intellectuals and Civil Servants. Beside the official political Parties of the Right began a new movement which intersected with them, in many ways strengthened them, but also sometimes diverged from them. This was the Racist movement.

When the official Reichswehr, consisting of one hundred thousand men, was formed, a large number of the Free Corps officers and men could not be absorbed by it. These individuals who were now unemployed either could not or would not turn to any civilian calling

but sought to pursue their militico-political activities. The disbanded Free Corps were resurrected in the form of defence associations of all kinds. The Ehrhardt Brigade, which had been the support of the Kapp Putsch, derisively resisted all efforts to disband it. The ex-Free Corps kept in touch with all the other overt or secret counter-revolutionary associations of students, farmers, etc., which had existed in Germany since 1919. Thus the whole country, from Schleswig-Holstein to Bavaria and from East Prussia to the Rhine, was covered with a network of illegal military organizations which were financed by heavy industry, and were waiting for the moment when they might by a successful rising complete the work begun by Kapp and his followers.

✓ The co-operation between the Free Corps and the nationalist student associations came to be of extreme importance. The great majority of German students had been most bitterly disappointed by events after November 9. They saw the economic misery and the national humiliation, and laid the blame for existing conditions upon the governing republican Parties and upon the events of November 9. Since the Government did nothing to make known among the people the truth about war-guilt and the causes of the German collapse, and since men are prone to forget what they do not wish to remember, the 'stab-in-the-back' legend gained currency among an increasing number of people and more especially among the nationalist students.

According to this theory the history of the past years was more or less as follows: A surprise attack upon a perfectly peaceable and innocent Germany had been launched by the Entente in 1914. The German army had defended itself heroically and successfully for four years. But then the machinations of the

Social Democrats and of the Centre had paralysed the German people's determined resistance. First Erzberger in league with the Social Democrats had started the cry of peace at any price. Then the Socialist 'agitators' had disintegrated the Navy, and had finally evoked the November Revolution. Thus unpatriotic agitators had thrust a dagger into the back of the brave fighters in the trenches. When Germany capitulated, this same Erzberger had signed the shameful armistice. The Republic and the Weimar Constitution were only the machinery whereby the Reds and the Blacks maintained their harmful predominance over the German people. The German people would be delivered over bound to the Powers of the Entente. Amidst all the want and misery of the masses of the people the leading men were taking care to feather their own nests; Erzberger, who had become notorious during his lawsuit in 1920, more than any one. It was the task of all patriotic Germans to call to account these traitors, to destroy the Republic and the Weimar régime, and in its place to set up a strong and upright Government which should revive the old German traditions.

This is roughly how matters appeared to men of the Free Corps and to the nationalist students. Two of the chief objects of their hatred were Social Democracy of all shades and the Centre Party, as the supporters of the German Republic and of the Weimar Constitution. To these was added a third enemy persecuted with particular venom — the Jews. The black-red-gold colours of the Republic were regarded as the symbol of the confederacy of the Centre, of Social Democracy, and of the 'golden' Jewish International. When the German students worked out a new counter-revolutionary philosophy after 1919, they recurred to the racial and anti-Semitic traditions which had existed in the

German universities since the days of Treitschke and Stoecker. Academic youth was no longer satisfied with a general nationalist feeling, but it demanded beyond that admission of the principles of race and nationality. It demanded that all foreign elements should be cut out of the German body politic, in especial the Jewish. The struggle against Jewish capitalism furnished the racist movement with a particularly effective party cry. The great masses of the middle classes hated capitalism, and especially speculation and profiteering. At the same time they had been cast off by the evolution of the democratic republic after 1919. These classes now grew most enthusiastic over the racial idea, for they could on this ground fight both against the November Republic and against Jewish Stock Exchange capitalism, and at the same time enjoy vague hopes of the regeneration of Germany.

The racist movement was originally not confined to any particular political Party. It permeated to a greater or less degree all Parties of the Right. The National People's Party especially became more and more filled with racial theories. In the same way the former Free Corps, University Corps, and Defence Associations in general took their stand on the racial theory. When the Ehrhardt Brigade marched into Berlin for the Kapp Putsch they wore the racial symbol, the swastika, on their helmets. The racial capital of Germany had since 1920 been Munich, where the counter-revolutionary Bavarian Government freely gave shelter to all secret Defence Associations and to conspirators pursued by North German justice.

The Defence Associations and the racial agitation as a whole were willingly financed by capitalism. For the financiers saw in the racial movement a welcome counterblast to Socialism and Communism. The

great landowners also gladly took ex-legionaries of the Free Corps on to their estates. Nevertheless the official policy of the Nationalists and of the People's Party was not identical with the tactics pursued by the leaders of the Free Corps and their militarist student followers. The Parties of the Right wished to confirm existing rights of property and existing authority. The racist leaders had in the main the same object. Nevertheless they themselves were mostly without settled property and permanent positions. A typical example is the contrast between the officers of the Reichswehr in the secure employment of the State, and the unemployed Free Corps leaders who had no such sense of security ; and the similar contrast between the managers of factories and Civil Servants on the one hand, and the working-class students on the other, who with difficulty managed to earn the money to attend the university. The racist leaders had no personal interest in securing the old authorities in their positions. They wanted to be in power themselves, and therefore wished for open and violent warfare against the republican system, while the parliamentary Parties of the Right were prepared if necessary to be content to have the Republic gradually destroyed by legal means. A separate racist Party was not formed until 1920 in Munich. This was the Nationalist Socialist German Workers' Party (NSDAP) under the leadership of Hitler. As is shown by its very name, the purpose of the Party was primarily to detach the workers from Socialism. The NSDAP had originally, however, no more than a local Bavarian following.

The secret societies were the worst enemies of the German Republic. The republican authorities were crippled in their fight by the fact that the Reichswehr stood in intimate relationship with the secret societies. The Treaty of Versailles permitted Germany to keep

an army of only one hundred thousand men, composed of professional soldiers, without military training for the remainder of the population. Thus, according to the letter of the Treaty, the Reichswehr would have had no trained reserves in event of war. Hence the Reichswehr kept in touch with the Defence Associations and regarded these as possible reserves in case of a war: for example, against Poland. During the fighting in Upper Silesia caused by local antagonisms between Germans and Poles, the Free Corps were mobilized in 1921 and sent against the Polish rebels.

The Free Corps spent a curious twilight existence. Officially the Government would have nothing to do with them, and according to the Peace Treaty armed Defence Associations were prohibited in Germany. At the same time the Government, and more especially the High Command of the Reichswehr, used the Free Corps as frontier guards against Poland, etc. Hence the Free Corps and Defence Associations were especially nervous of the possible existence of treachery. The members of the Free Corps firmly believed that traitors, and more particularly those members of their own associations who gave away any information concerning the existence and armament of such bands, must be killed out of hand. The so-called Vehm murders form a dark chapter in the history of the German Republic. How far the chief men in the Reichswehr, including Gessler and Seeckt, knew of or indeed encouraged the practice of Vehm murder has never up to the present been established with any certainty.

The development of secret defence societies was watched in republican circles with increasing anxiety from 1920 onwards. It was said that the Free Corps and other armed associations were useless against a foreign foe and that their real purpose lay in the sphere of internal politics. If the Free Corps could do nothing

against the French or the Poles, they might be very useful in preparing for another Kapp Putsch. Nevertheless every serious attempt on the part of the German Government to deal with the Free Corps was frustrated by the Reichswehr, and if Republicans and Socialists made public reference to secret German armaments, they were cast into prison by the Reich Court of Justice as traitors to their country. The politically minded judges regarded it as their duty to serve the interests of the State in their sentences. The evidence of the expert witness from the Reichswehr Ministry was always regarded as reflecting the true interests of the State.

The destructive influence of the military shadow-Government thus paralysed republican justice and the republican administration. The political sentences of the Reich Court of Justice and the demand for such sentences on the part of the Reich Prosecutor seemed to indicate deliberate preparations for a counter-revolution. Under the protection of the Army and the Law, the Defence Associations developed uninterruptedly, and it seemed to be only a question of time and opportunity when they should deal the Weimar Republic its death-blow. Meanwhile, the great official organizations of the Right were in no mood to attempt any *coups* during the years 1921 and 1922. The thankless task of struggling with reparations and inflation was left to the Wirth Government. But the leaders of the Free Corps did not wish to wait for so long.

A series of political murders was at the outset to demoralize the Republicans and create a panic in the hostile camp. In June, 1921, Gareis, a Socialist deputy well known for his determined opposition to the Defence Associations, was murdered in Munich. In August of the same year two of Ehrhardt's men murdered the best-hated man in the republican camp—

Erzberger. The perpetrators of the deed escaped. Erzberger's death was another extremely heavy loss to the republican cause in Germany. In spite of personal failings Erzberger was a personality and a real fighter. The counter-revolution murdered with terrible consistency all the really important Republican and Socialist leaders. In June, 1922, Rathenau was also murdered by Free Corps men. Rathenau had drawn upon himself the hatred of the 'Racials' owing both to his advocacy of the policy of fulfilment and to his being a Jew.

The murder of Rathenau roused tremendous agitation among the republican masses. Wirth did all he possibly could to organize the defence against racial terrorism. The Reichstag passed a very severe emergency decree for the protection of the Republic, and a separate court was created in order to deal with conspirators against the Republic. The flight of Rathenau's murderers was prevented by the police. They committed suicide in order to avoid arrest. Nevertheless the decree for the protection of the Republic turned out to be a failure, for the political judges soon gained the upper hand in the new Court. It is true that they did send Communists to prison, but spared those conspirators who came under the protection of the Reichswehr Ministry.

Important changes in the political grouping of the working classes took place during these years. There had already been a split in the Communist Party in 1919. Paul Levi and his closer friends had learnt from the course of the German Revolution that Utopian adventures must prevent revolutionary Socialism from having any success. The Communists could only gain influence among the broad masses of the working classes if they ruthlessly refused to participate in foolhardy ventures. The group of men

about Levi provoked a split at the Heidelberg Party meeting. The Central Committee proposed resolutions to the meeting, especially regarding parliamentary and Trade Union activities, that no Utopian could accept. At the same time it was stated that any one who opposed these resolutions thereby placed himself outside the Party pale.

The Spartacus Union, which was in any case numerically weak, lost the greater number of its members by the Heidelberg Party split. The radical Utopians who had thus been ejected united with some syndicalist theorists to form the Communist Labour Party. This Party never exercised any influence upon politics. The way was now clear for fusion between the Spartacus Union and the millions of workers who had hitherto been adherents of the USPD but who had in reality sympathized with Communism. In 1920 at the Party meeting in Halle came the long overdue split in the USPD. The two tendencies which had from the beginning been present within the Independent Party now divided over the question whether fusion with the Communists should take place or not. The Left wing, led by the *Obleute*, was in favour of it; the Right wing, the supporters of the old Party leaders, was against it.

The group round the old Party leaders had sustained a great loss through the death of Haase, who had been murdered by a lunatic obviously without political motive. The most important men in this group in the Party struggles of 1920 were Dittmann and Hilferding. At the head of the Left wing were Däumig and his closer friends. But their authority among the working classes had suffered greatly from the fact that they had proved themselves hopelessly incompetent during the Kapp Putsch. The majority at the Party meeting in Halle declared itself in favour

of co-operation with the Third International and of fusion with the Spartacus Union. But this did not by any means imply that there was any special confidence in Däumig's leadership. Ledebour disapproved of co-operation with the Third International and voted with the Right wing.

In 1920 disputes within the USPD were exceedingly violent and passionate. Fundamentally they were concerned with different views of the prospects of the German Revolution. The chief cause at issue was whether after the obvious failure of the November Revolution the German working classes would be capable of regaining in a second revolution the power they had lost in the course of the year 1919. The Right wing of the Party, the group round the Party leaders, did not believe in the prospects of a second revolution. Their view was that after the serious defeat that they had sustained the working classes must for the present remain on the defensive. Avoiding all foolish ventures, the German proletariat must for the present confine itself to legal activities. It must be remembered that this group in the Party had from the very beginning been doubtful whether it was possible for Germany to become a thorough-going Socialist State by any rapid metamorphosis. This group would for the time being have been content with a definite democratization of Germany and a careful advance along the path to Socialism. Indignation with Noske's policy in 1919 had also placed the Right wing of the USPD in sharp opposition to the SPD. The quarrel over Noske, however, had petered out for the simple reason that the working classes had meanwhile lost all military and political power. Indignation over the events of the year 1919 could not permanently bridge the internal antagonisms of the USPD.

The Left wing of the USPD, on the other hand, had demanded that a definitely Socialist State should be set up in Germany in the form of a Soviet Republic. It had hitherto avoided fusion with the Spartacus Union solely because it did not wish to have anything to do with the rag-tag and bobtail adventurers who had been attached to the Spartacists. This obstacle was removed since the Heidelberg Party meeting. Levi and his friends were sober Marxists and not adventurers. The Russian Bolshevists were definitely in favour of Levi's tactics, and against the Left wing extremists. Thus the working-class masses in the USPD who wished for the prolongation of the German Revolution might without any scruples join the Third International.

At the Party meeting in Halle the majority of the delegates, officially led by Däumig, declared in favour of the Third International. The union between the Left wing of the USPD and the Spartacus Union soon followed. The leadership of the new Party—which first took the name of the United Communist Party, and then simply called itself the German Communist Party (KPD)—was at first undertaken jointly by Levi and Däumig. Meanwhile a considerable minority in Halle had not voted for joining the Communists. This group, under the leadership of Hilferding, Dittmann, and Ledebour, at first sought to maintain the USPD as an independent Party. But in practice its policy came to approximate increasingly to that of the SPD. The serious crisis in the history of the Republic revealed most clearly by the murder of Rathenau demanded that the Republican and Socialist forces should be combined. Fusion took place in September 1922 at Nuremberg between the old Majority Socialists and the greater part of the Right USPD. Only a small section under Ledebour's leader-

ship did not wish to join the SPD and remained aloof.

In this manner the unnatural partition into three divisions of the German Socialist working classes resulting from the War was at length overcome. Two great Parties of Socialist proletarians now confronted one another and represented the true differences of opinion within the proletariat—a larger Party, which was for the present ready to accept the Weimar Republic and to fight with legal weapons; a smaller Party which aimed at a second and purely Socialist revolution in Germany. Once again the tragic words 'Too late' must be set at the head of a chapter in the history of the German Republic. If the real split had come in December, 1918, the German Revolution might have been saved. It was impossible for the new Parties which came into being in 1920 and 1922 to win back the ground that had meanwhile been lost by the working classes.

At the time of the fusion with the Right wing of the USPD, the Majority Socialist Party was no longer the Party of 1919. The men who had really represented the policy of 1919—Scheidemann, Noske, and Wolfgang Heine—had lost the controlling influence in the Party. Ebert's position as President of the Reich had really removed him from the sphere of Party politics. The fusion between the SPD and the Right wing USPD took place easily and without friction despite the serious reproaches that they had levelled at one another only a comparatively short time before. On both sides there was an honest desire to forget the quarrels of the past and to work jointly in the interests of the Socialist proletariat. In 1922 a re-established Social Democracy was backed by a considerable majority of the working classes, and it had almost undisputed control of the Independent Trade Unions.

Nevertheless the reconstituted SPD did not increase the fighting strength of the proletariat. The leading officials, both those who had come from the old SPD and those who had belonged to the USPD, regarded the situation of the working class with the greatest pessimism. They were all so conscious of the failures of the proletariat that it was impossible for them to conceive of a new revolutionary advance. The Party clung to the legal methods of parliamentary democracy and Trade Unionism, despite the fact that the increasing inflation was shaking every foundation of middle-class society. The Party wished to do what it could to ease the difficult situation of the proletariat, to check the inflation, to find a tolerable solution to the question of reparations, and to render innocuous racist conspiracies. In order to achieve these aims the SPD was prepared to co-operate with the other republican Parties in the Government. But it did not believe that the working classes would within a short time be in a position to seize power in Germany.

The attitude of the newly formed Communist Party was quite different. The workers in the KPD were convinced that the unsatisfactory course of the German Revolution was to be explained by the weak and vacillating leadership of the proletariat ; that the SPD had failed just as badly as the USPD ; but that now the KPD with the help and under the leadership of the great Russian revolutionaries would soon give a new turn to events. Although the leading men in the Party were not prepared to throw themselves into any hazardous adventure that might offer, they were nevertheless resolved not to avoid any opportunity to fight that might arise out of the situation of the working classes. This policy followed precisely the lines laid down under the influence of Lenin at the second Communist World Congress in Moscow in 1920. The

Commissars of the Third International who had been sent to Germany from Moscow were working in the same sense and seriously endeavoured to encourage the movement.

In March, 1921, an opportunity for fighting seemed to present itself. A particularly revolutionary and determined section of workers was at that time employed in the mining district of Mansfeld. As a result of small local skirmishes the Prussian Government sent police reinforcements to Mansfeld. The miners regarded the entry of the State police into the district as a provocation and took up arms. Max Hölz, the leader of a proletarian Free Corps, who had made a name for himself in Saxony during the Kapp fighting, was summoned and took charge of the rising. The Central Committee of the KPD had not occasioned the Mansfeld rising. Nor had the KPD at that time any influence over Hölz, who did not really belong to the Party. Nevertheless the Party leaders believed that they ought to support the rising. A short time previously Paul Levi and Däumig had resigned from the Party leadership owing to differences of opinion with the Russians. Brandler, a former member of the Spartacus Union and a man who was unconditionally loyal to the Bolshevists, now became the leading personality in the Party. The Central Committee of the KPD called a general strike throughout Germany in the hope that the Social Democratic workers would be induced to join.

The hoped-for mass rising of the working classes failed to materialize. The organized members of the KPD spared no effort to carry out the orders of their leaders. But the mass of the workers remained untouched by the events at Mansfeld. They did not regard this local conflict as the occasion for a general rising to begin the final struggle with capitalism. The

general strike was a total failure. The armed rising spread into a few of the districts around Mansfeld, but finally collapsed owing to its complete hopelessness. Nevertheless this armed revolt has its historic significance. It was the last time that any considerable number of German workers took up arms independently. After March, 1921, the spontaneous revolutionary energy of the workers as it had developed since November 9, 1918, was for the time being exhausted. It was a tragic consequence of the many local skirmishes between January, 1919, and March, 1921, that they paralysed the active vanguard of the working class, especially in Central Germany and in the Ruhr, but also in Saxony, Bavaria, and to a lesser degree throughout the whole country. Some of the most determined fighters had been killed, others were in prison, the rest had lost courage.

The events of March produced results within the KPD and the Third International that were also of importance in the history of the German Republic. When the German delegation arrived at the third Communist World Congress in Moscow in 1921, Lenin received them with the bitterest reproaches. The Russian leaders had completely changed their views on the course of world-revolution. Lenin and his friends no longer believed that there would be victorious revolutions in the near future on the part of the workers in Germany, Italy, or even the other countries of Western Europe. They no longer felt that Soviet Russia could expect help from foreign revolutions, and realized that it must try to maintain itself within the capitalist world depending solely upon its own resources.

After 1921 the Soviet Republic embarked on a new economic policy. It made important concessions to the peasantry and to private capital. Russia was

striving with might and main to be recognized by the capitalist Great Powers. Since the Treaty of Rapallo, Soviet Russia had been at peace with the middle-class German Republic, and statesmen in Moscow saw no reason to make any difficulties for the friendly bourgeois Government in Berlin. The Communist Parties outside Russia were recommended to keep clear of purposeless revolutionary action, and instead to take part in the peaceable day-to-day struggle of the proletariat. If Lenin's view of the situation was correct, the Communist Parties really lost all justification for their existence after the third World Congress; and a new course had been initiated which must end in the fusion of Communists and Social Democrats upon the basis of the Social Democratic programme.

The German Communists were, in fact, recommended by Moscow to make a tactical agreement with the Social Democrats for the purpose of forming a 'united front' of all workers. The German Communists were no longer told to make propaganda for the revolutionary dictatorship of the proletariat, but merely to aim at a parliamentary Labour Government. That would be more or less a Wirth Government, with the addition of such Communists as were prepared to collaborate. The final aim of the Russian rulers was obviously to carry over the Rapallo idea into German internal policy, and to make it conceivable for the SPD and the Christian Trade Unions to regard the Communists as potential allies.

The change in Communist policy during the second half of 1921 was so surprising that the German public did not take it seriously. And the Social Democratic leaders at first remained sceptical of the overtures of the Communists. As ill-luck would have it, the Communist Party in Germany happened to lose the one

man who would have been most capable of carrying out the new policy, namely, Paul Levi. The March rising had met with the severest disapproval of Paul Levi and his closer friends. In a pamphlet which Levi published immediately after the rising, he repeated in very matter-of-fact terms what Lenin had said to the German Communists at the Moscow Congress. But Levi combined with his criticism of the March rising severe attacks upon the Russian leaders, to whom he attributed part of the blame for the events in Germany. Lenin and the other leading Bolsheviks, however, were determined at all costs to preserve their authority within the Communist International. If the Communist Parties in foreign countries—in Germany and elsewhere—were unable to conduct a revolution, at least they should carry on propaganda for Soviet Russia. Thus the Moscow leaders—Lenin himself, and later to a far higher degree Zinovieff and Stalin—took advantage of the naïve faith of the revolutionary European working classes in the Russian Revolution.

The credulous Communists in Germany and other countries were told that the new policy of a united front was only a wily manœuvre in order finally to bring about the victory of the Revolution ; that Russia was as revolutionary as ever even if it were making use of new methods ; that every good Communist worker must believe in Russia ; and that if he opposed the authority of the Bolsheviks, he was a counter-revolutionary and a traitor. In the interests of the Moscow Executive, Paul Levi was punished for his criticism by expulsion from the Party. Levi did not believe in the possibility of a revolution in Germany in the near future, and went over to Social Democracy with a small band of personal followers.

The new Moscow tactics in a short time destroyed all the energy and the independent political life of the

KPD. The Russian influence resulted in conferring the leadership of the Party upon a submissive bureaucracy composed of men who obeyed every suggestion from Moscow, who would have no more to do with revolution, who encouraged the policy of the united front, and who soothed the anxieties of revolutionary members by mysterious hints. The historic mission of the KPD should have been to seize the leadership of the proletariat in times of crisis when the cautious policy of the SPD proved inadequate. Nevertheless, from the summer of 1921 onwards, the KPD was just as incapable of action as the SPD. The only difference between them was that the Social Democrats frankly and honestly admitted their cautious and pessimistic view of affairs to the workers. The official KPD, with its hypocrisy and pseudo-radicalism, had just as little faith in a second revolution. But it combined its specific tactics with rantings about the Russian Revolution, and thus deceived its own members. In these years there grew up a Left wing Opposition within the KPD, supported especially by the organizations in Berlin and Hamburg. This Left wing did not wish to support the policy of the united front, and demanded a continuance of the policy of revolution. But it exercised no influence upon the Party leaders.

Notwithstanding the formation of new Parties, the German Labour movement continued on its downward course during the years 1921 and 1922. Deepest pessimism reigned in the SPD, and the KPD was paralysed by the tactical manœuvres of Russian State policy. An attempt to reconstitute the balance of forces to the advantage of the proletariat failed. In reality the counter-revolution grew increasingly stronger up to the end of 1922. The Wirth Government failed to exorcise the two spectres of reparations and inflation, and lost its majority in the Reichstag in

November, 1922. Wirth did not believe that he could carry on the Government on the old basis any longer, and wished to bring back the capitalists as represented by the German People's Party into the Cabinet. The Social Democrats refused to collaborate in any such coalition. Wirth was overthrown. The way was made clear for a purely capitalist Government.

The futile struggles of the years 1920-22 exhausted the democratic wing of the Centre Party exactly as Social Democracy had been worn out in the years 1919-20. The Catholic peasantry of Western and Southern Germany lost interest in the democratic Republic, and were prepared, together with their Protestant brethren, to agree to Germany's being reconstituted as a conservative and authoritarian State. The Conservative Right wing, which relied particularly on the support of the landowners and civil servants, began to gain the upper hand in the Centre Party from 1923 onwards. The democratic period of German Catholicism, which Erzberger had ushered in in 1917, was at an end. The democratic ideal had not only lost its attractive power among the Catholic middle classes. In view of the consistent failures of the Weimar Republic and of Social Democracy, the leaders of the Christian Trade Unions also made a fateful change. Men like Stegerwald were prepared to continue defending the vocational interests of the Catholic workers as zealously as ever. But they did not believe that the interests of the Catholic workers absolutely necessitated association with Social Democracy and the defence of the democratic Republic; the Christian Trade Unions might maintain their ascendancy just as well in a Conservative Germany with certain class distinctions. Within a Right Wing Government, the Catholic workers would form the bridge between it and the broad masses of the people,

and be all the more indispensable. Such a policy appeared very clever, and it obviously to some extent received justification later during the middle-class coalition Governments that held power until 1928. In reality this policy, despite all excuses and justifications, signified the passing of the Christian Trade Unions of Germany into the camp of their class enemy. The blame for the catastrophe which overtook the German Republic under Brüning's chancellorship is to a considerable extent to be ascribed to the pursuit of this policy on the part of Stegerwald and his friends.

The definitely democratic section of the Centre Party under Wirth had since 1923 been hemmed in between the frankly Conservative wing on the one side and the Trades Union wing, which was prepared for every kind of experimental dictatorship, on the other. Thus the democratic tendency in the Centre was rendered powerless from 1923 onwards. The serious crises subsequently encountered by the Republic found the Socialist working class in complete political isolation.

CHAPTER VII

THE OCCUPATION OF THE RUHR AND THE INFLATION, 1923

AFTER the fall of the Wirth Government in 1922 a capitalist Government was formed. Cuno, the managing director of the Hamburg-America Line, became Chancellor. He formed his Cabinet of so-called non-political experts, representatives of the People's Party and the Conservative wing of the Centre Party. In addition, Gessler received a portfolio, and the Democrat Oeser became Minister for the Interior. The Nationalists were not officially represented in the new Government, but they supported Cuno's policy. Cuno's task was to organize national resistance to the demands of the Entente.

It could not in fairness be expected of Cuno that he should pursue a Socialist policy. Within the limits of the class to which he belonged he was a thoroughly able man. He had a right understanding of the important problems with which German politics were then confronted. Cuno did not fail because his political principles were wrong, but because it was impossible to develop a truly national policy in alliance with the narrow and egotistical German capitalist class. Cuno was not strong enough to carry his nationalist policy into effect against German capitalism. He wanted to be both a nationalist and a man of the propertied class, and these two qualities were, as was shown in the course of the year 1923, impossible to unite.

It was very far from Cuno's intention to provoke the French or to refuse payment of reparations. On the contrary, he made very far-reaching, positive suggestions to the Entente as to the manner in which Germany should fulfil her reparation dues. But Cuno demanded a final estimate which should be calculated proportionately to Germany's capacity to pay. He did not wish to carry on the disastrous methods of his predecessors, who accepted every ultimatum of the Entente and were then obliged immediately to ask for postponement, and thus dragged Germany along from one date of payment to the next, without the least prospect of solution to the difficulties. If the Entente should refuse to agree to the honest and extensive offers of Germany, then it must be left to the victorious Powers to do as they thought fit. Germany could not wage war, but it could offer determined resistance to the occupation of the Ruhr and any other coercive measures.

National resistance of this description, however, was only conceivable if inflation—that is to say, the plundering of the masses of the German people by a small number of speculators—ceased immediately. Cuno wished to take the necessary measures to end inflation simultaneously with his pursuit of an energetic foreign policy. In the existing circumstances his intentions were perfectly right and proper. The Cuno Government found a support among the German people such as had been accorded to no other Government since 1918. In the Reichstag Cuno's foreign policy was supported by all the middle-class Parties and by the Social Democrats. The Communists refused to agree to a political truce with the Government, but they were in perfect accord with a policy of national resistance to France. Thus the days of August 1914 seemed to have returned, and after all the fearful con-

vulsions through which German social life had passed, national concord seemed as by a miracle to have been newly forged. It was to be seen only too soon, however, that the opposed interests of the various classes were not consonant with national unity.

The French Government under Poincaré refused Cuno's proposals and insisted that Germany should fulfil all the payments and sanctions for which the Allies had asked during the past two years. If Germany did not pay, coercive measures were to be taken. It was not difficult to establish Germany's default, since it had not, in fact, carried out the prescribed demands. The French Government asserted that Germany had not delivered the appointed quantities of coal and timber. France would therefore occupy the Ruhr in order to confiscate the necessary amount of coal. On January 11 a Franco-Belgian army marched into the Ruhr. Although England and Italy did not take part in the French action, they also made no attempt to interfere with Poincaré's plans.

The German Government took up the challenge. All further payments or deliveries were forbidden to be made to the Powers that had sent their troops to the Ruhr. The German officials in the Ruhr were instructed to refuse all help to the foreign invader. These orders were carried out. The French generals retorted by removing the German civil servants from the district and taking possession of the German railways. Relations between the French troops and the German inhabitants of the occupied area grew daily worse. There were clashes. French soldiers fired on German demonstrators. Arrests took place on a large scale, and numbers of persons—especially German officials—were banished from the Ruhr. It proved impossible to prevent a large French army occupying the Ruhr district and taking over its administration.

The only sphere in which a really successful resistance could be made by Germany was the economic. The French Government had sent its soldiers into the Ruhr to obtain coal. There was only one possible answer to this on the German side—that every pit should promptly be closed down. French cavalymen and gunners could not change themselves into miners. It would not be easy to replace in a hurry half a million trained workers who knew the ground.

The general strike with which the workers of the Ruhr district proposed to meet the invasion of French and Belgian troops did not take place. It was prevented by the mine-owners. They kept the pits open because they did not care to face the loss in which the cessation of production would have involved them, despite the compensation offered by the Government. As soon as the French had entered upon the occupation they forbade all export of coal into those parts of Germany which were not occupied. The German mine-owners pleaded that they must produce coal for the inhabitants and for the industries in the occupied area. Moreover, there must be a reserve of coal in order that the unoccupied areas might have deliveries again immediately in case a compromise were reached with France. The arguments of these 'patriotic' owners were successful. The production of coal in the Ruhr district, though it was much restricted by the abnormal conditions, never actually came to a standstill.

The so-called passive resistance of Germany in the year 1923 is really a fable. Bad as the situation was in general for the German masses in the Rhine and Ruhr districts, the really decisive economic battle over the coal-mines bore the features of a tragi-comedy. The scene is any pit in the Ruhr district. The miners peacefully work the coal and pile it at the pit mouth. One day French troops appear at the mine. The

German miners and labourers indignantly leave the spot. The French remain there, and with great difficulty and the assistance of foreign labourers whom they have brought with them they clear the coal from the pit head. This done, they move off again. Immediately the German workers and officials reappear and carry on the work in the mine, until once more coal is piled up, and the French come back again. And so it goes on. The whole procedure was known as 'national passive resistance.'

Cuno should not have permitted the German mine-owners to play this game. The Government should have ordered the cessation of work in all industries in the occupied area, and have regarded as a traitor any mine-owner who allowed the work of a pit to be carried on. Undoubtedly misery in the occupied area would have been greatly increased thereby. But if a war is in progress, no means must be shirked for furthering it. The German workers were at that time ready to make any sacrifice, but the great industrialists were unwilling to forgo their profits. In order to make the black-leg capitalists submit to the national exigencies an iron-handed government imbued with the spirit of 1793 would have been needed. But Cuno was no Robespierre. In spite of everything, he still felt that among the West German capitalists he was one of themselves and could not take strong measures against them. Thus passive resistance was from the very outset a pathetic and half-hearted proceeding, and the French authorities were able to announce with pride that the amount of coal seized by them in the Ruhr district was steadily increasing.

In January 1923 the Cuno Government had taken the requisite measures and called a halt to inflation. They had fixed a rate of exchange that made the dollar worth about twenty thousand Marks. The currency

remained stable until April, and then the patience of the speculating German financiers and the industrialists failed. The dams gave way, and during the next few months the paper Mark literally vanished in the void. Once again the capitalist class had broken through the front of national resistance. They had placed not Germany but their own profits before everything. Nor was Cuno capable of taking the necessary measures in this case, because he was the prisoner of his own class. When the dollar exchange crept up into the region of milliards, passive resistance was brought to an end and Cuno's plan had failed.

Then followed the mad days in Germany, when for a loaf of bread notes were paid whose face value ran into milliards or even billions. The German currency had, in fact, lost all value. Those who, as has been indicated above, were making a profit out of the inflation—the financial speculators, great industrialists, and estate owners—were enjoying a Golden Age. Since German factory-owners were able to produce goods at the most absurdly low costs, the German prices were lower than those of any competitor in the world market. Hence production rose in Germany in 1923 and goods were dumped upon foreign markets. The victims of the inflation were the German lower middle classes, the wage and salary earners. And those who had any savings in Germany lost their last farthing.

The systematic expropriation of the German middle classes, not by a Socialist Government but in a bourgeois State whose motto was the preservation of private property, is an unprecedented occurrence. It was one of the biggest robberies known to history. On June 29, 1927, Stresemann, as winner of the Nobel Peace Prize, made a speech in Oslo in which amongst other things he said: 'The historian still to a great extent regards the catastrophe of the War for Germany

as being mainly the loss of territory, the loss of useful colonial work, the loss of public and private property. He often overlooks the most serious loss in which Germany has been involved. And this, as I see it, is the fact that the intellectual and productive middle class, which was traditionally the backbone of the country, has been paid for the utter sacrifice of itself to the State during the War by being deprived of all its property and by being proletarianized. How far reasons of State could justify the demand of such a sacrifice of a whole generation—a sacrifice that consisted in the total devaluation of money issued by the State, which was not replaced—is a question upon which the minds and perhaps also the practice of the legislature have hitherto been vainly exercised.'

Stresemann was right enough in his facts. But as a representative of a German capitalist Government, he carefully replaced the word 'robbery' by the more refined expression 'reasons of State.' The German working classes had few savings to lose. But in another way they lost just as heavily as the middle classes. True, the number of unemployed in Germany was relatively small in 1923. Nevertheless real wages were shrinking lower and lower between April and October, for the immense paper wages that were paid to the workers had hardly any purchasing power. The consequence was fearful distress among the broad masses of the people. A well-informed observer has reckoned that in October of this terrible year the wages of a trained and skilled worker for one week were just about sufficient to buy a hundredweight of potatoes. Pay for nine or ten hours of work was necessary to buy a pound of margarine. For a pound of butter a man would have to work for several days. A hundredweight of briquettes cost the pay for twelve hours' work. A pair

of ordinary boots took six weeks' pay, and a suit of clothes that of twenty weeks.

The result of such conditions was unexampled misery for the masses. The chief burgomaster of Berlin at the beginning of 1923 published a pamphlet on conditions in Berlin. His material in general takes in only the year 1922, that is to say, not the worst period of the inflation. Nevertheless his figures and notes are sufficiently impressive. Thus of the children leaving school in the Berlin district of Pankow in 1922, twenty-two per cent. of the boys and twenty-five per cent. of the girls were below the normal level as regards size and weight. Thirty-one per cent. of the boys and thirty per cent. of the girls were unfit to work for reasons of health. In the district of Schöneberg in the year 1913, eight per cent. of the children leaving school were tubercular or suspected of tuberculosis; in 1922 there were fifteen per cent.; and in 1923 the figure undoubtedly rose higher.

The official pamphlet continues: 'Shocking accounts from the Child Welfare office and the head office of the War Pensions Ministry illuminate the prevailing misery of the children. Numbers of children, even the very youngest, never have a drop of milk and come to school without a warm breakfast. They have dry bread, sometimes spread with mashed potatoes. The children frequently go to school with no shirts or warm clothing, or are kept away from school owing to lack of underclothing. Want is gradually strangling every feeling for neatness, cleanliness, and decency, leaving room only for thoughts of the fight with hunger and cold.' This was how the German proletariat lived under the shadow of the inflation.

When the French occupied the Ruhr district the Reichswehr also made preparations to meet the changed situation. There were at that time millions of men in

Germany who had undergone military training and who had fought in the World War, as well as a sufficient number of officers. But there was a lack of the necessary weapons of modern warfare such as military aeroplanes, heavy artillery, and tanks. Thus the Reichswehr was unable to offer armed resistance to the French invasion of the Ruhr. Nevertheless new situations might arise which, according to the opinion of the generals, Germany would not meet with purely passive resistance. The Poles might take advantage of Germany's difficulties in the west to attack her Eastern frontier, or the French might advance east of the Ruhr towards Berlin; and preparation must be made to meet such emergencies.

The Reichswehr High Command decided to increase the army above the 100,000 men allowed under the Peace Treaty. The loose connexion which had hitherto obtained between the Reichswehr and the Defence Associations was not sufficient. New regular units were established and incorporated in the Reichswehr under a slight disguise, for instance, under the name of 'Labour detachments' (*Arbeitskommandos*). The new formations, which according to the wording of the Peace Treaty were not permitted officially to exist, were generally known as the 'Black Reichswehr.' Psychologically the moment for strengthening the German army was more favourable than it had ever been since November 9. The German people were unanimous without distinction of Party in wishing to show resistance to the French, and were ready to make the greatest sacrifices. Nevertheless the result of the increase in the army was almost negligible. An authority, who was certainly conversant with the facts, estimates the total increase in the Reichswehr by all new formations at fifty thousand men. And the new soldiers were by no means always the best elements.

Many of them were unreliable, hare-brained fellows who gave little satisfaction to the High Command.

During the years 1807-13 the Prussians had in the most difficult circumstances, under the severest supervision by the French conquerors, successfully carried out an illicit increase of their army. In 1813 when war broke out, the Prussian national army was suddenly on the spot, and it fought admirably and with a fine courage. Why could not Gessler and Seeckt repeat the work of Scharnhorst and Gneisenau? And why did all other attempts to play Scharnhorst fail so miserably in Germany after 1918? Gneisenau and Scharnhorst were politically the most radical men in the Prussia of their day. They fought for middle-class democracy and against the outworn aristocratic State. They were an organic part of the masses of the poor people, and therefore they were able to create an illicit national army without Vehm murders and conspiracies.

After 1918, however, the national liberation was to be effected in the name of capital and Landed Property. The successors of the very classes who had made life so bitter for the reformers in 1813 were the ones to pose as sole supporters of the nationalist ideal. General von Seeckt was an excellent professional soldier. During the War he had been successful in many battles as Chief of Staff to Mackensen. But in politics Seeckt was rigidly conservative, a man of traditions, who had no understanding of the labouring masses. The temper of the Reichswehr Ministry was always that of counter-revolution. The German working classes and Republicans in general feared not without reason that increased German armaments would be used less against a foreign foe than against the Democratic Republic. It was exactly the opposite situation to that in 1813. In those days King Frederick William III and his

Court had trembled before their own revolutionary army.

Thus neither true national re-armament nor the creation of an illicit army was possible in the Germany of 1923. If the Reichswehr wanted new recruits it was obliged to rely upon nationalist former Free Corps men and professional conspirators. In their efforts to build up the Black Reichswehr, the generals very soon came into violent contact with the racist leaders who were not at all inclined to serve the Reichswehr blindly and for the sake of pure idealism. Shortly before, there had been an open breach between the Free Corps and the great political Parties of the counter-revolution. The active elements among the officers and men formerly belonging to the Free Corps were getting tired of the slow pacific methods of the People's Party and the Nationalists. Towards the end of 1922 the Free Corps leaders and their friends provoked an open breach with the German National Party. The new German Racist Liberty Party came into being. Three Nationalist deputies who were particularly interested in the Free Corps—von Graefe, Wulle, and Henning—joined the dissentients. The somewhat older National Socialist Party in Munich remained independent, but collaborated politically in the work of the Racist Party in North Germany.

When the Reichswehr was beginning to set up its Black units, it was anxious to enlist the individual Free Corps men in them, but only as individuals, not as complete detachments under their old leaders. The Free Corps leaders would not agree to this, for it would have meant the end of their detachments and their own political extinction. The Racist Party had immediately set about forming its own great defence association which bore the innocuous-sounding name of gymnastic societies. Lieutenant Rossbach, a well-

known Free Corps leader who had fought in the Baltic States, became the head of these gymnastic societies. Rossbach and Graefe, as soon as they realized the intentions of the Reichswehr, went direct to Cuno. They endeavoured to explain to him that sooner or later his policy must in addition to the struggle in foreign policy against France lead to an internal political conflict with the Social Democrats and Communists. The Government, they pointed out, needed strong armed forces, upon which it could rely firmly in the struggle with the internal as well as the external foe. All the defence associations should be united under the leadership of General Ludendorff, and the whole force would be at Cuno's disposal. General Ludendorff, undoubtedly the most gifted soldier of his day, was in sympathy with nationalist aims. In 1920 he had supported the Kapp Putsch, and was now ready to help the defence associations.

If Cuno had agreed to these proposals, Germany would have had not only a racist shadow Government, but also a shadow counter-Reichswehr. The Reichswehr Generals would certainly not have tolerated a general staff that was independent of themselves and in competition with them. Cuno put off the racist leaders with words that bound him to nothing. Meanwhile the Reichswehr acted. In March Lieutenant Rossbach was arrested, and at the order of the Reich Public Prosecutor was kept in custody until October. The accusations against Rossbach and his friends were based upon the law for the security of the Republic. It is clear from this case that the Public Prosecutor of the Reich and the Supreme Court suddenly, at the behest of the Reichswehr Ministry, developed a jealous regard for the safety of the Republic and a stern disapproval of Right wing conspirators. An important part was already played during this year in the political

actions of the Reichswehr Ministry by a member of its staff, Colonel Schleicher.

The quarrel between the Reichswehr and the Free Corps did not assist the development of the Black Reichswehr. Among the recruits and also the newly appointed officers of the Black Reichswehr were not a few who preferred to follow the slogans of the Free Corps leaders rather than the instructions of the Reichswehr. From March 1923 onwards the breach between the Reich Government and the Reichswehr Ministry on the one side and the Racists and the Free Corps on the other was clearly marked all over Germany except in Bavaria. This must not, however, be taken to imply a clear division for or against racist ideas. The great mass of the electors of the Nationalist and of the People's Parties, especially those who belonged to university and military circles, remained susceptible to racist ideals. No real ideological breach had occurred with the Right Parties. Only the extremist spokesmen of the racist movement and of the Free Corps had cut themselves off from the Reichswehr or the Nationalist Party as the case might be.

In Bavaria there was no corresponding breach between Conservatives and Racists. Taken all in all the counter-revolutionaries in Bavaria preserved even after March 1923 the united front that had been formed since the victorious issue to the Kapp Putsch in Munich. The chief influence in the Bavarian Government was in the hands of the Bavarian's People's Party, which was supported mainly by the Catholic peasantry. To this were added the German Nationals as the Party of the propertied middle classes and of the Protestant landowners in Franconia, the National Socialists as the Racist Free Corps Party of Bavarian stamp, and finally the Bavarian Reichswehr and all the various large and small defence associations and racist organizations

which had sprouted so freely upon the fertile Bavarian soil. Within these forces of the ruling Right there were many personal or group antagonisms, and at times serious discords. Nevertheless there was a general feeling of unity, which remained until November 1923.

The Bavarian counter-revolution possessed a middle-class majority in the Diet and was thus able to cloak itself with a show of legitimacy. The distinctive development in Bavaria expressed itself in the ruthless suppression of the labour movement, in unpunished Vehm murders, in terrorist sentences in the law courts against so-called traitors, in the completely unfettered development of legal and illegal defence associations. The Bavarian Reichswehr maintained the closest relations with the defence associations and the National Socialists. Captain Röhm was the liaison officer between the Bavarian Reichswehr and the National Socialists. In Munich there was constant succession of militarist and nationalist demonstrations. The Bavarian counter-revolutionaries could nevertheless not indulge in active opposition to Cuno's Reich Government while the Ruhr struggle was in progress, but they were determined in case any signs of a swing to the Left should be seen in Berlin to go their own way.

The Free Corps and the defence associations in the unoccupied portions of Germany sought to influence the Ruhr struggle in accordance with their own ideals. They sent small divisions of shock troops into the occupied area, who endeavoured to hinder the transport of French troops and of confiscated coal by blowing up sections of the railway lines. The positive results of this active resistance were slight. Every explosion produced a retort from the French in the form of the most severe retaliatory measures upon the civilian population. The racist shock troops were riddled with spies and traitors to such an extent that their

plans were generally in the possession of the French authorities before they had been carried out. In one such action in the Ruhr district the well-known Free Corps leader Schlageter, who had also fought in the Baltic States, was captured and shot by order of a court-martial.

The more the passive and also the active resistance in the Rhine and Ruhr districts proved themselves to be useless, and the more the inflation consumed the substance of the masses, the greater became their desperation and embitterment, and finally their desire for revolution. There has never been a period in recent German history which would have been so favourable for a Socialist revolution as the summer of 1923. In the chaos of monetary devaluation all traditional ideas of order, property, and legality had disappeared. And nobody could put the responsibility for the ghastly conditions that had developed since the occupation of the Ruhr on to the shoulders of the Socialists or Republicans. The Cuno Government had sprung from so-called nationalist circles. It was free of the taint of Socialism. It was responsible for the dispute with France and for the orgies of the inflation. It was not only the workers who felt more clearly every day that conditions were intolerable, and that the whole system must come to a terrible end. The middle class too, which had lost its all by the inflation, was filled with revolutionary ferment and wished for a break with capitalist profiteering. If there had been a really great popular movement against the ruling system, the civil servants—who were after all themselves victims of the inflation—including the police, would hardly have displayed much severity, and whether the Reichswehr soldiers would have fired on their starving fellow-citizens for the sake of exchange profiteers is very doubtful.

Nevertheless the revolutionary temper of the German people found no echo among the political Parties. Neither the SPD nor the KPD showed any serious disposition to assume power at the head of the masses and to replace the hated capitalist system by a new Socialist system. It will be asked why, if all were so ripe for revolution, the masses waited for the word from their Parties and did not strike alone spontaneously. But the spontaneous energy of the German workers had, as was shown above, suffered grievously from the unfortunate issue to the fighting in 1919-21. The masses now needed to be determinedly led by a Party if they were to make a fresh advance.

Social Democracy persisted in its pessimistic view of the general situation. It did not really believe in the possibility of revolution, and did not want to do anything that could further increase the existing chaos in Germany. The SPD was prepared, if the call were to come, to take over responsibility once again for the government of the Reich. It would then take the necessary steps to end the Ruhr war and the inflation, and to make life worth living again for the German workers. But the SPD was not prepared to proceed by ways that would have diverged from the path of legality. The Party leaders did not believe in the possibility of co-operation with the Communists, and remained exceedingly distrustful of suggestions for the formation of a united proletarian front.

In the course of the year 1923 the power of the SPD steadily decreased. The Party passed through a crisis which was reminiscent of that of 1919. The Independent Trade Unions especially, which had always been the chief support of Social Democracy, were in a state of complete disintegration. The inflation destroyed the value of the Union subscriptions. The Trade Unions could no longer pay their employees

properly nor give assistance to their members. The wage-agreements that the Trade Unions were accustomed to conclude with the employers became useless when the devaluation of the currency made any wages paid out a week later worthless. Thus Trade Union work of the old style became unavailing. Millions of German workers would have nothing more to do with the old Trade Union policy and left the Unions. The destruction of the Trade Unions simultaneously caused the ruin of the SPD.

Since the SPD failed to find a way out of the existing misery the disappointment of the workers in the Cuno Government was to some extent transferred to Social Democracy. The SPD was obliged to pay in 1923 for mistakes in policy of which they were entirely innocent, merely because their legal tactics seemed to imply acquiescence in the laws and therefore in the existing state of affairs. The KPD had no revolutionary policy either, but at least it criticized the Cuno Government loudly and sharply and pointed to the example of Russia. Hence the masses flocked to it. As late as the end of 1922 the newly united Social Democrat Party comprised the great majority of the German workers. During the next half-year conditions were completely changed. In the summer of 1923 the KPD undoubtedly had the majority of the German proletariat behind it.

It is difficult to give any statistical evidence for this statement. During the periods of radicalism, the middle-class majorities in the Parliaments together with the administrative bureaucracy took care that there should be no elections, for radical electoral successes would have inflamed the masses still further. Thus the Reichstag which had been elected in 1920 remained in existence until 1924, despite all the German political crises, and although it had long ceased to be

representative of the popular temper. A single election to a provincial diet took place in the summer of 1923 in the insignificant little agrarian state of Meckleburg-Strelitz. Very different was the course of German politics after 1930, when it became an affair of rendering the German Republic defenceless before a final assault by a series of National Socialist victories. Then the authorities saw to it that one election after another took place, so that the Republicans did not know whether they were standing on their heads or their heels—a fact that contributes to an understanding of the so-called German Democracy.

At the local elections in Strelitz in 1920 the Social Democrats had received twenty-five thousand votes, and the USPD two thousand. The Communists had taken no part in them. In July 1923 the Socialists polled only twelve thousand votes, and the Communists eleven thousand. At a poll taken by the members of the Berlin metal workers' Union in July the Communists had fifty-four thousand votes, and the Social Democrats only twenty-two thousand. As late as the Reichstag elections in May 1924, when the revolutionary wave was long past and the KPD was on the downward grade again, the proportion of Communist to Social Democrat votes in the Reich as a whole was as four to six. Thus no doubt can be entertained but that in the summer of 1923 the KPD was stronger among the German proletariat than the SPD.

All the greater was therefore the responsibility resting upon the leaders of the KPD and upon the leading men in the Third International. Nevertheless the leaders of the KPD refused during the first half of 1923 to believe in the advent of a German revolution, and the Moscow Government, which concluded the Treaty of Rapallo with the German middle-class Republic, shared

their view. In deference to the opinion of the Moscow Government, the KPD leaders prohibited its agitators from making any propaganda for the dictatorship of the proletariat and for the Socialist revolution. The only battle-cry permitted at the time was that for a parliamentary Labour Government formed by an alliance between the KPD and the SPD. The Party Chairman, Brandler, zealously carried out the policy recommended by Moscow. Actually his views upon the fundamental questions of German politics were precisely the same as those of the leaders of the Social Democrats. The men around Brandler were separated from the SPD only by the past, not by the present. Brandler imagined that events would take the following course: In a short time Cuno's Government would come to the end of its resources, then Social Democracy would take the helm again and be obliged to form a coalition with the Communists and possibly also with the Christian Trade Unions. The KPD must prepare for such a situation, but must not waste its energies in futile demonstrations.

It was certainly no political crime in 1923 for any one to aim at a unification of the German proletariat. A German Labour Government such as Brandler and his friends imagined would have been an immense advance. The great mistake of the KPD lay in the fact that they mistook the way to reach this goal. In peaceful orderly conditions a Labour Government may come to power through parliamentary elections and work for the proletariat within the framework of a middle-class constitution, as is shown by the examples of England, Australia, Sweden, etc. But in a country that is in the throes of a terrible revolutionary crisis, as Germany was in 1923, the transference of power from one class to another cannot be effected in this peaceable manner. Even a Labour Government

composed of representatives of the SPD, the KPD, and the Christian Trade Unions could in 1923 only have come into being as a consequence of a tremendous mass movement, but never as the result of a parliamentary negotiation. The great industrialists and the Reichswehr generals would never have obeyed a parliamentary resolution that took the power from them. The fate that was to overtake the legal and parliamentary Labour Governments in Saxony and Thuringia in October 1923 showed plainly how much a parliamentary majority decision was worth at that time.

The Left oppositional wing of the KPD protested violently against Brandler's tactics, and demanded that resolute preparations should be made for a German revolution. But the Party leaders and the leading men in Russia would not be moved from the path they had marked out. The energies of the Communist International were in 1923 directed more strongly against the Communist Opposition than against the ruling capitalist class in Germany. In consequence the KPD did nothing to prepare the masses for a revolutionary movement, and no use was made of the unprecedentedly favourable situation for the German working classes in 1923.

At this time a new Left wing was also forming within the SPD, which did not, however, consist of the former leaders of the USPD. Its members were chiefly the Saxon and Thuringian local Party officials who were dissatisfied with the tactics of their Party leaders. They demanded a proletarian power-policy, and to this end an alliance with the KPD. Zeigner, the Saxon Prime Minister, became the most important spokesman of the new Left wing SPD. By a piece of ill fortune this left wing SPD in its efforts to induce greater proletarian activity ran straight into the arms of the Communist leaders under Brandler. The policy of

their own Party leaders was too opportunist to please the Left Social Democrats, but in joining Brandler they were going from the frying-pan into the fire. In Saxony and Thuringia the SPD and the KPD together were in a majority over the middle-class Parties. In both States, Social Democrat Governments were formed which maintained their position by the help of the Communist votes in the Diet. Moscow was greatly pleased at the way things were shaping in Saxony and Thuringia. For the first time Labour Governments had come into being according to plan, and it was hoped that their example would soon be followed in the rest of Germany.

In August the conviction grew more and more widespread among the German people that Cuno's Government could not last. On August 11 there was a general strike in Berlin, led by Communist shop-stewards. In addition to the safe-guarding of their food supplies, the workers demanded Cuno's resignation. The movement spread from Berlin to other parts of the Reich. The SPD realized that Cuno could no longer be kept in power in face of the popular animosity, and therefore entered into opposition to the Reich Government. On August 12 the Cuno Government resigned. Passive resistance to the French invasion had failed completely, and at the same time the destruction of the German currency appeared to be involving Germany in economic dissolution and political chaos. The general strike soon collapsed after it had gained its main political aim. But the 'November mood,' as it was called in memory of 1918, remained in the country. The great capitalists no longer felt capable of retaining the Government in their own hands. They were as in 1918 prepared to make considerable sacrifices in order to avert the worst—expropriation. Stresemann, the leader of the capitalist

People's Party, formed a new Government with the decisive assistance of the Social Democrats.

Social Democrats assumed the portfolios for Home Affairs (Sollmann), Finance (Hilferding), Justice (Radbruch), and also provided the Vice-Chancellor (Schmidt). Stresemann himself became Minister for Foreign Affairs. His Party also furnished the Minister for Economy (von Raumer) and for Food Control (Luther). The remaining Ministries were filled from the Centre and the Democrats. Gessler was also a member of the Cabinet. The influence of Social Democracy in the Cabinet was very strong, since the Party had direct control of Finance, Civil Administration, and Justice. If the SPD considered a revolutionary assumption of power to be impossible, then, in fact, nothing remained but to make such a division of power with the middle classes. The Social Democrat Ministers wanted to bring the Ruhr war to an end and to come to an understanding with the Entente as soon as possible. They wished to stabilize the currency and thus to provide for the workers wages that kept their value. Drastic taxation of property-owners on the gold basis was to assure the continuance of social reform and to put the Reich finances on a sound footing again. For the moment the capitalist class was so cowed that it agreed to a considerable Labour influence in the Reich Government. How matters would develop when the pressure of the masses was relaxed remained to be seen.

From August 1923 until his death six years later, Gustav Stresemann was the leading personality in German political life—for the first few months as Chancellor and Foreign Minister, and then for six years as Foreign Minister of the German Republic. Even after he had resigned the post of Chancellor, Stresemann exercised a strong influence upon internal policy.

Stresemann had been a National Liberal deputy in the pre-War Reichstag. During the War his authority in parliament increased. Stresemann was independent of traditional symbols, catchwords, and Party shibboleths to a degree uncommon among German politicians. As a result he was at times involved in serious difficulties, but on other occasions it gave him an immense advantage. During the World War it was customary for men who believed in a German victory to support Conservatism in internal politics. And conversely those who advocated democratization of the country demanded the so-called peace by understanding. Stresemann was almost the only person who cared nothing for this distinction. [He advocated both a victorious peace and liberal reforms in internal politics. \ After the Revolution Stresemann's position was at first very difficult. Any politician who had believed in a German victory was regarded as a dark reactionary. Hence Stresemann joined the counter-revolutionary People's Party, the Party of the Industrialists and Financial Capitalists. Stresemann's economic and social principles fitted into this framework very easily, for he would have nothing to do with Socialism, and as a true pre-War National Liberal insisted upon the sanctity of capitalist private property.

With the passage of time Stresemann again came into conflict with the conventionalized limitations of German politics. The average German Christian capitalist was in favour of the black-white-red past as compared with the Weimar Republic, and supported a restoration of the monarchy or at all events the establishment of some form of dictatorship. Stresemann did not admit the inevitability of this association of ideas. Why should not the propertied middle classes be able to make their influence felt within the framework of the Republic and the democratic Constitution ?

Could not Germany produce a stable middle-class Republic in the manner of France and the United States? If the propertied middle classes were able to win the co-operation of at least the moderate members of the working classes by a swing over to the Republic and Democracy, it would be all the better. In foreign policy Stresemann had drawn the conclusion from the course of the Ruhr conflict that Germany would get no further by the use of force, obstructionism, and nationalist emotionalism. An attempt must be made to reach an understanding, and this could be arrived at if intelligent use were made of England and America as intermediaries between Germany and France.

Later developments showed that Stresemann was really alone in Germany in his political views. He was divided from the proletarian and democratic masses by his definite belief in capitalism. On the other hand, the German capitalists refused their allegiance to the democratic Republic. It has been said that the only link between the old and the new Germany was the person of Stresemann. Even in his own Party Stresemann was virtually isolated. As the best speaker and the most gifted statesman among German capitalists, Stresemann had indeed assumed the leadership of the People's Party. Other influential men in the Party nevertheless showed the greatest reluctance to follow him as soon as they realized the nature of his new aims and methods. There is a touch of the dramatic in the sight of this solitary man unsupported by the armed forces or by any reliable organization of the masses impressing his will upon the development of Germany and remaining in power until his death without any considerable difficulties. Moreover, Stresemann was able to achieve in foreign policy nearly all the objects that he deemed necessary for his defeated country. Such an achievement certainly testifies to the strength.

of Stresemann's personality. Nevertheless it was only made possible because the international economic and political situation in those years tended to furnish the solution envisaged by Stresemann.

It was already known in political circles in August 1923 that Stresemann genuinely believed in the Weimar Constitution, and refused to have anything to do with racist conspiracies or any idea of a dictatorship. This knowledge made collaboration with Stresemann easier for the Social Democrats. There was reason to hope that, as Chancellor, Stresemann would prevent trickery on the part of his own Party and of the German capitalist class in general. Stresemann and the SPD were agreed at least upon their two main objects—peace abroad and the stabilization of the currency at home. There even seemed to be some chance of an understanding being reached upon the delicate question of the army since the Reichswehr generals had come into open conflict with the Racist Free Corps leaders. A sort of understanding had been reached between the Reichswehr Ministry and the Social Democrat Home Minister of Prussia, Severing. According to this, the Prussian administration was not to interfere with the Reichswehr's work of rearmament, on condition that the Reichswehr attended to all military matters itself and permitted no influence to be exercised upon them by the illicit corps.

The Reich Government recognized the inevitable and gave up the so-called passive resistance in the Ruhr that had become worse than useless. An official German declaration on this subject followed on September 26. In it the Government's acquiescence in the French occupation of the Ruhr was implied if not definitely stated. The German local authorities were able from now on to co-operate with the French forces of occupation, and French orders were obeyed. Any

improvement in the situation was only possible for Germany by means of negotiations that dragged on for a very long time before they led to any result.

At the same time, the Reich Government embarked upon the stabilization of the currency. Since the summer of 1923 the German capitalists had acquiesced in the fact that inflation could go no further. They must now return to a stable currency before it was too late and all that remained of the existing order was swept away by a Socialist revolution. The first scheme for the stabilization of the currency that attracted serious attention was evolved by the banker and German National deputy Helfferich. He suggested the introduction of a so-called 'Rye-Mark,' whereby the value of money was to depend upon the value of grain. A similar project had been made at the time of the inflation during the French Revolution. A currency dependent upon rye would from its very inception have been lacking in stability, since it was bound to a completely unstable standard of value. No adjustment would have been possible between the new German currency and the stable foreign currencies, and the cover for Helfferich's money was also very doubtful. Nevertheless, Helfferich's project proved that the big capitalists of Germany saw the inevitability of stabilization.

The Reich Minister for finance, Hilferding, very properly refused to adopt so speculative a scheme. He insisted upon a stable currency which was only possible upon a gold basis. On September 10 the Cabinet determined to create a gold note Bank which, while it was to have complete legal autonomy and to be altogether independent of the Reich finances, was to carry on its functions in organic connexion with the Reichsbank. Luther, the Minister for Food, suggested his so-called 'Land Mark,' the cover for which was to be German landed property. A compromise between

the various conflicting ideas was finally evolved in the suggestion made by Hilferding of a 'New Mark.' All the essential preliminaries for the stabilization of the German currency were carried out in the short time in which Hilferding was at the head of the Reich Finance Ministry. Only his sudden overthrow robbed him of the honour of having brought the German inflation to an end.

The masses of the people indeed knew practically nothing of the various currency plans, and if they happened to hear anything about them, they did not understand them and gave no credence to official promises. All that the populace saw was that the inflation continued uninterruptedly from August to October, that misery increased and obviously nobody knew how to find any way out. The feverish revolutionary mood continued throughout the country but there was no Party to exploit it. The SPD was hampered by its co-operation in the Government, and the KPD did not change its policy. The leading men in Russia had meanwhile changed their opinion about Germany, but the German workers knew nothing of this change. Since the proletarian movement was hanging fire and the general strike of August 11 was not repeated, it became obvious that the pressure from the Left was weakening and therefore the counter-revolutionaries took the initiative.

As was to be expected, Bavaria led the way. The Conservative Racist united front in power in Bavaria regarded the progress of affairs in Berlin after August 11 with increasing bitterness. The inclusion of Social Democrats in the Reich Government seemed to imply that the hated Weimar system was to continue. Munich was resolutely opposed to any consolidation of the Democratic Republic. On September 26 the Bavarian Government declared a state of emergency throughout

Bavaria, and appointed the former Prime Minister von Kahr to be State Commissar with dictatorial power. Kahr was thought to be the strongest personality in the ranks of the Bavarian counter-revolutionaries. The establishment of an open dictatorship of the Right in Bavaria was an unmistakable warning to the Reich.

Under pressure from the Reichswehr generals, Stresemann decided upon a retaliatory measure of doubtful utility. The executive power in the Reich was invested in the Reichswehr Minister, who entrusted its execution to General von Seeckt. The civil administration throughout the Reich was thus subordinated to the military power. The effect of this action in Bavaria was to make Kahr at least officially subordinate to the Reichswehr. In event of his refusing to obey the Reich Government, the Reichswehr could take action against him. The real question at issue in the event of an open conflict between Berlin and Munich was whether the Bavarian Reichswehr would really use force on behalf of Stresemann and Seeckt against Kahr. In order to be prepared for this, an event that was by no means certain, a form of military dictatorship had been set up throughout the Reich. Stresemann felt himself to be strong enough to keep the generals in their place and to keep the reins of Government in his own hands. Nevertheless the proclamation of martial law throughout the Reich had seriously shifted the domestic balance of power to the disadvantage of the Socialist and democratic elements.

At the beginning of October a rebellion occurred in the detachments of the Black Reichswehr stationed at Küstrin under the leadership of a Racist, Major Buchrucker. All the efforts of the Reichswehr High Command had been unavailing to prevent their so-called Labour Detachments being filled with all

manner of hotheads and of fanatical Racists. The Black Detachments lived in continual fear of real or imaginary traitors. Hence Vehm murders occurred with horrifying frequency. The Labour Detachments were waiting for war or a *coup d'état*, and at last the most undisciplined of the units lost patience and started an independent revolt. Since the Reichswehr itself did not support the undertaking the Küstrin revolt was suppressed without any difficulty. Nevertheless it was possible that what had happened to-day in Küstrin might very well be repeated in other places to-morrow.

Since September only the counter-revolutionaries had played any active part in Germany—the Bavarian Government, the Reichswehr, the Black Reichswehr. Now the great capitalists joined the movement, and at the same time the People's Party made a move with a view to breaking the influence of the SPD in the government of the Reich. Hilferding's resignation was called for, and the SPD was required to forgo the eight-hour day, which was the most important social achievement of the Revolution. The great industrialists were preparing for the time when the currency should be stabilized. They could not hope to go on amassing fortunes from the inflation for much longer. Their object was to keep costs of production as low as possible even with a stable currency. The sacrifices which had to be made as a consequence of the stabilization of the currency were to be borne by the workers in the form of low wages and longer hours of work. Moreover, they intended that the fiscal policy of the Reich should be adjusted to suit their own ends.

The conflict between the SPD and the People's Party led to the fall of the Stresemann Government on October 3. Three days later Stresemann formed a new Cabinet. A compromise was achieved after

lengthy negotiations. The Social Democrats gave up the Finance Ministry. It was taken over by Luther, who had the confidence of the German People's Party. The Social Democrats also agreed to a form of economic dictatorship, and on October 13 the Reichstag granted power to the Reich Government by means of an act of enablement to promulgate orders which should have the force of law in the domains of industry, finance, and social policy. It is true that this enablement act was only to remain in force for so long as the then political composition of the Government should persist. If the Stresemann Government were to resign, or even if only the Social Democrat Ministers were to retire, the enablement act became null and void.

A certain guarantee was thus given to the working classes by this clause in the act of enablement. Nevertheless, taken all in all, the issue of the governmental crisis was a complete victory for the great capitalists. The Social Democrats had not been able to retain either the Ministry of Finance or the principle of the eight-hour day. Germany had now an economic as well as a military dictatorship. Of the Democratic Constitution little remained, since the Reichstag had abdicated in favour of the Cabinet and the generals wielded the executive power. It would have been better for the Social Democrats not to have agreed to such a compromise and to have left the Cabinet. For the great capitalists and their political friends had ignored the SPD Ministers since the end of the Reichstag crisis. Stresemann had allowed himself to be pushed dangerously far from the principle of constitutional government by the pressure of circumstances.

The SPD did not feel strong enough to undertake any action of an extra-parliamentary nature. On the other hand, it looked in October as if the KPD were going to act. Since the great strike in August and

Cuno's fall the leading men in Russia had at last realized that there was a revolutionary situation in Germany. The middle-class Republic appeared to be doomed. The Russians evidently feared that a working-class revolution would take place in Germany without their assistance, and they therefore decided to revise their German policy. At the secret meetings of the Third International and of the KPD there was now talk of an imminent rising of German workers, and that the KPD must make the necessary preparations for such an event.

Nevertheless a Party which is not the expression of vital forces, but is ruled according to foreign directions by a bureaucracy, cannot make a revolution. The Party officials of the KPD continued to perform their usual functions, and their agitationist activity remained as peaceable as before. The workers were still told tales of a united front and a Labour Government. The masses observed nothing of the Party's change of attitude. Nevertheless little bands of shock troops composed of tried workers were organized secretly in preparation for the rising. Brandler and his friends were clearly anxious to leave both ways open—to be ready to join in if the masses rose of their own accord, and if revolution could be avoided to continue striving for a Labour Government on parliamentary lines. The result was worthy of this deplorable policy of sitting on the fence.

About the middle of October the German working classes heard with astonishment that the KPD had joined the Governments in Saxony and Thuringia. In both States there were now Coalition Governments composed of Communists and Left wing Social Democrats. Brandler and the Russians later affirmed that the Communists had only entered the two Governments in order to procure arms for the workers. In reality

nothing of the kind happened. Nevertheless the industrialists and the Reichswehr generals had made up their minds if only on moral grounds not to tolerate these Labour Governments.

In the days when it was to be expected that the Reichswehr would at any moment take forcible action against the Saxon and Thuringian Governments, a meeting of the Saxon Industrial Councils took place in Chemnitz. At this conference Brandler submitted to the Social Democrat Ministers in the Saxon Government the question whether they would participate in an armed resistance to the Reichswehr. The leaders of the KPD thus put the responsibility for whether or not the workers revolution should break out in Germany upon the shoulders of the Left wing Social Democrats. This manœuvre on the part of the KPD Committee was very surprising, for the KPD was at that time the leader among the German proletarian mass-movements. On the other hand, the forces upon which the Left wing SPD could rely were very slight. Its only real strength lay in Saxony and Thuringia. If the great KPD wished to strike, it must do so on its own responsibility. It could not thrust the decision upon the Saxon SPD Ministers.

If the Left wing Socialist Ministers in Saxony were not willing to assume the responsibility for the rising in Germany, the KPD declared that no further resistance to the Reich Government and the German capitalists was possible. The Labour Governments in Saxony and Thuringia collapsed without a hand being raised to help them. By a misunderstanding that can be explained by the confusion in the last week of October, the Hamburg KPD believed that the signal had been given for the rising throughout Germany. The trained shock troops—only a few hundreds strong—took up arms in Hamburg. The whole episode was grotesque.

The KPD had not prepared the workers in any way for a decisive struggle. There was no local political crisis and no general strike. One morning as the Hamburg population was going quietly to work, it was observed that bands of Communists were storming the Police Stations. After stout fighting the little detachments of Communists were overcome by the police without the mass of Hamburg workers having taken any part in the struggle. When at the end of October the Central Committee of the KPD admitted its failure to the masses and ordered a retreat, the power of resistance of the German proletariat was at an end. The counter-revolution was left undisputed master of the field.

During the course of October it was not clear in what form the German capitalists and generals would exercise their power, whether on the Berlin or the Munich model. There were in October still several Social Democrat Ministers in Berlin, and a Chancellor who despite all tactical manoeuvres was anxious to save the Constitution. The Berlin Government was in open conflict with the Racist Party. In Munich, on the other hand, a Conservative-Racist united front was ruling without any regard for either the workers or the Constitution. The different constituents of the ruling powers in Berlin and Munich and the correspondingly different policies of the two Governments made for an open breach.

The struggle between Munich and Berlin was brought to a head about the middle of October by comparatively slight causes. The first question was how the Reichswehr would behave in Bavaria. General von Lossow, the chief of the Bavarian Reichswehr, decided to refuse obedience to the Reichswehr Minister and to the Chief of the General Staff in Berlin. He put himself at the disposal of the Bavarian Government. On October 22, the Bavarian Government officially took

over the Reichswehr in Bavaria as 'trustee for the German people,' as Kahr put it. This was the beginning of an open counter-revolution in Bavaria. According to the existing laws the action of Lossow and his troops was mutiny and treason. Germany now had two Governments that did not mutually recognize one another—the Stresemann-Seeckt Government in Berlin and the Kahr-Lossow Government in Munich. The rulers of Bavaria did not talk of secession from the Reich or of any form of separation, but merely stated that the true interests of the German people were now represented by them and not by the Berlin Government.

After October 22 civil war between Berlin and Munich seemed inevitable. Racist Associations under Captain Ehrhardt mobilized on the northern frontier of Bavaria, in order to proceed at once to march on Berlin. If the Bavarians were to advance in Central Germany they would come within the sphere of the Socialist-Communist Governments of Saxony and Thuringia. If Kahr should succeed in 'tidying up' these two States, then his authority would be so strengthened that the Berlin Government would not be able to offer him any resistance.

Stresemann decided to anticipate the danger by a bold stroke. On October 29 the Reichswehr deposed the Zeigner Government in Dresden by order of the Reich Government. The Thuringian Cabinet suffered the same fate. The action of the Reich against Saxony was an act of arbitrary brutality and an open breach of the law. Both State Governments had come into being constitutionally and were supported by the majority in the Diets. Both Governments had in every way discharged their liabilities to the Reich. But their political colour did not suit those who were at the head of affairs in Berlin, and so they were driven out by the

Reichswehr. It is clear that constitutionalism meant nothing in Germany at that time.

The Social Democrat Ministers in the Reich Cabinet could not assume responsibility for such an act against members of their own Party, and resigned on November 2. President Ebert, however, remained in office. Ebert's real power at this time was slight. In case of any conflict with the Reich Government he could rely neither upon a majority of the people nor on the Reichswehr. As a strictly constitutional head of the State he felt it to be his duty to support whatever government happened to possess the confidence of the Reichstag. It may also be that Ebert felt that a presidential crisis at this moment would mean the end of the Republic. So he remained at this post, but in doing so alienated the working classes.

At this moment Stresemann sought to make a show of authority and conservative strength. The deposition of the two Labour Governments and the resignation of the Social Democrat Reich Ministers at first strengthened Berlin's position as against that of Munich. After the Berlin Government had also broken with the Social Democrats and had set up a military dictatorship in Central Germany, there was no longer very much difference between it and Munich. The actual difference was really only that Kahr and Lossow were on friendly terms with the Racists, while Stresemann and Seeckt were not. It was a question whether it was still worth while for the Bavarian Conservatives to indulge in civil war against North Germany when actually there was hardly any difference of opinion between them and the heads of the Government in Berlin.

Kahr had from the outset quietly watched the development of affairs in Saxony and Thuringia, and had not interfered with the actions of the Reich Government. But at the beginning of November he was

obliged to make up his mind. Either the Munich Government must come to terms with Berlin, or it must launch a military offensive. Kahr seemed to be hesitating, and therefore the Racist leaders resolved to force his hand in order to make any compromise with Berlin impossible. Von Graefe and Rossbach, the North German Racist leaders, came to Munich and got in touch with Ludendorff and Hitler.

It was still quite possible, indeed probable, that Kahr and Lossow would fight out the issue with Berlin to a finish. Relations with Berlin were really broken off by the mutiny of the Bavarian Reichswehr. Once Kahr had gone so far he might just as well give the order to invade Thuringia. From the standpoint of a determined counter-revolutionary it could be said that Stresemann deserved no confidence and would only take half measures. It was essential that a completely reliable Government should be set up by force in Berlin. But no action against Berlin was conceivable unless the Conservatives and the Racists remained united in Bavaria. An isolated attack on the part of the Racists would have been utterly useless, because they would never have been able to overpower the Bavarian Reichswehr and police and the organizations allied with Kahr, quite apart from any resistance with which they might meet in Northern Germany.

Nevertheless a racist revolt was planned in Munich for November 8. There was no question of a revolt against Kahr and the Bavarian Government; but gentle pressure was to be brought to bear upon—a probably not unwilling—Kahr to induce him to order an offensive against Berlin. At the same time a new German Reich Government was to be officially formed. On the evening of November 8 Kahr made a speech in the Bürgerbräu Hall in Munich. Bands of National Socialists under Hitler pushed their way into the

meeting, proclaimed a 'National Revolution,' and invited Kahr and Lossow to co-operate with them. After a dramatic scene an agreement was reached. It was announced that in the new National Government of the Reich, Hitler would be the political leader; General Lossow was to be Reichswehr Minister; Colonel Seisser, the chief of the Bavarian Police and a friend of Kahr's, was to be Minister of the Interior; General Ludendorff, Commander-in-Chief of the troops marching on Berlin; while Kahr would rest content with continuing to govern Bavaria. If the agreement of November 8 had been adhered to, a Conservative-Racist Coalition Government with a strong Reichswehr backing would have been formed and the march on Berlin would have been undertaken at once.

Would such an undertaking have been hopeless in the then condition of affairs in Germany? This question cannot be answered in the affirmative here as definitely as is usually done. If the Bavarian Reichswehr together with Ehrhardt's troops and other formations, under the leadership of Ludendorff, had invaded Thuringia, it is very doubtful whether the Reichswehr then would have fired on them. And once the advance through Thuringia had been successfully accomplished Ludendorff had a clear road to Berlin. The German working classes were at that time so demoralized that they would in no circumstances have repeated the general strike that had occurred at the time of the Kapp affair. In Berlin itself the German National Party stood aloof from the Government and would at once have put itself at the disposition of Ludendorff's army. Stresemann was even attacked violently by his own Party in the Reichstag at the beginning of November. At the same time General von Seeckt had advised the Chancellor's resignation and the formation of a Cabinet upon a different basis, in

order that the Right wing extremists might be 'gaffed.' It is clear that there was a widespread disposition in Right wing circles in Northern Germany to compromise with Kahr and Ludendorff.

Stresemann himself, on November 5 at a meeting of the Reichstag deputies of the People's Party, said amongst other things: "It will be decided this week whether the Racist Associations dare to join the issue. The Reich Government has sufficient Reichswehr troops at Coburg. If the Reichswehr fails, these Associations will be victorious. Then we may have a Racist Dictatorship. I am leading a dog's life. If these gangs manage to push their way into Berlin, I shall not go to Stuttgart [*as the Reich Government had done at the time of the Kapp Putsch in 1920*]. I shall remain where I have the right to be, and they can shoot me there if they wish to." These words seem to indicate that Stresemann reckoned quite seriously with the likelihood of a victory on the part of the Munich counter-revolutionaries. The determination with which Stresemann rejected any form of compromise and hazarded his life proves that as far as he was concerned the various dictatorial and violent measures—such as the action against Saxony and the enabling law—were only intended as means to an end. He wanted to steer his way through the confusion of the moment back to a Constitutional Republic. But in November 1923 he was almost alone among the leaders of the Parties of the Right and the German Generals in his pursuit of this aim.

However, the counter-revolution in Munich collapsed altogether during the night of November 8–9. While Kahr was holding the meeting in Munich, he and his closest friends had already decided to make peace with Berlin. Kahr and Lossow no longer regarded the existing differences of opinion as sufficiently great to

warrant a march on Berlin. The Racist leaders, however, knew nothing as yet of Kahr's change of front, and therefore they undertook the experiment of November 8.

Kahr and Lossow believed that they would be exposed to personal danger if they did not at least appear to agree with the proposals of the armed bands who were forcing their way into the hall. But as soon as they had left the hall they revoked their declarations, and that same night mobilized the Reichswehr and the Police against the Racists. On the morning of November 9, Hitler and Ludendorff realized that the Bavarian Conservatives had deserted them. And now the Racists decided against a rising that held out no greater prospect of success than on the previous occasion if they remained alone. But they organized a great public demonstration by their followers in Munich in the hope, doubtless, that Kahr and Lossow would once again revise their decision if they saw the masses in Munich filled with enthusiasm for a National Revolution. This proved, however, to be an illusion. The police fired on the National Socialist demonstrators and dispersed them.

Once the Bavarian Government had shown that it would act against the Racist leaders by force of arms, peace was restored again between Munich and Berlin. A tacit amnesty covered the mutiny of General von Lossow and the treason of Herr von Kahr. The Bavarian Courts of Justice sentenced Hitler and various other leaders of the revolt on November 8 to brief periods of detention in fortresses. The trial was a juridical curiosity, since the chief culprits, Kahr and Lossow, were never accused and continued to hold their offices and dignities.

On November 16 a new stabilized currency was introduced—the 'Rentenmark.' Germany had not at that time sufficient gold reserves to go immediately

on to the gold standard, and so this curious transitional phenomenon made its appearance. A so-called Renten Bank issued the Rentenmark, which was put into circulation to the least possible extent. At the same time the issue of paper money ceased, and a fixed ratio of one Rentenmark to one billion paper marks was established between the old paper mark still in circulation and the new currency. The whole operation was carried out under the supervision of the Finance Minister, Luther, and Schacht, the currency Commissioner of the Reich Government. Actually the Rentenmark was only a piece of bluff. Its backing was supposed to be German real estate—an absurd idea reminiscent of the experiment of the fool in the second part of *Faust*. Nevertheless, the bluff worked at first, because the Government enforced ruthless measures of economy, and really did pay its way with the scanty supply of existing Rentenmark, and also because industry imposed the same restrictions on itself. The Rentenmark, however, could not have maintained its stability permanently, especially in the face of foreign countries. It was not until Germany went over to the gold standard with the help of the Dawes Loan in 1924 that the German currency was really put on a secure footing.

The credit for the political success of the Rentenmark went to the Stresemann Government. Nevertheless the Government was unable to maintain itself. Since the occurrence of the events in Saxony, the Social Democrats had very naturally lost confidence in Stresemann's leadership, and the Nationalists regarded the Chancellor as an obstacle in the way of a real dictatorship of the Right. On November 23 the Reichstag refused a vote of confidence to Stresemann. The Centre, the Democrats, and the People's Party voted for the Chancellor. Most of the deputies belong-

ing to his own Party probably only voted for Stresemann because his overthrow was in any case a certainty.

In conformity with existing conditions the new Government bore a wholly Conservative character. The Conservative Centre leader, Wilhelm Marx, became Chancellor. In Imperial days he had been a High Court Judge in Prussia. Luther remained Finance Minister. Stresemann also entered the new Cabinet as Foreign Minister. It was not desirable to disturb the important negotiations in which he had for the past few months been engaged concerning the question of reparations. How far Stresemann would be in a position also to exercise an influence upon the internal policy of the Reich was at that time still very doubtful. The old enabling law had become void with the dissolution of the Stresemann Government. Now the Marx Cabinet demanded a fresh one. Any laws of a character to alter the Constitution required a two-thirds majority in the Reichstag. The extraordinary weakness of the German Labour movement at the end of this eventful year is shown by the fact that on December 8 the Social Democrats gave their assent to the enabling bill, that is to say, to a capitalist economic and financial dictatorship.

The conversion of German industry from the speculative and hazardous methods of the inflation to the steady principles of stabilization was carried out entirely at the expense of the workers. Unemployment had attained vast proportions, since the easy sale and export conditions of the inflation period no longer existed to help German manufacturers. In July, 1923, the number of unemployed in receipt of relief throughout Germany was only one hundred and eighty thousand. In December it was a million and a half. Of the members of the Trades Unions three and a half per cent. were totally unemployed in July, 1923.

By December the figure had risen to 28 per cent. To this were added in December 42 per cent. short-time workers, so that of every hundred workers organized in unions, only thirty were now in regular employment.

The effect of the loss of the eight-hour day upon the majority of German workers is seen from the following Trade Union statistics, which, though they only include a minority of German workers, do on the whole give a true picture of the situation. Of the workers included in these statistics—compiled in May, 1924—45 per cent. worked up to forty-eight hours a week, 42 per cent. from forty-eight to fifty-four hours, and 13 per cent. over fifty-four hours a week. The hours of work were, as a rule, longest in the largest concerns. Moreover, wages during the first months after the stabilization were exceedingly low. Some idea of the situation may be gained by a comparison of the wages during the winter of 1923-4 with those obtained in the later, more favourable, period of the German Republic. In the year 1928, it is true, the income of a German workman was not great, but it was at least sufficient for ordinary needs. A skilled textile worker in July, 1928, earned nearly thirty-seven Marks a week; in January, 1924, he was only getting twenty Marks. The weekly income of a skilled metal-worker in July, 1928, was something over fifty Marks, in January, 1924, it was only twenty-eight Marks. The index figure of the German standard of life was, according to official statistics, 142.2 in 1923, and 152.6 in July, 1928. Hence it will be seen that towards the end of 1923 living was nearly as expensive in Germany as it was in the summer of 1928. Nevertheless wages at the beginning of the stabilization were only about half of what they were in 1928.

Taking into account these facts about unemploy-

ment, hours of work, and wages, the situation of the German workers at the end of the inflation period becomes more or less clear. The proletariat had suffered a decided defeat, and was therefore obliged to pay the costs of the war. It was the third great defeat that the German working classes had sustained since November 9, 1918, if the fighting between January and May, 1919, is taken as the first, the result of the Kapp Putsch as the second, and October, 1923, as the third defeat. The political responsibility in each case lies with the Party that was exercising the decisive influence on the German workers at the particular time—the SPD in 1919, the USPD, and especially its Left wing, in 1920, and the KPD in 1923. The fact that the political culpability is distributed so remarkably evenly over all shades of opinion in the German Labour movement shows that it cannot be due to the incapacity of individual leaders. The German working classes were in truth not equal to the gigantic tasks with which they were faced, with practically no preparation, on November 9, 1918.

At the end of 1923 the great German capitalists, together with the Reichswehr generals, were the undisputed victors. The KPD had unresistingly allowed itself to be suppressed, and was now engaged in domestic disputes under the ban of illegality. The SPD had also capitulated by its acceptance of the enabling law. The Democratic wing of the Centre Party no longer existed as a political force. On the other hand, the Racist Party had also been suppressed. The Racists and Free Corps leaders who had been too seriously compromised were either in prison or in hiding. The executive power throughout Germany was in the hands of the Reichswehr, except in the districts which were occupied by the Entente troops. In economic and social questions the Reich Government

exercised an unlimited dictatorship by the help of decrees legalized by the enabling law.

In December, 1923, no thoughtful observer would have wagered five shillings on the continuance of the Weimar Republic, for all the democratic forces in the country had been demobilized and all the trumps were in the hand of the counter-revolution. But when the next spring came the state of martial law faded softly and silently away. The enabling law expired, the currency remained stable, and the Democratic Republic suddenly reappeared without creating any particular sensation and without any dramatic struggle. This miracle came as a result of a change in reparations policy, resulting from the intervention of the New York Stock Exchange in German affairs, and also as a consequence of Stresemann's efforts.

CHAPTER VIII

STRESEMANN AND STABILIZATION, 1924-28

AT the close of the World War the United States of America had become both financially and militarily, in productive capacity and in political influence, the first Power in the world. President Wilson desired America to use its power in the form of a world dominion to be attained by America's assuming the control of the League of Nations and enforcing its will through the agency of the League itself. The great majority of the American nation refused its support for Wilson's plan. The Americans were content with their enormous political and economic power, and did not wish to assume the responsibility for the direction of European affairs. Hence the United States did not join the League of Nations, and after the year 1919 at first pursued a policy of non-intervention in European politics.

A change of opinion nevertheless gradually became apparent in influential American financial and political circles in regard to the continued pursuit of this policy of non-intervention. The Americans sought opportunities for the investment of their vast capital resources. Their attention was drawn to Germany, whose want of capital and great industrial possibilities seemed attractive despite chaotic political and economic conditions. If it should prove possible to restore Germany to a healthy political and economic condition, and to make her once more capable of being

a trustworthy debtor, the prospects that would then be opened of profitable financial investment would be limitless. These considerations induced the United States Government to express its willingness to assist in the solution of the reparations problem. At the same time it persisted in its refusal to join the League of Nations. The American Ambassador in Berlin—Mr. Houghton—proved himself to be a clever and successful exponent of his Government's policy in communicating its views to the German Foreign Minister. Houghton found a willing and able supporter for his views in the British Ambassador, Lord D'Abernon. Anglo-French collaboration in European affairs had been detrimentally affected by Poincaré's policy and the French occupation of the Ruhr. The British Government was compelled in 1923 helplessly to watch the progress of the Franco-German conflict. Now England wished to make its influence felt once more in Central European affairs. For this purpose mediation between France and Germany offered the best opportunity. Hence it came about that towards the end of 1923 the British and American Governments found themselves collaborating in an attempt to end the Franco-German dispute and to provide a solution to the reparations problem. The endeavours of the Anglo-Saxon powers met with a favourable reception in French circles.

After the breakdown of the German passive resistance the French Army of Occupation in the Ruhr was complete master of the situation, and the industrialists in Western Germany were forced to obey French orders. Nevertheless French public opinion began to display a marked lack of enthusiasm for the French Government's Ruhr policy. Nobody any longer thought of annexing German territory. All attempts to achieve the separation of the occupied districts from

Germany had failed in consequence of the opposition of the overwhelming majority of the Rhineland population. The majority of the French nation wished to see the Ruhr occupation brought to an end as soon as France could rely upon the fulfilment of its financial demands. The broad masses of the French working classes, peasantry, and lower middle classes did not want another war, and were opposed to the forcible occupation of German territory. The French Government accordingly adjusted its policy to correspond to the state of public opinion and gave its assent to the setting up of a commission composed of economists and financial experts to investigate Germany's capacity to pay. The French elections in May, 1924, resulted in the triumph of the Left block composed of Socialists and lower middle-class Radicals. The new Government led by Herriot was sincerely desirous of an understanding with Germany.

The Expert Commission under the chairmanship of the American financier Dawes published its report in April, 1924, and after lengthy and difficult negotiations its conclusions met with the acceptance of all interested States, including Germany. Acting under the influence of Houghton and D'Abernon, Stresemann brought all his energies into play to secure the acceptance of the Dawes Report by Germany. In Stresemann's eyes its conclusions seemed to mark the decisive turn in the road followed by the post-War development of Germany. An opportunity was at last afforded Germany to strengthen its international position, to reconstruct its industry and finance, and thereby to establish stable conditions in its domestic politics.

The basic idea behind the Dawes Plan was the transformation of the reparations question from an instrument of French expansionist and power policy into a vast international, and especially American,

financial undertaking. Germany was at once to receive a foreign loan totalling 800,000,000 gold Marks. The loan was to be devoted to the strengthening of the gold and foreign currency reserves of the Reichsbank, in order to enable Germany to abandon the unstable Rentenmark and return to a legitimate and securely stabilised gold currency. It was hoped that the solution of the reparations problem would liberate Germany from the continual crises that had hitherto marked her foreign relations, and afford German industry the feeling of peace and security that had for so long been lacking to it. It would then be possible for German firms, municipalities, local governments, &c., to obtain the foreign loans necessary to enable them to resume their former activities.

Once German economy had been reconstructed in this fashion the taxes that Germany required to pay reparations would become available. The Dawes Commission did not fix the total sum payable by Germany on account of reparations, and contented itself with laying down the annual payments to be made in the immediate future. In the first year that the Dawes Plan came into operation Germany was to pay a milliard gold marks in reparations. After this initial payment, the annual amounts were increased until in 1928-29 they reached the total of two and a half milliard gold marks. Until the economic crisis overwhelmed the world in 1929 Germany actually made these annual payments punctually, without any apparent injury to the German standard of living. On the contrary, these years saw an increase in the wages and salaries of German workmen and civil servants. The Dawes Commission proved in the event to have been a true prophet, and its estimate of Germany's capacity to pay in normal conditions was accurate.

The foreign loans gave such an impetus to German

trade that between 1924 and 1929 it was found possible to collect the enormous taxes that were imposed, and also to pay reparations. Nevertheless German industry could not yet be regarded as having a solid foundation. Its prosperity was only possible with the assistance of foreign money, and nobody could foresee a time when it should once more stand on its own feet. If a crisis were to supervene, and foreign money become no longer available, then revenues would also be less, and it would no longer be possible to continue reparations payments.

The Dawes Plan was put into operation to the accompaniment of a number of guarantees and supervisory measures that were in many cases very galling to German pride. The railways were removed from the control of the Reich and placed under that of an independent company founded for the purpose, over whose affairs representatives of the creditor States exercised a decisive influence. The intention was to make the railways the first security for the payment of reparations; an aim that was only attained by placing the whole organization under the greatest possible strain, by heavy sacrifices on the part of the railwaymen, and by endangering the personal safety of passengers and railwaymen to some extent. The Reichsbank was also transformed into an institution independent of the German Government and under foreign control. It was hoped in this way to prevent the German Government from again borrowing gold from the Reichsbank, and thereby to avert the danger of another inflation. The Dawes Plan also contained other guarantees and measures of control. Its operation was entrusted to an American financier named Parker Gilbert, who resided in Berlin and was the official representative of Germany's creditors. Although Parker Gilbert was not armed with any direct powers

over the German Government, he was one of the most influential men in Berlin, for the simple reason that the existence of Germany depended upon the execution of the Dawes Plan and the securing of foreign loans; and both Dawes Plan and foreign loans were wholly in the hands of Parker Gilbert himself.

The system of foreign control and inspection was copied with greater or less accuracy from the methods employed by foreign creditors to oversee the finances of the perennial 'sick men' among the nations—Turkey and China. In similar fashion Germany had now become a sort of colonial appanage of the New York Stock Exchange. Stresemann was prepared to bear the responsibility for all these unpleasant happenings as long as the end achieved accorded with his plans. After 1924 Germany enjoyed peace in regard to her reparation payments. Definite payments had to be made that were within the capacity of Germany to pay, and as long as Germany paid punctually foreign supervisors could not interfere in German affairs.

As soon as the Dawes Plan came into operation, and France received her reparation payments regularly, ~~the~~ French Army was withdrawn from the Ruhr. Stresemann then devoted his energies to securing the evacuation of the left bank of the Rhine by the Allied forces. The task was one of exceptional difficulty. Influential military circles in France looked upon the presence of French troops on the Rhine as the sole real security against another German attack. Stresemann believed that it was necessary for him to offer France another and better substitute for the occupation of the left bank of the Rhine, and out of this idea was born the Locarno Pact and Germany's entry into the League of Nations. In the negotiations leading up to these events Lord D'Abernon

played an important part and was responsible in conjunction with Stresemann's chief assistant, the Under-Secretary of State for Foreign Affairs, von Schubert, for the draft of the German proposals that were laid before the French and British Governments at the beginning of the year 1925. In his diary, Lord D'Abernon wrote under the date January 14, 1925, as follows: 'To-day I discussed the question of SECURITY with Schubert.' Further details of this conversation follow. In a footnote to this passage by the editor of the diary, it is stated that: 'The above conversation was held six days before the Note of January 20 to London, which was practically identical with the Note to Paris of February 9. Schubert and Lord D'Abernon often talked of the Pact of Security as "Das Kind" (the child), regarding it more or less as a joint production, and watching over its early life with quasi-parental care.' Seldom can an Ambassador have exercised so great an influence over the Government to which he was accredited.

The basic idea of the Locarno Pact is that Germany, France, and Belgium mutually bind themselves to guarantee their existing frontiers, and to refrain from any attempts to alter them by force of arms—an obligation that involved the final renunciation by Germany of all claim to Alsace-Lorraine. This renunciation did not involve Germany in any great sacrifice, since after 1919 no serious German politician entertained notions of regaining Alsace-Lorraine. Furthermore, Germany agreed to make no further attempt to regain by force the districts of Eupen and Malmédy, that had been ceded to Belgium in 1919—a renunciation that naturally did not stand in the way of Stresemann's attempting by peaceable means to secure the surrender of these two districts by Belgium. On the other hand, France by the Locarno

Treaty agreed to make no attempt to extend her frontiers to the Rhineland by force. England and Italy guaranteed the existing German-French-Belgian frontiers.* These two Powers bound themselves in event of an armed violation of the Franco-German frontier to come to the assistance of the attacked Power with their military forces. Stresemann was not to be moved from his firm conviction that a direct *rapprochement* between France and Germany was incapable of achievement without the aid of Anglo-American mediation. It is easy to understand that Stresemann's views met with ready acceptance by the English Government and suited its policy. At first France was also pacified by this important new addition to her security. The Locarno Pact also foresaw Germany's entry into the League of Nations and therefore the application of the terms of the Covenant to France-German relations. After many difficulties had been surmounted Germany became a member of the League of Nations in 1926 and was given a permanent seat on the Council: Germany was thereby formally recognized as a Great Power once more. After the conclusion of the Locarno Pact the Allied troops evacuated the northern Cologne zone of the occupied territory, and hopes were entertained that the remainder of the occupied area of the Rhineland would also shortly be freed from foreign troops.'

On the subject of Locarno, Lord D'Abernon wrote in his diary in October, 1926, as follows :

' It may be confidently said that the animosity between England and Germany has been in large measure appeased, the proof being that England is now brought in as an arbitrator, and as a guarantor of the territorial integrity, not only of France, but also of Germany. Moreover, it is mainly through

English influence that Germany has obtained at Geneva a position acceptable to her national dignity.

'As regards England, I hold that our new position as arbiter and guarantor is not only the more dignified and disinterested, but the more prudent. . . . With effective measures taken to protect the French frontier against Germany, and the German frontier against France, the worst danger-spot in Europe has been dealt with, and the menace of a new conflagration reduced, if not exorcised.'

From an English standpoint Lord D'Abernon's observations are unquestionably correct. The situation nevertheless appears in another guise if viewed from a German standpoint. Two individuals can no more than two nations achieve a real friendship if a third person must always be present to see that they do not attack one another. The French Foreign Minister, Briand, who was a realist in politics despite his pacifist utterances, was quite obviously dissatisfied with this state of affairs. On the occasion of Stresemann's ceremonial reception in Geneva as the first representative of Germany to take his seat at the Council table of the League of Nations, Briand delivered a sensational speech on the subject of the coming Franco-German friendship. Afterwards Stresemann met Briand in the tiny village of Thoiry, near Geneva, for the purpose of achieving a direct understanding between the two Powers in all controversial questions. The practical results attained at the interview in Thoiry were small. Stresemann subsequently continued to pursue his traditional line of policy.

Nobody saw more clearly than Lord D'Abernon that the interview at Thoiry was incompatible with the fundamental principles of the Locarno Pact. He

wrote ill-humouredly on this subject in his diary under the date September 30, 1926, as follows :

‘ Schubert, just back from Geneva, is no more pleased than I am with the Thoiry conversation. He considers a close association of the three Western Powers the essential spirit of Locarno ; any departure from this, like the recent “ fugue à deux ” in the mountains, is a deviation from the basic conception.

‘ We agreed in regretting that Chamberlain had to leave Geneva so soon ; there was then no Lampson in support. Cecil and Hurst were fully occupied on technical questions, and had not the general command of the political position, which was required to discuss matters effectively, and keep the ship straight.

‘ Stresemann’s original intention was to take Schubert with him to the famous luncheon at Thoiry, but this idea was abandoned. There is little doubt that in a burst of convivial cordiality, both Briand and Stresemann promised one another a good deal which it may be difficult to perform, and discussed finance, a subject on which their knowledge is more imaginative than precise.’

The entry of Germany into the League of Nations confronted Stresemann with a new difficulty in the form of a possible rupture of Russo-German friendship. In those days Soviet Russia and England had entered upon a period of acute rivalry in Asia, and especially in China. Moreover, the Soviet Government was involved in difficulties in its relations with Poland, Rumania, etc. Russia feared that the League of Nations would organize a punitive expedition against her on some pretext or another. The entry of Germany into the League of Nations appeared to indicate that

Power's adhesion to an anti-Russian group. [Stresemann was successful in dissipating Russia's fears.] Simultaneously with the Locarno Pact Stresemann concluded the Berlin Treaty with Russia which guaranteed the continuance of the policy that had found its outward expression in the Treaty of Rapallo. Moreover, Germany on entering the League of Nations reserved her right to refuse to join in any military undertaking of the League that did not meet with her approval. The Soviet Government saw that it had nothing to fear from Stresemann's side, and therefore Russo-German friendship continued unabated.

Stresemann was the first German statesman since Bismarck who had a comprehensive foreign policy and who really carried out his policy in a determined fashion. Hence Stresemann gained the confidence of Foreign Powers to an extent unparalleled by any German statesman since Bismarck resigned in 1890, and the conferment upon him of the Nobel Peace Prize in his capacity as the statesman responsible for German foreign policy showed how greatly international feeling had altered since 1919. In his foreign policy Stresemann relied primarily upon the friendship of England and America. Moreover—and this was no easy task in those years—Stresemann simultaneously preserved good relations with Russia and, although Thoiry remained an episode only, correct, and even at times friendly, relations with France. It says much for Stresemann's ability that he could not only work with Briand, but also with Poincaré on his resumption of the French premiership. As long as Stresemann remained Foreign Minister there were no further conflicts over reparations. The Ruhr and the northern territory of the occupied area in the Rhineland were evacuated. Negotiations that showed some prospect of success were in progress over the evacuation of the

remainder of the occupied area and the return of Eupen and Malmedy to Germany. In Stresemann's lifetime it was also a foregone conclusion that the future plebiscite in the Saar Territory would result in a 99 per cent. vote of its inhabitants in favour of their return to Germany. Although the Peace Treaty forbade the formal union of Austria with Germany, it was looked upon as only natural that in every question Austria should align itself closely with Germany. Thus Stresemann envisaged the paths along which German policy could pursue the solution of the problems confronting it on the western and southern frontiers of Germany. The most difficult problem remained, as always, that of the German-Polish frontier in the east.

Stresemann never accepted the existing German-Polish frontier as final even though in the Locarno Pact he undertook that Germany would not seek to alter her eastern frontier by force of arms. He championed the interests of the German minority in Poland and of Danzig before the League of Nations with great firmness. Stresemann was convinced that a solution of the Eastern problem could only be found as a consequence of a steady improvement in Franco-German relations together with the simultaneous preservation of good relations between Germany and England and Germany and Russia. The greater and more powerful the international position of Germany, the weaker would become that of Poland. The moment would then come when Poland would accept a compromise that restored Danzig and the Corridor to Germany, and thereby joined East Prussia once more to the rest of the Reich, in return for concessions in other spheres.

There can be no very serious objections to Stresemann's political notions in themselves. It is otherwise

if the international political and economic situation is examined in which Stresemann had to conduct his foreign policy. All Stresemann's successes were bought at a price. The price was the subjection of Germany to Western European financiers and more especially to New York Stock Exchange magnates. The humiliating supervision exercised over Germany by foreign creditors was one result of this financial slavery. Another was that the fate of Germany depended upon every fluctuation in American prosperity. Germany's ability to pay reparations depended upon her acquisition of foreign loans. If Germany were to cease payment on a single occasion, her international credit would collapse; and with it the whole political system which Stresemann had laboriously built up.

It cannot be argued that Stresemann was blind to this danger. Thus at a meeting of German Press men in November 1928 he said: 'In considering the economic situation of Germany and allied problems, I must ask you always to remember, that during the past years we have been living on borrowed money. If a crisis were to arise and the Americans were to call in their short-term loans, we should be faced with bankruptcy. The amount we are raising by taxation is the utmost possible to any state. I do not know where we could raise another penny. Statistics show how much has been absorbed by the municipalities, how much has gone into industry, how much foreign gold we have been obliged one way and another to borrow in order to keep us on our feet. We are disarmed not only in a military sense but also financially. We have absolutely no further resources.'

In August 1928 Stresemann had an important conversation with M. Poincaré in Paris. According to Stresemann's own notes, he said to the French Prime Minister: 'Our industries have borrowed millions of

gold Marks, mainly from America. We have not only long-term but also short-term credits. The moment the world came to know that Germany was not fulfilling her international obligations, these debts would be called in by America. And that would mean that Germany could no longer feed her 64 million people. Trade would collapse. Do you think that Germany dares face such a prospect? Germany's need to maintain her international credit—and we shall require still further funds—is a much more valuable pledge to you as French Minister of Finance than is the occupation of the Rhineland.'

Germany's national revenue during the stabilization period amounted to some fifty milliards of gold marks annually. Direct reparations came eventually to two and a half milliards. The real danger to German industry lay not in the fact that the country was obliged to forfeit five per cent. of its revenue, but in the fact that Germany owed some twenty-five milliards abroad, some of it in short-term debts that might be called in at any moment; and further, that German industry depended upon a continuous supply of foreign capital to maintain the position that it had gained since 1924. Herein lay the real danger to the political and economic system that is associated with the name of Stresemann.

The course of events since 1930 has very largely justified those who from 1924 onwards condemned Stresemann's entire policy beginning with the Dawes Plan and ending with his death. Nevertheless it is only fair to remember that Stresemann was no longer alive to defend his policy in 1930 and afterwards. The wealth of international confidence which Stresemann painfully accumulated for Germany was recklessly and swiftly flung away by his successors, and notably by Brüning. It is always possible that Stresemann

would have been able to utilize his own unrivalled prestige in international financial and political circles to prevent the terrible economic collapse of Germany from 1930 onwards. Under the resuscitating influence of foreign loans, economic life quickly recovered from the crisis that developed in Germany during the first months in which the stable currency was put into circulation. In April, 1924, the number of State-aided unemployed had already sunk to 700,000, and in July, 1925, it reached the extraordinarily low level of 195,000. It is true that a fresh crisis overwhelmed the labour market during the early months of the succeeding year. In March, 1926, there were two million unemployed in receipt of State assistance. Then the situation improved again, and throughout the greater part of 1927 the number of State-aided unemployed remained below one million. In August, 1928, it had fallen to 650,000. Ever since the change-over to the gold mark in 1924 the German currency had remained stable. Since 1926 the gold and foreign currency reserves of the Reichsbank remained in the neighbourhood of a total figure of two and a half milliards of marks in comparison with a monetary circulation of some six milliards of marks. Hence the stability of the German mark was beyond question.

All branches of German industry and finance eagerly availed themselves of the foreign money that was so eagerly offered to them. The chief borrowers were the industrialists and the municipalities. Nevertheless agriculturalists who had taken advantage of the inflation to pay off their old debts now gladly availed themselves of the opportunity to contract new ones. Since 1914 German economic life had never proceeded along normal and regular paths. At the outset there were the four years of war, which were followed in their turn by four years of wild speculation during the

inflation (1923), and after 1924 came the period of foreign loans.

After the Revolution the Civil Service had swollen to extraordinary proportions. The republican Parties did not consider it to be their duty to dissolve the former imperial Civil Service, and instead conferred posts in it upon their own supporters. The many new tasks, especially in the domain of social welfare and philanthropy, with which the Reich, States, and municipalities burdened themselves invariably resulted in the creation of fresh official posts. After 1924 the officials lost all sense of the value of money, and seemed to believe that money would always be available at any time and in the quantity that was needed for any particular purpose. Thus it came about that all possible kinds of new buildings and undertakings were embarked upon that were useful and defensible in themselves, but were out of keeping with the true economic situation of Germany. In consequence of the general prosperity the Reich Government largely increased the salaries of its officials, and the State Governments and municipalities naturally could not lag behind.

The consequence of all this expenditure was that after 1924 the Reich, State, and municipal budgets attained to fantastic proportions. At the beginning of 1928 the Reich reckoned upon a revenue of practically nine milliards gold marks from which the States and municipalities were to receive three milliards in the form of contributions from the Reich treasury. To this must be added another four milliard marks in the form of individual State and municipal taxes. The officials had, therefore, thirteen milliard gold marks at their disposal. If, however, industry and the people themselves were to be able to pay such a sum in taxes, it was obvious that they must have correspondingly

high incomes. Industry was therefore organized into a rigid system of cartels in order to maintain prices at a high level. A high Customs tariff enabled both the industrialists and the agriculturalists to exclude all undesirable competition from the home market. It is easy to understand that in such conditions prices for commodities remained high, and that on the world market German exports encountered far greater competition than during the inflation period.

Industrialists and manufacturers endeavoured as far as possible to participate in international cartels in order to enforce the principle of high prices beyond the German frontiers. Among these combines prominence must be given here to the Central European Steel Cartel. International agreements were also concluded in the potash industry, chemical industry, motor trade, shipbuilding, electrical industry, etc., etc. The commercial treaties concluded by Germany in these years contained cleverly drafted provisions binding Germany to admit definite quantities of foreign goods in return for the admission of similar quantities of German goods into the other contracting States. These years also saw the development of an extensive trade in manufactured goods with Russia and other countries, that was financed through the medium of a special credit system which included all possible forms of export credits, subventions, etc., covered by the Reich's guarantee. It is obvious that in such conditions German export trade after 1924 took on a restricted and artificial character. The principal market was and remained the home market. Hence Germany's trade balance remained heavily adverse, and her balance of payments became more and more unfavourable since reparation payments also made their influence felt here.

A careful calculation gives the deficit in 1924 as

totalling two and a half milliards, in 1925 four milliards, and in 1927 as much as four and a half milliards of gold marks. The deficits were covered entirely by borrowed foreign capital. The greater portion of this vast borrowing was in the nature of short term credits of every kind, and only a small portion was covered by long term loans. The unhealthy and abnormal condition of German economy in these years was shown by the predominance of financial over legitimate business operations. It is true that this state of affairs is characteristic of the latest phase of capitalism. Nevertheless it assumed fantastic proportions in Germany after 1924 and during the succeeding years. In normal conditions a brewery is a business established for the purpose of brewing beer and selling it at a profit. A restaurant is intended to show a profit by serving meals, and a theatre to fill its auditorium by means of attractive performances. In these years in Germany, breweries, theatres, and restaurants ceased to perform their usual business functions and became principally the objects of speculation. Shares changed hands incessantly ; businesses developed subsidiary concerns ; daring speculators invested their winnings in new businesses ; and, finally, some fool was left with a business that was sound in itself and nevertheless could never bring in sufficient money to pay the interest on the debts with which it had been burdened by former speculative and temporary owners.

Workmen and clerks could generally find employment in these years. Brain workers, artisans, and the peasants were able to earn a livelihood as a result of the millions of foreign capital that came streaming into Germany. Nevertheless the profits of speculation remained in the pockets of a small minority of the nation. Hence there once again arose an intense bitterness in the nation against speculation and

profiteering. Yet when the collapse finally came this bitterness could not be utilized in the interests of Socialism, and instead served the aims of other and wholly different movements. A comparison may be made between Germany after 1924 and Germany after 1871. The foreign money that flowed into Germany in the years that followed the Franco-Prussian War of 1870-1 came in the guise of war indemnities, whereas after 1924 it came in the form of loans. The fact that Germany had lost the World War was thus lost sight of, and in a sense reversed by these financial operations. The true distinction between the two periods consists in the fact that the French millions that poured into Germany after 1871 entered a country whose productive capacity and export trade were steadily increasing : whereas the American millions that flowed into Germany after 1924 entered a land whose factories were indeed abreast of modern technical requirements and undoubtedly capable of mass production on an immense scale, but whose export trade was hemmed in by all manner of restrictions and whose industry in general lived upon its debts and an artificially stimulated home consumption.

As accredited representative of American finance, Parker Gilbert, the Reparations Agent, could not have had any objection in principle to foreign loans. Nevertheless, as he continued to observe the situation in Germany, he felt increasingly that things were going too far. He wondered especially whether the German municipalities would ever be able to discharge their obligations to their foreign creditors. Schacht, the President of the Reichsbank, also vehemently opposed the financial policy pursued by the State as well as the municipalities. Much of his criticism was sound in detail. But the underlying reason for his attitude was the fanatical hatred of the big private capitalist

for any form of public undertaking and for the democratic elements in municipal self-government. Schacht was silent on the subject of the misdemeanours of private capitalists. Stresemann also had his doubts on this subject. On November 24, 1927, he wrote to Dr. Jarres, the Chief Burgomaster of Duisburg : ' I make no secret of the fact that it is above all the policy of the individual States and the municipalities that causes me grave anxiety in the field of foreign affairs. Time and again I have said in my public speeches that it is necessary to distinguish more clearly between reality and appearance. I have no doubt that the will to work in a proper fashion does exist. Nevertheless certain measures have given rise to impressions that do us incalculable harm. The fact that the Prussian State has granted 14 million marks for the rebuilding of the Berlin Opera House, and will perhaps make a grant of more than twenty millions in all, creates the impression in the world at large that we are rolling in money. Not a single one of the victorious States has embarked upon such an undertaking. That Herr Adenauer (Chief Burgomaster of Cologne) has built a marvellous hall, and boasts that it contains the greatest organ in the world, produces the same effect. . . . The Press Exhibition in Cologne was regarded as the most luxurious affair of its kind that had ever been organized. Frankfurt-on-the-Main was left with a deficit of two and a half million marks as a result of its Music Exhibition. Dresden builds a Museum of Hygiene with the help of a Reich subsidy. . . . Please tell me what I am to say to the representatives of foreign Powers when they tell me that all these things awaken the impression that Germany won rather than lost the War. I have no longer any answer to give to these reproaches. . . . I think that Dr. Schacht is wrong in his incessant

criticism, and I am prepared to take an opportunity to tell him so. Moreover, Dr. Schacht exaggerates in his polemics. At the same time I will not attempt to conceal the fact that I share the views of Mr. Gilbert in many respects.' Although Stresemann was conscious of what was happening in German economic life, his criticism was confined to outward appearances ; and in any case he was not in a position to eradicate the evil root and branch.

The Reich Government that turned a deaf ear to the complaints of Dr. Schacht and Mr. Parker Gilbert in 1927 did not contain a single Social Democrat. It was composed of members of the Middle-class block and the predominant influence was exercised by the German Nationalists. Moreover, Social Democrats in the State Governments and the municipalities cannot be absolved from a share in the responsibility inasmuch as they wished to use the seemingly plentiful supply of money in the interests of the people. It is obvious that the whole unsound development of German economic life after 1924 was the work of the capitalists and not of the working classes. A resolutely carried-out State-controlled and planned economy could alone have been of real assistance in those days : State monopoly of export trade and State control of banking and finance, which would have prevented private profit-making. For as long as the capitalists wanted to speculate and make limitless profits with the help of foreign money no capitalist Government was capable of offering them any serious opposition. Moreover, the municipalities and communal organizations followed the example of private businesses in this matter of speculation and expenditure.

The phenomena that had characterized German life during Cuno's Chancellorship reappeared under Stresemann in another form. Once again egotistical

private capitalism rendered the pursuit of a national policy impossible. Dependent as he was upon a middle-class majority in the Reichstag and upon the great industrialists and bankers, Stresemann was unable to introduce into Germany either a State export monopoly or nationalization of the banks. As the champion of capitalism, Stresemann could hardly open the door to Socialism. Consequently Stresemann had perforce to content himself with criticising outward appearances and leaving the root of the evil untouched. The same is also true of Dr. Schacht. The millions of foreign money procured for Germany a few years of illusory economic prosperity. The catastrophe that followed was in consequence all the more terrible.

The American sun that rose over Germany in 1924 at first brought with it an astonishing consolidation of the republican form of government. The New York Stock Exchange would hardly have thought a land in which civil war, terrorism, and dictatorship ruled openly fit to receive financial credits. Hence the capitalists in Germany were compelled in the spring of 1924, and at the time of the publication of the Dawes Report, to abolish the Enabling Act and martial law. Even the Generals were forced to capitulate before the dollar. Once again the Reichstag wielded the powers conferred upon it in the Weimar Constitution. The two great capitalist Parties—the People's Party and the Nationalists—adjusted themselves to the altered conditions. The change-over was effected without difficulty by the People's Party, whilst in the case of the Nationalists it gave rise to serious troubles.

These two great Parties of the Right had been in agreement ever since 1919 over their principal aims. Nevertheless their history and their social composition was dissimilar. The People's Party was the offspring of the former National Liberals and was the political

representative of big industry and finance. If the Party had not had many supporters belonging to the lower middle classes it would have been unable under universal suffrage to have returned a single deputy. These middle-class supporters nevertheless exercised no influence over Party Policy. The Party was and continued to remain a united political expression of big business. Business men were disposed to make use of the democratic Republic for so long as it remained serviceable to them. They would have been equally ready to abandon it at the moment it ceased to have any utilitarian value for them. In 1924 and the succeeding years the People's Party enthusiastically supported the Dawes Plan with all its consequences. It was prepared to tolerate the so-called democratic Republic as long as the Republic allowed itself to be ruled by the great capitalists.

The Nationalist People's Party was the offspring of the Conservatives of imperial days. It also included in its membership a strong and influential group of big business men. As a counterpoise to these, however, its membership also comprised great landowners, Protestant peasantry, urban middle classes, intellectuals, clerks, Civil Servants, etc. The Nationalists were *the* Party of the middle-class counter-revolution. The Racist middle classes and intellectuals were not so readily convinced that the day had now come in which to recognize the Republic, to respect the Weimar Constitution, and to pay reparations and to show courtesy to France. The Party leaders certainly acted under the influence of the great capitalists and landowners in their support of the Dawes Plan and their readiness to participate in the government of the Reich. At the same time they were forced to conciliate the Racist opposition among their electors with words and gestures. At the Party meetings also sometimes

in their parliamentary speeches there were to be heard the old cries of nationalist irreconcilability and of a day of reckoning with the November Republic. Nevertheless Stresemann's victory in the Reichstag in the summer of 1924, at the time of the decisive vote over the Dawes Plan, was obtained with the aid of the Nationalists, and a few months later Nationalists became members of the Reich Government for the first time.

During the years 1924-8 the middle classes, as also the clerks and Civil Servants, who were members of the middle-class Parties, in general showed themselves to be prepared to tolerate the continued existence of the Republic. As long as peace and order reigned in Germany, and it was possible for a man to earn a living, these classes in the population had no quarrel with the republican form of government. The parliamentary representatives of both Parties largely retained the confidence of their electors even when they supported the Coalition Government and the Dawes Plan. Nevertheless the middle classes like the capitalists were very far from being convinced supporters of Democracy and Republicanism. They were always ready to desert the democratic Republic on the occurrence of a serious crisis.

The great majority of the thinkers and academicians were not even prepared to conclude a truce with the republican form of government along the lines of that entered into by the capitalists, agrarians, and middle classes between the years 1924-8. The typical intellectual remained a racialist and anti-Jewish in his sympathies. He was an enemy of the Republic, and refused his support for any participation in a democratic government as well as for a policy of fulfilment of obligations and of conciliation in international relations. The officers' associations held firmly to their old

traditions. The Free Corps had fallen upon evil days since peace and order reigned, and the wealthy classes no longer needed their armed support. The ruling classes in the years of stabilization were indeed convinced that the day of the Free Corps was over. German justice found its courage again. Vehm murderers even found themselves brought to trial as if they were common criminals, and lengthy terms of imprisonment were awarded to members of the Black Reichswehr. Although the sentences were subsequently commuted, some men were condemned to death.

Among the armed associations only the Stahlhelm retained its importance. Although it maintained close relations with the Nationalists, the Stahlhelm refused to abandon its objection to a republican form of government and to the policy of fulfilling Germany's reparation obligations. It was also successful in these years in either absorbing or suppressing the other armed associations. Even Captain Ehrhardt advised his followers to join the Stahlhelm. Resolute supporters of a counter-revolution placed their chief hopes in the Stahlhelm during those years in the belief that this organization, in alliance with the Reichswehr and supported by the masses of former front-line soldiers, would prove successful in bringing about a Racist dictatorship. The Stahlhelm supported the opposition within the Nationalists who refused to have anything to do with the Dawes Plan or Stresemann.

The section of the Nationalists who refused to make any compromise with the Weimar Republic was led by Hugenberg. In his capacity as the owner of a vast newspaper and film combine, Hugenberg was a representative of capitalism. Nevertheless he had not supported the policy pursued since 1924 by other members of his class. In those days capitalism in Germany favoured the Dawes Plan. Hugenberg

absolutely declined to countenance either the Dawes Plan or Stresemann's policy. His aim was the overthrow of the Weimar Constitution, the establishment of a Nationalist dictatorship or—better still—a Hohenzollern restoration, and the complete destruction of all Socialist influence in German affairs. Since 1924 Hugenberg had been swimming against the stream. Although he had the support of the Stahlhelm and the sympathy of a section of the Nationalist intellectuals and middle classes, Hugenberg was unable to alter the Party policy.

The Reichstag elections in May, 1924, were largely influenced by the recent inflation and the feelings to which it had given rise, because large numbers of the electorate did not yet understand the change that had taken place in the international and economic situation. The various Racist Parties received over two million votes; an achievement worthy of respect. The succeeding elections in December, 1924, nevertheless showed that the great majority of the electorate supported Stresemann's policy. The Racist Parties lost the half of their supporters at the previous election. In the following years the Racist Party in Northern Germany gradually disappeared from the political scene. Hitler contrived to keep the National Socialist Party alive in Bavaria. Nevertheless it did not amount to much more than an unimportant political faction. Nevertheless the downfall of the Racist Parties in so far as they fought as independent political Parties against the then popular Dawes Plan, did not mean the destruction of the Racist idea. It was thought in those days that the resurgence of the Racist movement would come from the Stahlhelm and its supporters. In other words, from a reorganized and more radical Nationalist Party.

The middle-class coalition in the Reichstag was

composed of the Nationalist leaders who refused to allow themselves to be influenced by Hugenberg and his followers, by the People's Party, by the Centre Party that had meanwhile grown conservative, and by various smaller groups. The coalition or block constituted an impregnable majority in the Reichstag. At the beginning of 1924 Germany was ruled by the Marx Government in which the People's Party and the Centre possessed the predominant influence. When, however, the Nationalists voted for the acceptance of the Dawes Plan in August of that year, they demanded to be included in the Government. The Government dissolved the Reichstag. The subsequent elections in December resulted in the defeat of the Racist Parties and the Communists and in the victory of all the Parties that had supported the acceptance of the Dawes Plan. A new Government was formed, with Luther as Chancellor and Stresemann as Foreign Minister that fully represented the Middle-class block in its composition. The Nationalists obtained the Ministries of the Interior, Finance, and National Economy. When in the autumn of 1925 discussions were opened over the Locarno Pact and Germany's entry into the League of Nations, the Nationalist Party leaders began to retreat before the opposition within their own ranks. The Nationalist Ministers resigned in October. Luther carried on the government at the head of a Cabinet representative of the central middle-class Parties. In 1926 Luther gave place to Marx. After Germany had signed the Locarno Treaty and entered the League of Nations, the Nationalists returned to the Cabinet in January, 1927, and were given four portfolios. Marx, nevertheless, remained Chancellor. The conduct of the Nationalist Party leaders in these years was certainly not such as to earn them respect. On the one hand, the chief men

in the Nationalist Party wanted to serve industrial and economic interests by supporting Stresemann's policy and exercising a decisive influence over the Reich Government. On the other hand, they were afraid of Hugenberg, the Stahlhelm, and the Racist elements. Hence Party policy followed an astonishingly zigzag course. In consequence, the confidence of the electorate in the Nationalist Party diminished, as was subsequently shown at elections from 1928 onwards.

At the beginning of 1924 Social Democracy was completely weak and incapable of action. But the change in foreign policy inaugurated by Stresemann afforded the Social Democrats a new opportunity of strengthening themselves. The SPD accepted the Dawes Plan and discovered that even the middle-class Parties of the Right were now forced to pursue the formerly much-abused policy of fulfilment of obligations. The SPD welcomed the foreign loans as a means by which the workpeople would once more be ensured a tolerable existence. Naturally the SPD could only welcome the return to constitutional conditions in the government of the country. Moreover, the stabilization of the currency rendered possible the reconstruction of the Independent Trade Unions. Nevertheless these never regained the membership they had possessed in the first years of the Republic. In conjunction with the Independent Trade Unions the SPD sought to raise the standard of life of the workers from the low level to which it had sunk during the inflation and the first months of stabilization. Up to 1928 this practical side of the SPD's activities was on the whole successful. The Middle-class block Government was not nearly so reactionary in social questions as might perhaps have been expected. Under the influence of the general prosperity the

middle-class Parties and the employers were willing to accord the workpeople a modest share in the well-being induced by the dollar. The Christian Trade Unions were anxious to show that they held the key position within the block. They influenced the Centre, and through the Centre the other Parties composing the Government. The Reich Minister for Labour was a Centre deputy named Brauns, and he endeavoured to maintain good relations with all the Trade Unions. Although the SPD was not represented in the Reich Government, it was able by its opposition and by bringing forward definite proposals, to exert an important influence upon social legislation during the years 1924-8.

It was this same Middle-class block Government that introduced the first Unemployment Insurance Act which, even if it did not meet all the justifiable demands of the proletariat, did at least afford the unemployed some guarantee of a bare existence. At the same time, the system of State arbitration in industry was extended to confer upon the State the right to intervene as arbitrator in conflicts between employers' associations and Trade Unions. On the whole the wages' scale showed an upward tendency. Thus the weekly wages of a trained metal worker rose from 28½ marks in January, 1924, to 50½ marks in July, 1928. The wages of a skilled builders' labourer rose in the same period from 27 to 62 marks weekly, and those of a trained compositor from 26 to 54 marks weekly. In this connexion it is necessary to recall that at the beginning of 1924 wages in Germany were excessively low. The length of the working day remained unfavourable to the worker. Any attempt to restore the eight-hour day encountered fierce opposition on the part of employers.

The progress of Germany since the stabilization

of the Mark appeared to indicate Social Democratic policy. In Germany's international relations economic common sense had triumphed over the nationalist policy of the mailed fist. Within the country itself the vast majority of the nation had been forced to recognize that the Weimar Constitution was the best means towards the reconstruction of Germany. It had also been proved possible to raise the standard of life of the working classes without resort to armed revolts.

The elections in May, 1924, turned out unfavourably for the SPD, which received 6 million votes as compared with 4 million given for the KPD. In December, 1928, the SPD received nearly 8 million votes in comparison with the KPD's 2·7 million. Ever since the unfortunate experiment of the great Coalition in the autumn of 1923 the SPD had remained outside the Reich Government. Now, however, when the electorate was returning to the SPD in ever-increasing numbers, the notion arose among the Party leaders whether or not the time had come to regain influence in the government of the country in order to continue the work of 1918-9 with greater prospects of success. Prussia constituted the bridge over which the SPD might return to the Reich Government. The years 1924-8 saw a remarkable distinction between Prussian and Reich policy. The difference arose out of the dissimilar policies pursued by the Centre Party in Prussian and German politics. Since it had turned Conservative the Centre had been a principal support of the Middle-class block in the Reichstag. In the Prussian Diet, on the contrary, it held firmly to its coalition with the Social Democrats. Thus it came about that the Parties that had formerly supported the Weimar Constitution held the reins of government in Prussia, and the Nationalists and the People's

Party constituted the Opposition. The difference in the policy pursued by the Centre Party in the Reichstag and in the Prussian Diet cannot be explained simply by saying that the Right wing of the Party led in the Reichstag and the Left wing in the Prussian Diet. On the contrary, it was identical Party organizations with identical Party policies that sent the supporters of the Middle-class block into the Reichstag and the supporters of the Left Coalition into the Prussian Diet. The solution of the mystery is to be found in the problems presented by the Prussian administration. Under the monarchy, Prussia was governed by East Elbian Protestants. And even Catholic Westphalia and the Rhineland were forced to permit themselves to be governed by East Elbian civil servants. Moreover, the great municipalities of the Rhineland were ruled by National Liberals. All this was changed after the Revolution. As the leading republican Party, the Centre now held the entire administration of the Catholic Rhineland, Westphalia, and Upper Silesia in its hands. The SPD unquestioningly accorded the precedence to the Centre in these districts. The Centre naturally did not wish to forgo this new position of power and influence enjoyed by the Catholic populace. In matters of Reich foreign policy and economy, the Centre made common cause with the great middle-class Parties after its change-over to a more conservative attitude. In Prussia, on the contrary, the Centre was determined not to enter any coalition of the middle-class Parties without adequate guarantees. For in that State the Nationalists would have been far less pleasant allies of the Centre than the Social Democrats. It was always possible that a Nationalist Minister of the Interior in Prussia might attempt to send Pomeranian officials back to the Rhineland! Hence the Centre was firmly resolved to

obtain guarantees for the political trustworthiness of the Nationalists before entering into any coalition with them in Prussian politics. The weakness displayed by the Nationalist party leaders towards the Racist opposition as well as the zigzag course followed by their policy in the years 1925-7 did not contribute to arouse confidence in them in the hearts of the Centre Party leaders. The Centre, therefore, continued for the present to remain faithful to its old and well-tried allies.

Ever since 1920, with few interruptions, Prussia had been governed by the Social Democratic Premier, Braun, and the Social Democratic Minister of the Interior, Severing, as a result of the support afforded them by the Centre. A condition of real political stability thus obtained in Prussia that contrasted starkly with the continual Cabinet crises in the Reich and in the other German States. Braun and Severing endeavoured to create a republican and Socialist administrative tradition in Prussia by conferring the most important posts in the Civil Service upon trustworthy republicans and by seeking to educate the Prussian administration in a republican sense. Those who demanded that Social Democracy and the working-classes in general should pursue a realist power-policy could only agree that the SPD must fight hard to retain its hold in Prussia upon such influential governmental instruments as the police and the administration. The improvement in the general position of the SPD after 1924 also contributed to strengthen its position in Prussia.

Outside the frontiers of Prussia the SPD exercised a decisive influence over the Governments of Baden, Hesse, and Hamburg. Social Democratic burgomasters and town councillors also controlled the affairs of thousands of municipalities and communes throughout

Germany from Berlin outwards. Thus the SPD had a decisive voice in the governance of the Reich under and alongside the Middle-class block Government. Should it not have been possible, therefore, to induce the Centre to return to the support of the democratic Republic? The Christian working-men naturally belonged to the ranks of the republicans. Should it not also have been possible to achieve a compromise with middle-class politicians like Stresemann, whose foreign policy was invariably supported by the SPD?

The answer to these questions depended upon the individual attitude to the future development of Germany. If the revolutionary period had come to a final end in Germany, and a peaceful democratic development free from serious crises were possible, the SPD were in a position to regain the influence it had enjoyed in 1919 by the help of electoral victories and political combinations. If, however, this was not the case, and the appearance of stability in Germany was only illusory, the SPD policy in Prussia was extremely dangerous, while its return to the Reich Government might prove fateful. For the resuscitation of the democratic Constitution at the beginning of 1924 was not the work of the working classes, but of world capitalism. The successes gained by the SPD since 1924 had not been due to that Party's having opposed the capitalist order of society with Socialism. On the contrary, these successes had been won because the Party accepted the existing form of capitalist society, and was content to procure advantages for the working class within its limits.

Nevertheless the Socialist Party that is compelled to assume responsibility for a capitalist order in critical times finds itself eventually in a perilous *cul-de-sac*. As long as all went well in Germany the electors voted for the Dawes Plan and the SPD. But

if a new crisis overwhelmed the country, would the SPD be able to execute a swift *volte-face* and resume the struggle with capitalism? The very fact that the SPD held the Prussian police and administration in the hollow of its hand was capable of exercising an injurious psychological influence over the masses. The decisive power in Germany since the Revolution had passed to the Reich itself. There was the Reich President with his power of governing by decrees. There was the Reichswehr. There was the Reich Government that took all decisions in foreign policy and national economy. In comparison with the Reich the individual States were only executive organs.

But the man in the street lacking in a knowledge of constitutional law and practice regards the executive authority as the real power in the State. The Inspectors of Taxes who demanded their money from the peasants were Reich and not Prussian officials. The Reich and not Prussia determined the limits of taxation and of the dole. Nevertheless, when the peasants or the unemployed took part in demonstrations, it was the Prussian police under the command of Prussian administrative officials who forced the demonstrators to disperse. Notwithstanding all the efforts of Severing and his closest collaborators, it proved impossible to democratize the Prussian police thoroughly. During Wolfgang Heine's tenure of power the Prussian police force had been organized as an army for use against the revolutionary workmen and the so-called 'Spartacus' movement. Ever since those unfortunate days the criminal police who waged war upon crime, the police on point duty in the streets, and the police officials who sat in the police offices and discharged the multitudinous tasks arising out of ordinary routine happenings, had ceased to be typical members of the Prussian police force. Their place as the embodiment of the Prussian

police in the eyes of the public had been taken by companies of policemen armed with every form of modern weapon, highly organized and disciplined on a military model, who remained in barracks awaiting the order to quell disturbances.

It is beyond human capacity to introduce democratic ideas and traditions into a body of men trained to shoot down rebellious workmen. The officers of the police force imitated the officers of the Reichswehr in their manner and their opinions. They were frequently a cause of embarrassment to the Republican Government of Prussia. The so-called 'Defence' (*Schutz*) police were disposed to shoot on the least provocation—a tendency that was responsible for deaths among the working classes even in peaceful days. Nevertheless any real reform of the Prussian police was impossible before the working classes had possessed themselves of the supreme governing authority throughout the Reich. As a consequence of the very restricted powers possessed by the Prussian Minister of the Interior since 1923, it only proved possible to abolish the worst evils and to secure that at least the police obeyed the constitutional authorities in normal times. In critical days, or in event of a conflict between Prussia and the Reich, no reliance could be placed upon the *Schutzpolizei*. A remarkable phenomenon was thus to be seen in the greater part of Germany during the years 1924–8 in the form of a division of responsibility that gave the middle-class Parties the control of economic and social policy and left the police forces in the hands of the Social Democrats. Throughout the period of stabilization the SPD incurred little injury through its responsibility for the conduct of the Prussian police. Nevertheless it was obvious that in event of the occurrence of a new economic and political crisis an utterly impossible state of affairs might easily arise.

Through its representation in the municipalities and communes Social Democracy incurred a similar and in certain circumstances equally dangerous responsibility. The great majority of the Socialist Party officials depended for their livelihood upon a slender income from their regular employment as organizing secretaries, editors, etc. The Socialist Civil Servants from the Ministers downwards were also conspicuous by their simple manner of living. In comparison with these Socialist Party officials and Civil Servants the municipalities in the days of stabilization imitated some evil customs of private capitalism. Burgo-masters, town councillors entrusted with administrative duties, and, above all, the directors of civic industrial and other undertakings were often in receipt of salaries that far exceeded the limits of common sense. Nor was there any distinction between Social Democratic and middle-class town councillors and municipal officials in this matter of remuneration. From a moral and personal standpoint there can be no objection to the Social Democratic director of a municipal tramway system receiving the same salary as his middle-class colleagues. Nevertheless it was a grave tactical error from a political standpoint to allow former workmen, or even educated men, to receive annual salaries amounting to 50,000 gold marks in posts which they owed to the Party influence and which did not require the exercise of any special abilities. In times of order and prosperity there would have been less cause for objection to these proceedings from a purely political standpoint. In event of the occurrence of a fresh crisis, however, these conditions could only result in making the SPD appear in a false guise in the eyes of the masses. The millions of the hard-working proletariat and the thousands of Party officials leading sober and simple lives would be forgotten, and their

place in the eyes of the populace as the outward and visible manifestation of Social Democracy would be taken by the armoured cars of the *Schutzpolizei* and the enormous salaries of the municipal officials. To the end of its days the SPD was truly proletarian and honourable. Nevertheless its unnecessary assumption of responsibilities and its failure to avoid errors of taste led to the emergence of the notion of a 'Marxism' that had ruled in Germany since November 9, 1918, and that was nothing more than an oppression of the poverty-stricken masses in the interests of capitalist profiteers.

In order to strengthen its influence outside parliamentary life the SPD founded in 1924 the republican mass-organization known as the Reichsbanner ('Reich Flag') with the support of small sections of the Centre and the Democrats. This association of republican storm troops was intended to serve as a counterpoise to the Stahlhelm and the Racist organizations seeking to bring about a *coup d'état*. The Reichsbanner soon came to have hundreds of thousands of members and supporters, and undoubtedly increased the self-confidence of the Socialist working classes by means of its meetings and processions as well as by a skilful use of flags, music, and military marches. As so often in the history of the German Republic, an indispensable action was once again undertaken when it was too late. If the Reichsbanner of 1924 had already been in existence in 1919, the Free Corps could have been dispensed with and the long agony of the German Republic could have been avoided. As it was, the Reichsbanner only came into existence when the counter-revolution had already secured powerful defences for itself in the Army and the administration of Justice and when the capitalist Parties were already in control of the government of

the Reich. The Reichsbanner provided a suitable means of defence for a constitutional republican government threatened by a Racist Putsch. If an attempt had been made to repeat the Kapp Putsch of 1920 or Hitler's Putsch of 1923, the Reichsbanner would have lent the constitutional Government the support of many thousands of reliable fighting men. The ideology of the Reichsbanner was nevertheless unable to comprehend the situation in which the counter-revolution achieved power by pseudo-legal means. The Reichsbanner fought for the Democratic Republic by constitutional means. When, however, the enemies of the Republic made themselves the legal masters of the State machinery, the Reichsbanner became inspired with grave conscientious misgivings.

At the time when the SPD was regaining its former strength and influence, the KPD was rent in twain by severe internal dissensions. The failure of Brandler's policy during the year 1923 had aroused great bitterness in the Communist working class. The Left wing of the Party, which had opposed the policy pursued by the Central Committee under the influence of Moscow, was now supported by the majority of the members. At the end of 1923 the moment came in which the KPD could have been liberated from Russian influences and transformed into an independent German Socialist Party. The Left were nevertheless not united as to the aims to be pursued. The so-called Extreme Left recognized that the failure of the Labour movement was due not to Brandler but to Russian State policy. The remaining members of the Left did not go so far, and hoped that a change of policy would render it possible to resume collaboration with the Communist International. It was at this juncture that the price had to be paid for the failure of the Communist Left to speak out its mind to the masses on the subject of

Russia and to dispel vigorously the Bolshevik illusion under which so many of them were labouring.

The revolutionary elements in the working classes nevertheless wished to be fed by the ideals of the Russian Revolution as a consolation for the disappointments brought them by every-day life. Moreover, the majority of the Left wing KPD leaders were affrighted by the thought of a life-and-death struggle with Russia. A miserable compromise was therefore achieved in 1924, by which the Russian Soviet leaders sacrificed Brandler, and cast upon him all the responsibility for the events of 1923, in return for the abandonment by the Left wing KPD of its criticism of them and the conferment upon it of a majority representation in the Central Committee. During these years Russian policy sought to pursue a path of compromise both in internal and foreign affairs. Nobody in Moscow any longer looked upon the world revolution as a serious possibility, and therefore friendly relations were deemed desirable between the Communist Parties and the Social Democrats. The majority of the Communists in Germany in the years 1924-8 were as much infected by the prevailing atmosphere of constitutionalism and stabilization as the working-class membership of the SPD. The working-class Communists, especially when they had work, wanted to live at peace and did not entertain any notions of revolution. Revolutionary speeches and Soviet Russian films provided them with excitement without placing them under any revolutionary obligation whatsoever.

Stalin made use of this curious mixture of pacifism and enthusiasm for the Soviet ideal. The Left wing Party leadership of the KPD was still mistrusted in Moscow, and was finally removed from office in 1925 and 1926 by the clever tactics of the Bolshevik leaders. A number of these Left wing Communists, who

refused to abandon their own independence of thought, were expelled from the Party. The remainder under Thälmann made their submission to Moscow and were entrusted with the Party leadership. From that time onwards all independence of thought and action was stifled within the KPD, and the Central Committee and Party officials obediently executed the orders given to them by Bolshevik leaders. There was no longer any trace in the KPD of a carefully planned revolutionary policy. Although middle-class Justice now wrongfully pursues Thälmann and his closest collaborators as traitors to their country, it is undeniable that their actions are deserving of severe criticism from the standpoint of the working classes.

Under a revolutionary Left wing leadership the KPD had in 1924 bitterly opposed the Dawes Plan and Stresemann's policy. The KPD thus came into conflict with general public opinion in the country and sustained a defeat at the elections in December, 1924, when the number of votes cast for the Communist candidates fell from 3·7 million (May, 1924) to 2·7 million. It is an irony of history that the KPD under the leadership of Stalin's henchmen augmented its membership after 1925, though at the rate far below that of the SPD; for in those years the Party lacked any real political programme that went beyond the confines of the existing capitalist order, and it was indeed itself a factor in the stabilization of Germany from which it was even able to derive some little profit.

If it is remembered that the SPD refused to extend its activities beyond the limits set to them by Law, it is clear that a second Socialist Party with its eyes fixed firmly upon a revolutionary future would have enjoyed great possibilities of development. It might have been possible to found such a Party at the close

of 1923 when the Left wing of the KPD separated itself from Russian influences. A Party of this kind would have had to renounce any adventurous policy and any attempts at a *coup d'état* during the years of stabilization. Nevertheless it could have kept up a relentless criticism of the domestic and foreign policy pursued by a capitalist Germany, and could have laid its plans for a Socialist revolution on the occurrence of the next great crisis. A Party organized on this model would undoubtedly have encountered defeats and set-backs at elections. Such defeats would have been of little importance if the Party only remained faithful to its fundamental principles, and could have been alluded to subsequently at times of crisis with the result that the masses would have joined its ranks in their millions. The years 1924-8 saw a steady decline in the numerical strength of the National Socialist Party. After 1929, however, the Nazis triumphed because they had never relaxed their opposition, and had always held up in contrast to the existing governmental system the ideal of a new and better State of the future. Although the KPD also criticized existing conditions, its criticism under Stalin's inspiration lacked the positive aim that would have won the sympathy of the masses. Since 1925 the KPD was no more than the shadow of the constitutional German Republic—a shadow that disappeared when the body fell into decay.

The death of President Ebert in 1925 afforded the political Parties an opportunity for a vast demonstration and placed the various classes in the nation under a severe test of their several powers. The first presidential election in March, 1925, took place amid innumerable divisions of political opinion. Jarres, the candidate of the middle-class Parties of the Right, received 10½ million votes; the Social Demo-

cratic candidate, Braun, nearly 8 million; Marx, the leader of the Centre, nearly 4 million; Thälmann, the Communist candidate—barely 2 million; and General Ludendorff, who had been nominated by the Nazis, less than 300,000 votes. This election marks the low level reached by the Nazi Party under the influence of stabilization. The Democrats and the Bavarian People's Party also put forward candidates who received respectively $1\frac{1}{2}$ and 1 million votes.

A decision was thus delayed until a second election had taken place. It was clear that the choice lay between the candidates of the Middle-class block and the Social Democrats. Nevertheless the power-policy pursued by the Centre prevented any such simple solution to the problem. The Centre wanted to make use of its key-position in politics in order to obtain the first post in the Reich for itself. After having polled $10\frac{1}{2}$ million votes at the first election the Right Parties were little disposed to withdraw their candidate in favour of Marx. The Social Democrats, on the contrary, resolved to withdraw their candidate and to give their support to Marx. The Party Committee believed that its candidate had no prospect of success at the second election and therefore resolved to choose the lesser of two evils. If the Centre candidate had been a sincere champion of the democratic Republic like Erzberger, the Party Committee's decision would be comprehensible; but it would be impossible to conceive of a more conservative member of the Centre than Marx. He had been the dictatorial Chancellor of the winter of 1923-4, and, subsequently, the Chancellor who owed his office to the support of the Middle-class block. Marx was in no way a 'lesser evil' as compared with any other possible presidential candidate of the Right Parties even though that candidate were Jarres or Hindenburg. If Marx had become President,

he would have obeyed the instructions of the Generals and the great industrialists in every crisis. The SPD leaders doubtless believed that if they gave their support to Marx's candidature the Centre would be prepared to re-establish the Weimar Coalition in event of his victory. Hence their withdrawal of their own candidate despite the fact that he had received 8 million votes at the first election.

At the second election Marx was supported by the Centre, the Social Democrats, and the Democrats. The Right Parties concluded that their candidate—Jarres—was not sufficiently popular to hold his own in such a contest. Jarres therefore withdrew, and was succeeded as the candidate of the Right block by Field-Marshal von Hindenburg. Hindenburg was then seventy-eight years of age. Nevertheless he was extraordinarily active both physically and mentally, and was perfectly fit to assume the onerous office of President of the Reich. The great victories won in the World War under the joint generalship of Hindenburg and Ludendorff were in reality the work of Ludendorff alone. Hindenburg could nevertheless claim the merit that he left his great Chief of Staff to work undisturbed. After the conclusion of peace, and the dissolution of the High Command, Hindenburg retired into private life and took no part in the political struggles of the day. Ludendorff, on the contrary, appeared as a champion of the Racist cause, and thus incurred the hatred of the great majority of the Republicans and the Socialists.

Ludendorff was almost alone among the generals and politicians of the former imperial Germany in recognizing from his experiences after 1919 that a national reconstruction of the country could never be the work of the propertied upper classes, but only of the workmen and peasants. He subsequently resigned

from the National Socialist Party when he saw that its policy did not accord with his ideals. A sincere and honourable man, General Ludendorff was nevertheless completely ignorant of history and politics. He allowed himself to become the victim of the most absurd delusions on the subject of Jews, Freemasons, etc., and when he subsequently aired his naive opinions publicly he not only made himself hated but also became a laughing-stock. At the same time, Ludendorff was ignored by the official German Nationalism. The more Ludendorff's reputation sank, the greater became the glorification of Hindenburg. The support of both Left and Right Parties made him into a national hero. When the Right Parties put forward his name as candidate for the Presidency, the National Socialists and the Bavarian People's Party gave him their support. It is noteworthy that the Bavarian People's Party—an organization of convinced Catholics embracing the entire priesthood in Bavaria—voted for Hindenburg and against Marx: for the Lutheran Junker and against the outstanding Catholic leader. The moment that Marx—though helpless to do otherwise—allowed the SPD to support his candidature, he immediately fell into disfavour with the Bavarian counter-revolution. It is easy to understand that the Communists under the influence of their Left wing leaders looked upon Hindenburg as no less an evil than Marx, and therefore upheld the candidature of Thälmann at the second election. At the same time, it is interesting to note that the Moscow leaders disapproved of the KPD's policy because they wished the Communists to support Marx, and by so doing once more to come officially into line with the SPD.

At the first election the Hindenburg Parties had polled about 12 million votes. At the second election in April the Field-Marshal received 14½ million votes

and emerged the victor. The name of Hindenburg had therefore availed to mobilize $2\frac{1}{2}$ million voters from among those members of the electorate customarily indifferent to politics. Marx received 13.7 million votes and Thälmann barely 2 million. Hindenburg was an old-style monarchical Conservative and a fierce opponent of any form of democracy or Socialism. His first desire as Reich President was for a Middle-class block Government assured of the active co-operation of the Nationalists. Hindenburg was the symbol of the Counter-Revolution that had achieved power in the Republic by constitutional methods.

A second great plebiscite was held in the succeeding year over the question of the expropriation of the former ruling Houses. It has already been observed above that the German Republic, among many other unsolved problems, had also left untouched the question of the property of the former reigning dynasties. After the stabilization of the mark the princely Houses also wanted their share in the prosperity brought by the dollar. They put forward claims for large indemnities and subventions. If the States did not pay with a good grace, the princely families brought actions against them, and the Judges, who were loyal to monarchy in their hearts, invariably delivered judgment in favour of the claimants. It might have been thought that the former Emperor William II and his sons would have scorned to receive money from republican hands. But the Hohenzollerns have never been noted for their delicacy of feeling. Nevertheless the monarchical cause suffered severely when the imperial family embarked on a furious quarrel with its former subjects over the payment of some millions of money. It is only necessary to compare the conduct of the Hohenzollerns with the logical and dignified bearing maintained by the House of Hapsburg since

1918 towards the Governments of the countries over which it formerly ruled.

The stabilized conditions in Germany after 1924 brought about a revival and strengthening of republicanism that at first manifested itself in the successes achieved by the SPD and the Reichsbanner. The conduct of the former dynasties also aroused great anger among the working classes. The idea was mooted of the complete expropriation of their estates as an answer to their continual demands for money. The SPD and the KPD joined in introducing the draft of a bill into the Reichstag for this purpose, which occasioned the holding of a plebiscite in accordance with the provisions of the Weimar Constitution. The plebiscite was held in June, 1926, when 14½ million votes were cast in favour of expropriation at a time when the SPD and the KPD together could hardly have brought 11 million voters to the poll at a parliamentary election. All the middle-class Parties declared themselves opposed to the expropriation bill out of respect for the sanctity of private property. Nevertheless millions of voters who would not have troubled to cast their votes in a purely political issue had been brought to the polls to register their views in a matter that aroused their feelings. The clauses of the Weimar Constitution governing the holding of plebiscites were nevertheless so complicated that even the extremely large number of votes cast in favour of expropriation were insufficient to enable the draft bill to become a legislative measure. The whole proceeding was a powerful republican demonstration that failed of any practical result. It was, therefore, a faithful reflection of the age.

The Reichswehr Generals were in the main agreed with Stresemann's policy and that of the Middle-class block Government. For the Generals remained masters in their own house and no civilian dared to

interfere with their plans. The dangerous experiment of organizing a 'Black' Reichswehr after the pattern of 1923 was never repeated. On the other hand, the Reichswehr maintained relations with the Stahlhelm as well as with other sporting and patriotic associations in order to have the necessary reserves in event of an emergency. Arms, the manufacture of which was forbidden in Germany by the Peace Treaty, were obtained from abroad—including Soviet Russia—under all sorts of disguises. Stresemann was successful in securing the removal of the Allied Military Control Commission from Germany, and its disappearance enabled the Reichswehr to carry on its work with little fear of interruption. The Generals did not interfere in the foreign policy of the Reich in these years; nor had they any warlike plans that they wished to put into operation in the immediate future. Instead, they contented themselves with promoting and strengthening the German armed forces in every possible way—an occupation that is perfectly comprehensible if viewed from their standpoint.

The election of Field-Marshal von Hindenburg to the Presidency of the Reich still further increased military influence in German affairs. Hindenburg looked upon himself as the real Commander-in-Chief of the Reichswehr. He insisted that all important military questions should be reserved for his personal decision, and he offered a determined resistance to all attempts on the part of politicians to interfere in military issues. Hence it is not difficult to understand that Hindenburg's election to the Presidency diminished the authority of the Chief of the Reichswehr, General von Seeckt, who until 1925 had been the most outstanding among the Generals. Under President Hindenburg he was relegated to the second place and rendered impotent to undertake anything

against Hindenburg's wishes. A sharp conflict had already broken out in the course of the World War between Hindenburg and Ludendorff on the one hand, and Mackensen and Seeckt on the other. As early as 1926 Seeckt was dismissed by Hindenburg. The outward occasion for his dismissal was given by a clumsy monarchical demonstration on the part of the Army Chiefs. The eldest son of the former Crown Prince William had attained the age at which it became his duty to enter 'his' army. General von Seeckt enrolled the young Prince in the Reichswehr as a matter of course and as if there had never been any November 9. Not even the Reichswehr Minister, Gessler, was aware of Seeckt's action. Gessler complained to Hindenburg. The President, who had certainly no reason to support Seeckt of all people, promptly relieved him of his post. Only complete outsiders could imagine that Seeckt's fall denoted a triumph of the civilian or the republican forces over the military power. In reality the whole affair was a private quarrel among the Generals. Seeckt's successor, General von Heye, was completely subservient to Hindenburg, and the most important political brain in the Reichswehr Ministry remained that of General von Schleicher. He was the right hand of the Minister and enjoyed Hindenburg's favour.

At the beginning of 1928 a miracle occurred when the 'permanent' Reichswehr Minister, Gessler, was at last forced to hand in his resignation. The Reichswehr disposed over innumerable secret funds for all possible purposes in addition to its official budgetary income. During the stabilization and the days of dollar loans, officers of the Reichswehr became infected with the fever of speculation. They established businesses like ordinary civilians. Their object was indeed not personal enrichment, but the strengthening of the

secret funds of the Reichswehr by means of profitable investments. Among other ventures a film company entitled *Phoebus* was floated with the aid of 'black' Reichswehr money. Since the officers knew nothing whatever about business, the venture failed, to the accompaniment of a great scandal. The subsequent bankruptcy investigation brought to light the secrets of the Reichswehr finances. Gessler was so badly compromised that his resignation was unavoidable. The independence of the Reichswehr within the State was nevertheless unaffected by the affair. Hindenburg appointed his former war-time chief of staff, General Groener, as Gessler's successor.

Thus Hindenburg and Groener—the heads of the Supreme Command on November 9—having outlived Ebert, were once again in control of the German Republic. In the same years in which Social Democracy regained its influence and numerical strength the military power in Germany was also consolidating its position. A conflict between these two forces became inevitable.

CHAPTER IX

THE END, 1928-1930

THE decisive battle between the Generals and capitalists on the one hand and the democratic working-classes on the other was not fought out for several years to come. It was preceded by a period covering the years 1928-9, in which it seemed as if the hopes of the SPD would at last find realization. The Middle-class block, which had ruled the Reich uninterruptedly since the autumn of 1923 with or without the support of the Nationalists, now collapsed as a result of internal dissensions. The middle classes were once again compelled to hand over the political leadership of Germany to the Social Democrats.

Throughout the entire year 1927 Stresemann worked tirelessly to obtain the results that were intended to follow upon Germany's entry into the League of Nations and the conclusion of the Locarno Pact. His aim was the transformation of the temporary settlement of the reparations question effected in the Dawes Plan into a definite and permanent solution, the liberation of Germany from foreign supervision, and the withdrawal of the Allied troops from the remainder of the occupied area of the Rhineland. The negotiations upon which he embarked for this purpose proved extremely lengthy and difficult. In conducting these negotiations Stresemann wished to have behind him the support of a thoroughly reliable majority in the Reichstag. Moreover, his hopes of

bringing his work to a successful conclusion in co-operation with the Nationalists grew fainter and fainter. The Nationalist Party Committee had shown time and again that it was lacking in purposefulness and in a definite political programme. It oscillated between the demands of industry and fear of the Racist opposition. At any moment Stresemann might find his diplomatic negotiations disturbed by a vote of want of confidence on the part of the Nationalists. In that event foreign opinion would be unable to place any further confidence in a German Minister for Foreign Affairs who lacked the support of a majority of his own parliament.

It was for these reasons that Stresemann wished to see the Middle-class block Government replaced by a 'Great Coalition' through the inclusion of the Social Democrats in the Government. Although Stresemann remained to his last breath a convinced believer in the sanctity of private property, he found the predominant influence of the great capitalists increasingly embarrassing the longer he continued to control foreign policy. He found himself more and more at variance with the influential men in his own Party—the People's Party—in which the officials of the industrial associations took the lead. Stresemann indeed played with the idea of separating the small independent manufacturers whose livelihood depended upon the ability they displayed in the conduct of their own businesses from the vast combines and limited liability companies. He thought of founding a new and genuinely Republican Party comprising the moderate elements in the middle classes and also the remaining Democrats. The Democratic Party that in 1919 was the leader of the middle classes had meanwhile sunk to a state of complete political insignificance. It depended for support more especially upon the Jewish middle classes

in Berlin, Frankfurt-on-the-Main, etc., who were not Socialists but were excluded from the Right Parties as a result of the anti-Semitism rampant within them.

At the close of 1927 Stresemann's new Party still remained an unfulfilled wish. Hence he was compelled to work with the People's Party as he found it. The next political crisis nevertheless revealed the gulf separating Stresemann from his own Party inasmuch as he acted independently and without paying much attention to the wishes of the Party representation in the Reichstag. The Party continued to support his foreign policy, while at the same time it disliked the notion of a change in the internal balance of political power that would restore a decisive voice in affairs to the working classes. On the other hand, Stresemann's ideas met with the support of influential members of the Centre. The Centre was certainly not prepared to return to Erzberger's policy; but it shared Stresemann's distrust of the Nationalists, and desired the establishment of a new Coalition Government whose members would work together in greater harmony.

The break-up of the Middle-class block in the Reichstag at the beginning of 1928 was a masterpiece of parliamentary tactics. Not all that passed behind the scenes in those days has yet been fully revealed. It would appear that Stresemann held all the trumps in his hand; and at the same time feared to compromise himself too deeply or to appear in the public eye as the destroyer of the block. The actual dissolution of the block occurred as the result of a proposal that was certainly not numbered among the most prominent political issues of the day. The Centre desired a new Reich Education Law that would strengthen the influence of the Church over the schools. The Nationalists gave their active support to the proposal. The People's Party opposed it. Certain

National Liberal traditions dating from the days of the *Kulturkampf* were still alive among the propertied classes in Western and Southern Germany, and these classes were opposed to any further extension of the power of the Catholic Church. The German Catholics had no need of a new Education Law, since their rights and privileges in regard to education were already sufficiently secure. The Education Law was therefore in no sense a matter of life and death for the middle classes. The inability of the People's Party and the Centre to agree upon the new measure would in other circumstances have caused it to be allowed to lapse.

It is, moreover, obvious that if the struggle had really turned upon the education question the result would have been on the one hand a bitter conflict between the Centre and the People's Party, and on the other hand still closer union between the Centre and the Nationalists, who were in agreement over the education question. In reality, the exact contrary took place. The Centre and the People's Party remained on good terms despite their inability to agree upon the education question. At the same time the Centre announced the dissolution of the block to the accompaniment of fierce attacks upon the very Nationalists who had given it faithful support in the education question. The truth is that the education question merely provided the occasion for a new constellation of the political Parties. Its real cause lay in Stresemann's own wishes and in the necessities of foreign and economic policy. The members of the Nationalist Party saw in the collapse of the Block a condemnation of the existing Party leaders. Hugenberg and his followers were thus able to seize the leadership for themselves.

After the dissolution of the block the Reichstag was dissolved and new elections were held in May, 1928,

which resulted in the greatest victory gained by the SPD since 1919. The SPD obtained over 9 million votes. In other words, it had increased its success at the elections in December, 1924, by more than a million votes. The KPD also gained a further half million votes, and secured in all $3\frac{1}{4}$ million votes. In comparison with nearly $12\frac{1}{2}$ million votes cast for the so-called Marxists, the Nazis only obtained 800,000. In the middle-class camp the People's Party and the Centre sustained small losses. On the other hand, the Nationalists suffered a heavy defeat. The votes cast for them sank from 6.2 million at the previous selection to 4.4 million. Their defeat was the punishment meted out to them by the electorate for their indecisiveness and unreliability. Nevertheless the great majority of the voters who deserted the Nationalists did not turn to the Left, but gave their votes to local agrarian or middle-class candidates. In the new Reichstag 73 Nationalist and 45 People's Party deputies found themselves sitting beside no less than 51 deputies, representing tiny Right wing Parties with varying agrarian and middle-class programmes. The elections to the State parliaments and the communes revealed a similar disintegration of the great historic Parties of the Right. Although the electorate had no longer any confidence in the Nationalists, nor indeed very shortly afterwards in the People's Party either, they remained anti-republican, racialist, and anti-Semitic. These millions of deserters from the Right Parties went over to the National Socialist camp on the occurrence of the great economic crisis.

The elections in May, 1928, made it appear as if class-consciousness and the determination to realize the Socialist State in Germany had increased in the working classes. Any one who thought thus was doomed to bitter disappointment. Among the nine

million SPD electors there were very few who sincerely wished for a Socialist revolution. The workmen supported the SPD simply because they were in general satisfied with existing conditions, and were willing that the SPD and the Independent Trade Unions should defend the day-to-day interests of the working classes within the stabilized conditions of capitalist society. Nor did the views of the majority of KPD electors differ greatly from those of their SPD comrades. Under Stalin's influence the KPD had become wholly pacific in its policy in recent years. At the time of the plebiscite over the expropriation of the former ruling dynasties the KPD had made common cause with the SPD, and the reward for its action now came to it in the form of an additional 500,000 votes. While the Right under Hugenberg and Hitler summoned the people to revolt against the existing form of government, the Left was obviously satisfied with that form of government: an unnatural state of affairs that promised to bring grave perils for the Republic in its train.

Stresemann looked forward to a political future that would see the moderate elements in the working classes co-operating with the independent central mass of the middle classes in the governance of the country. The Opposition would be composed of a Communist Left wing and a Right wing that comprised the great capitalists and the Racist Parties. In 1928 the political situation was not so simple. The 'Great Coalition' had yet to be formed out of the Social Democrats, the Centre, and the People's Party in their existing shapes, and in combination with various more or less trustworthy lesser political groups. If the Socialist working class wished to co-operate in the Government, it would have to be prepared to enter into an alliance with the great capitalists in the

People's Party; and between these two would stand the Centre, which had in no sense become a reliable democratic factor again, but whose leaders were at all times ready either to return to a strengthened Middle-class block, or to lend their support for any experiments in dictatorship. Hindenburg and the Reichswehr had also to be included in any calculation of political forces.

Nevertheless the SPD leaders were prepared to accept the consequences of their electoral victory and to enter the Reich Government. The tactics followed by the Party leadership since 1924 appeared to have been vindicated. Even the Party's obstinate refusal to abandon the position it held in Prussia, in the other States, and in the communes seemed justified in the event. The Prussian system of government could now be introduced into the Reich. The Centre and the republican middle classes led by Stresemann were once more willing to collaborate with the SPD. The monarchical and racist counter-revolution had been driven into opposition. Hindenburg was compelled to accept a Social Democratic Chancellor. Nevertheless the Reichswehr made no move. The situation that had existed in 1919, when the Socialist working class had wielded the predominant influence in the State, seemed to have returned, and this time to the accompaniment of ordered and stable conditions that were very different from the obscure and critical state of affairs which had confronted foreign and economic policy in the months immediately following upon November 9.

It could be objected to this optimistic view of the political situation that in reality the break-up of the Middle-class block and the elections in May, 1928, had not changed the political balance of power in the slightest degree. The strong fortresses of the Reichswehr and the great capitalists had not capitulated.

Prosperity in Germany depended upon foreign loans and was therefore at the mercy of foreign capitalists. The intermediaries between the German nation and the American financiers were not the Independent Trade Unions, but the great banks in Berlin, Dr. Schacht, and perhaps even Stresemann. Whenever they wished to bring pressure to bear upon the masses, the capitalists had only to cut off the life-bringing supply of dollars. In these circumstances it became necessary to ask what benefits could result to the SPD from its participation in the Reich Government. The Left wing of the SPD had meanwhile recovered from the defeat sustained in 1923 in Saxony and Thuringia. It gained a leader of outstanding personality and ability in Paul Levi, who ever since 1924 had been a Social Democratic member of the Reichstag for a Saxon constituency. Although the Left expressed grave concern over the proposed entry of the SPD into a coalition Government, the majority of the Party was resolved not to miss the opportunity and to join the Reich Government.

The negotiations leading up to the formation of the Government were of exceptional difficulty as a consequence of the internal dissensions within the People's Party itself. But Stresemann negotiated directly with the SPD, carried his own Party with him, and thus enabled the new Government to take office in June. The Social Democratic leader Hermann Müller became Chancellor. Severing became Minister for the Interior; Hilferding, Finance Minister; and Wissell, Minister of Labour. Stresemann retained the Ministry of Foreign Affairs, and his friend Curtius became Minister for National Economy. The Cabinet also included two Democrats, a member of the Centre, and a member of the Bavarian People's Party. The position occupied by the SPD within the Government

was thus extremely strong. The political leadership reposed in Social Democratic hands and also the control of finance, administration, and social policy.

The chief task confronting the new Government was to achieve the aims in foreign policy for which Stresemann had been working. On the other hand, the Great Coalition had no specially important tasks awaiting it in domestic and economic affairs. If the working classes had possessed the real power in the Reich in the summer of 1928, it would have been possible to pursue such aims as a radical re-organization of the Reichswehr, the removal of Hindenburg, the expropriation of the former dynasties, and the restoration of the eight-hour day. The existing balance of political power forbade any thought of such objects. Hence the Great Coalition had only to maintain law and order, to defend republican institutions and to protect the relatively favourable living conditions that resulted for the working classes from stabilization. Moreover, if the alliance between Social Democracy and Stresemann could be maintained over a long period, the nation would gradually accustom itself to the middle-class Republic which would then acquire a stability akin to that enjoyed by the French Republic.

After stormy conferences and lengthy negotiations, Stresemann finally achieved his aim. The Dawes Plan was replaced by a definitive settlement of the reparations question that bore the name of the American financier, Young. The payments demanded from Germany in the Young Plan were still large, and their termination would be reached only in the year 1988. For the greater number of these years Germany was required to find annually sums amounting to between $1\frac{1}{2}$ and $2\frac{1}{2}$ milliard Marks. In return Germany once more became master in its own house. All the controls imposed by the Dawes Plan disappeared. The Repara-

tions Commissioner left Berlin ; the Reich railways and the Reichsbank were restored to Germany ; and in 1930 the last detachments of the Allied Army of Occupation marched out of the Rhineland. The fundamental objections to Stresemann's policy since 1924 applied still more strongly to the Young Plan. Nevertheless the Young Plan marked an inevitable stage on the path followed by Stresemann in foreign policy. The annual payments which Germany bound itself to make until 1988 were in themselves sufficiently oppressive. At the same time the essential preliminary condition for the punctual performance of these payments continued to be the receipt by Germany of foreign loans. In this sense the Young Plan failed to alter the existing situation. On the other hand, the Rhineland was freed from foreign troops and foreign supervisors no longer stood upon German soil.

In 1929 Hugenberg and Hitler summoned the nation to a plebiscite for the purpose of rejecting a settlement of the reparations question that imposed an intolerable burden of debt upon succeeding generations. The Nationalist Opposition failed just as completely to arouse the masses by its protest against the Young Plan as the departure of the Army of Occupation from the Rhineland in the succeeding year failed to produce a state of genuine national enthusiasm. It became obvious that the great majority of the nation had become comparatively indifferent to national issues. The privations suffered by the nation during the years 1919-23 in consequence of the continual demands of the Entente did rouse the masses because they were affected in their daily lives, and because each individual understood the connexion between the inflation and the misery induced by reparation payments. Since 1924, however, the attitude of the nation to questions of foreign policy had changed completely. Stabiliza-

tion had caused the nation to forget reparations. The workman and peasant no longer felt that he had to be content with poorer conditions of livelihood merely because of the payments that had to be made under the Dawes Plan. The Allied Army of Occupation in the Rhineland did its utmost to make itself invisible and the populace was indeed hardly conscious of its presence. It is absolutely untrue that the nation, and especially the younger generations, were oppressed by a feeling of national inferiority, and that the political changes that have taken place since 1930 are traceable in their ultimate origins to this inferiority complex. It was hunger and unemployment rather than any inferiority complex that after 1930 really united and awakened the masses—young and old, manual labourers and brain workers. Hitler's Government was subsequently able to base its foreign policy largely upon a German-Polish *rapprochement* despite the fact that Poland did not make Germany a single real concession in return for its friendship. Nevertheless Hitler's supporters in East Prussia and Silesia remained quiet and did not protest against the Leader's Polonophil policy. It is always possible that the time may again come in which the livelihood of the nation will be determined by considerations of foreign policy. Until that happens, however, the nation will tolerate any form of foreign policy that leaves it undisturbed in its daily life without displaying too great a concern for the national honour.

It is true that this simple fact has been concealed beneath a symbolic covering peculiar at all times to German political life. The masses in Germany are in the main incapable of seeing things as they really are, and are prone to attach symbolic meanings to them. Political symbolism of this kind—it is also discernible to some degree in France but hardly at all in England

—invariably indicates political backwardness in a nation. Throughout the World War the German nation was divided between the supporters of a victorious peace and those who desired a peace by compromise. Behind the parole 'Peace with Victory' lay concealed the supporters of the monarchy and of militarism. Similarly the parole 'Peace by Mutual Understanding' became the rallying-point of the supporters of a democratic revolution. The cry 'Germany, Awake!' has not been identical since 1930 with 'War with France and Poland,' but with the battle-cry 'Down with the SPD and the Centre.' The whole militaristic apparatus of parades, uniforms, banners, and songs was not intended to serve the purposes of a *revanche*, but only the eventual victory over 'Marxism and the Jewish spirit.' At the same time it is undeniable that German foreign policy since 1933 has at times greatly increased the danger of war. All that it is sought to prove here, however, is that a sense of national injury and inferiority has not been the primary cause of the counter-revolution, and that the militaristic external appearance of the counter-revolution does not by itself signify a desire for war.

At the end of August, 1929, Stresemann at a conference in the Hague obtained the assent of the creditor States to his most important demands. Simultaneously the first signs of the world economic crisis made their appearance. With the great financial collapse on the New York Stock Exchange in the autumn of that year, the dam was broken and the floods swept everything before it. Germany could no longer obtain foreign loans. In consequence of a lack of working capital and of foreign money, industry was forced to restrict its output. The home market suffered a similar collapse. The number of the unemployed rose with terrifying rapidity. In 1929 the average number of

unemployed already totalled two millions, and in 1930 it rose to three millions. These figures were further swelled by millions of short-time workers. Moreover, the newly impoverished towns could no longer afford to pay the farmer an economic price for his produce. Artisans and professional men were also involved in the crisis.

The Reich Government became aware of the approaching crisis during the latter half of 1929 in the form of a decrease in the yield of taxation. Former Finance Ministers had been able to count upon the fulfilment of their financial forecasts. Hilferding found himself confronted with the problem of finding sufficient money with which to pay official salaries on the first of each month. Everywhere there arose a cry for economy. Nevertheless it was not clear at whose cost economies were to be effected. The great capitalists wished, as in 1923, that the masses should carry the burden of the crisis. The People's Party demanded a reduction in the taxation imposed for social purposes. Unemployment insurance caused a fierce quarrel to break out between the SPD and the People's Party at the beginning of October that was settled on October 2 by a compromise effected by Stresemann at a meeting of Reichstag deputies of the People's Party. On the same night Stresemann succumbed to an apoplectic stroke.

On the following morning the *Vossische Zeitung* wrote that Stresemann's death was far more than a loss for the Reich and was in truth a catastrophe. It is not an exaggeration to say that the constitutional middle-class Republic lost in Stresemann its greatest champion at the most dangerous moment in its history. The unprecedented series of personal losses that dogged the footsteps of the Republic was at the time of Stresemann's death accompanied by a similar loss in the

labour world. In February, 1930, Paul Levi, the leader of the Left wing of the SPD, died suddenly. In recent years Levi had increasingly grown in stature as a proletarian statesman. He pursued a policy that was as realist as it was resolute. He called upon the Socialist working-classes to resume class warfare if they wished not only to preserve their own existence, but also the democratic Republic. Levi was also fully alive to the fact that this aim was only to be attained by means of a Socialist mass movement, and not by the foundation of new sects within the Socialist faith. In future crises Levi would have been followed by the majority of the proletariat just as Stresemann would have been followed by the moderate elements in the middle classes. After Rosa Luxemburg and Liebknecht, Eisner, Erzberger, and Leviné had fallen victims to the counter-revolution, the senseless hand of disease laid Stresemann and Levi in the grave.

As in 1923, so now the course of events followed each other in a regular sequence. The great capitalists and the Generals desired to see the Great Coalition replaced by a strong and purely middle-class dictatorial Government. Fresh humiliations were heaped upon the SPD to render its continued participation in the Government impossible. When the Reich Government towards the close of the year found itself again without funds, and was forced to try to borrow money from the banks to satisfy its immediate necessities, Dr. Schacht answered its demands with an unconditional ultimatum. The Reich Government was required to fulfil certain demands before it received any money from the banks. Schacht's ultimatum was a terrible humiliation for the Great Coalition in existing circumstances. It was obvious that the democratic Republic existed no longer and had been replaced by a financial dictatorship. The People's Party also, simultaneously

demanded Hilferding's resignation of the Ministry of Finance.

The precedent of 1923 repeated itself. On both occasions Hilferding was the first victim of the capitalist counter-revolution. Although Hilferding's proposals for the reconstruction of the Reich finances were thoroughly sound, the great capitalists were resolved not to tolerate any Socialist—and especially a theoretical Marxist—as Finance Minister in a time of crisis. In these circumstances the SPD should have resigned from the Government by the close of 1929. Its failure to do so was actuated by the hope that the sacrifice of Hilferding would obtain a new lease of life for the Great Coalition. Hermann Müller remained Chancellor. Hilferding was succeeded as Finance Minister by a trustworthy representative of the great capitalists, who was a member of the People's Party. That Party resumed its attack upon the Great Coalition in the following year. In March, 1930, the Great Coalition broke up over the old controversial issue of unemployment insurance. It was succeeded by a dictatorial Middle-class Block Government under the Centre Deputy Brüning.

All the hopes set by the masses upon the retention of an ordered existence were rudely dispelled by the economic crisis that in 1929 swiftly overwhelmed the country. Their disappointment was all the greater because since 1924 the belief had gained currency that after the terrible experiences of the war-time and inflation periods the road to settled conditions had finally been found. The embitterment of the workers and the middle classes assumed dangerous heights. The blame for their disappointment was cast upon the existing republican system, upon the Parties which supported it, upon the high officials, and also upon the profiteers and capitalists. In their anger and bitterness these

classes sought revolutionary expression for their feelings.

The peasants were the first to be caught up by an agitationist movement even before the advent of the great economic crisis. During the inflation the peasants had paid off their mortgages, and were able as the owners of goods having a real value to protect themselves in the determination of prices against all currency depreciations. Stabilization made an end to this easy form of agricultural business. Their confidence in the continuance of the general prosperity induced the peasants to accumulate fresh debts on which they were forced to pay high rates of interest. They had in addition to meet the high taxes required for the maintenance of an expensive administrative apparatus. The time gradually came closer when many peasants would no longer be able to support the burden of taxation and interest pressing so heavily upon them, and would be confronted with the prospect of a forced sale of their farms.

The proud and independent peasantry of the Prussian province of Schleswig-Holstein were the first to revolt. As early as 1928 mass demonstrations of the peasants took place in Schleswig-Holstein to protest against high taxes and exorbitant rates of interest. The peasants refused payment of taxes, opposed compulsory sales of their farms by force of arms, and threatened to set fire to their buildings and farm stock rather than surrender. The movement was a spontaneous peasant rising free from any political colour and from the control or inspiration of the existing agrarian associations. The hatred of the peasants was directed against the 'system,' against the State which was ruining them, and against the police forces sent to disperse their meetings and to auction their farms. The peasants united themselves in a new and very

loose form of association called the 'Countryfolk' (*Landvolk*). Excitement grew from month to month, until finally the more revolutionary peasants became dissatisfied with passive resistance and demonstrations. A number of 'Countryfolk' members under the leadership of Claus Heim organized bomb attacks on tax collectors' and provincial councillors' offices, as well as upon other external manifestations of the ruling system. These bomb attacks only resulted in material damage. A bomb was, however, found within the Reichstag, and the political police were finally able to track down the conspirators and bring them to justice. Claus Heim, whose demeanour during his trial and afterwards was admirable, was sent to penal servitude.

After 1929 the unemployed and short-time workers once more became accustomed to organizing street demonstrations in support of their demands. The excitement in the urban middle-classes led to unexpected political consequences. In Erfurt, for example, an industrial town in Central Germany, there lived a man named Schmalix, who published a newspaper in which he bitterly attacked the municipality and its highly paid officials. Towards the close of 1929 municipal elections were held throughout Prussia, and Schmalix put forward his own list of candidates in Erfurt. Schmalix and his fellow-candidates won nine seats and received nearly as many votes as the SPD candidates. In Osnabrück another newspaper proprietor and editor also put forward his own list of candidates. He was only able to find four friends possessed of sufficient courage to place their names with his on the list. At the election he and his friends received so many votes that they would have been qualified to occupy seven seats on the Town Council! Nor were Erfurt and Osnabrück exceptions

to the general rule. In 1929 and 1930 there were millions of electors who thought as did the supporters of Schmalix, and who were equally filled with a fierce hatred of the existing form of government. These millions gave their votes without further reflection to those candidates whom they believed to be genuine enemies of the existing order.

The hatred of the State and its officials, and of the corrupt system of profiteering, was not confined solely to the workers, peasants, and lower middle classes. It was shared by thousands of poor students who could not hope to find any employment as long as the present state of affairs lasted. The spirit of revolt also found its way into the Reichswehr. A certain Lieutenant Scheringer, who subsequently became famous through the circumstances of his personal career, embodied the opinions of a large number of young officers who desired to do away with the corrupt system of government and who did not shrink from disobedience to their superior officers in order to achieve this end. Scheringer and his friends sought to establish secret relations with the Nazis. Subsequently Scheringer lost faith in the Nazis and became a Communist. He was imprisoned, and was one of the victims of June 30, 1934. Scheringer was one of the many 'voyagers into Space,' a sincere idealist who could not master the contradictions of German politics.

Hence the years 1929 and 1930 again saw, as in 1923, the gathering together of all the elements of a great national revolution against the existing system of government. Once more the SPD and the KPD proved themselves incapable of seizing a great historic opportunity. The Communists had embarked on another change of policy since 1928 under Russian influences. The course was now set towards the Left. As long as Stalin had based his internal policy on a

compromise with the propertied peasantry in Russia, the Communist International had also obediently pursued a policy of conciliation. In 1928, however, Stalin resolved upon a war to the death with the reactionary large peasant farmers in Russia, and consequently the Communist International again adopted a revolutionary policy. If after 1928 the KPD had only pursued the truly revolutionary policy of uniting the masses on a broad political programme in preparation for a subsequent attack upon the existing system of government, there can be no doubt that the Party would have been able to achieve great results. But the Stalinist KPD officials never believed in the possibility of a revolution. The KPD had therefore neither a plan for gaining the sympathies of the masses nor a programme for the future. After 1928 the KPD only indulged in a noisy agitation that found its sole supporters among the Utopian-radical members of the unemployed. The KPD had nothing to offer to the employed workmen (who after all were still in existence), the clerks, the intellectuals, and the middle classes. Increasing unemployment brought the KPD the support of those among the unemployed who desired above all else that their misery should be proclaimed from the house-tops. A policy of this kind cannot furnish the base for carrying through a revolution and establishing a Socialist order of society.

The tactical situation of the SPD when confronted with the new wave of revolutionary emotion was even more unfavourable. Two events that took place in Berlin during the year 1929 served to show with appalling clarity the impossible nature of the position into which the SPD had manœuvred itself. Throughout the spring of 1929 acts of violence on the public streets had increased in proportion to the increased discontent among the unemployed. The Chief of the

Berlin Police therefore forbade public demonstrations and processions. May 1 is the traditional day for a public demonstration on the part of the Socialist working classes. Nevertheless the Social Democratic Chief of Police refused to relax his prohibition even for this one day. The KPD leaders wanted to seize an easy opportunity of displaying their revolutionary enthusiasm, and therefore ordered their supporters to ignore the prohibition. The fate of the working classes, nevertheless, did not really depend upon whether or not the May Day celebrations were held in the open or in a hall.

The counter-revolutionary police officials behaved in their customary fashion on May 1. They ordered their men to shoot down the unarmed demonstrators. Twenty-five persons were killed, including several passers-by. Although the Prussian Government had sought to obviate such occurrences by prohibiting public demonstrations, the Social Democrats incurred the responsibility for the bloodshed. In the eyes of the revolutionary working men in Berlin it seemed as if the days of Noske had returned, and deep resentment was felt against a Social Democratic Chief of Police, who apparently replied to the complaints of starving workers with machine-guns. Actually May 1, 1929, showed that, despite all the efforts of the Social Democratic Prussian Minister for the Interior, the Prussian Defence Police (*Schutzpolizei*) had not become a trustworthy instrument of democratic policy.

Towards the end of the same year Berlin was startled by a great municipal scandal. It appeared that a firm of tailors named Sklarek had made enormous profits out of goods supplied to the municipality. A number of leading municipal officials had directly or indirectly been in receipt of bribes. Among the accused there were Social Democratic as well as

Communist and middle-class officials. A member of the Democratic Party in the person of Böss, the impulsive and incapable chief Burgomaster of Berlin, was heavily involved in the scandal. The Sklarek scandal burst like a bomb upon a world that had looked with disfavour for years past upon the municipal officials and their huge salaries. This scandal now seemed to justify the belief that the masses were allowed to starve while the municipal officials and the capitalist profiteers lived on the fat of the land. And it was because the SPD was looked upon as the Party that specially upheld the 'system' that the masses ignored the criminals from the ranks of the Democrats, Nationalists, and Communists, and turned their eyes solely upon the Social Democrats who stood in the dock. A 'Sklarek' fur worn by the wife of the Chief Burgomaster acquired a symbolic significance in the collapse of the Weimar Republic similar to that attaching to the diamond necklace of Marie Antoinette in the history of the French Revolution.

The moderate men among the organized Social Democratic workers did not allow themselves to be influenced by the noisy Racist agitation against their own Party. Not indeed that these men were themselves satisfied with all that happened within the Republic; but they were capable, after calm reflection, of distinguishing between the sincere efforts on behalf of law and order made by the Social Democratic Minister for the Interior and the excesses of the police. They were well aware that even in a peaceful mass movement there are always to be found a few 'black sheep.' The Party's obligation came to an end with the expulsion from its ranks of the compromised members. In the eyes of the serious thinkers among the Social Democratic working classes the accusation that it was their own Party that was the embodiment of capitalist

corruption and the oppression of the people seemed little short of insane. The real truth as they saw it was that the existing evils in Germany were only present because the SPD had not been strong enough to destroy capitalism. Nevertheless these men, especially if they were still in employment, refused to consider the possibility of another revolution. In their opinion the proletariat was too weak and disunited for such an undertaking; the Communists could not be trusted; and, finally, the workman was helpless when confronted with the Reichswehr artillery. Nothing remained, therefore, except to steer cautiously through the perilous rapids of these critical days.

These were the views held by the most influential among the Social Democratic workers, by the majority of the trained Party and Union officials, and also by the Party Committee. Once more it would be mistaken to attempt to place the blame for the misfortunes that overtook Social Democracy from 1929 to 1933 upon any individual leader. The controlling Right wing of the Party did not possess a single man capable of imposing his will upon the masses. The most outstanding men were the Prussian Ministers, Severing and Braun, and they lacked the personal authority enjoyed in the pre-War days by such men as Bebel and Liebknecht among the working classes. It is possible to approve or to condemn the policy of the majority of the Socialist Party. Nevertheless it is necessary to remember that it was the policy of a large body of the working class, and that it is to be explained by the whole historic evolution of the German proletariat.

The calm and common-sense attitude displayed by the Socialist workers amidst a storm of political indignation is certainly worthy of admiration. These were the men who did not betray their convictions subsequently under the reign of the counter-revolution.

Nevertheless there are occasions in the history of nations and classes when ordinary prudence and cleverness does not suffice. The average Socialist official during the years 1929-31 really did not see the wood for the trees. He was fully cognizant of the difficulties and needs of the present, and was completely blind to the mighty wave of revolutionary feeling that was sweeping over the land. Behind all the loud complaints of the 'system' there lay concealed a sincere hatred of the capitalist State. The counter-revolution was only able to make use of this state of feeling because the Socialists were incapable of putting themselves at the head of the despairing masses.

The unemployed who remained faithful to the SPD (and the election results showed that their numbers were considerable) as well as the revolutionary Socialist employed workmen, for the most part supported the Left wing leadership. The Social Democratic employed workers who supported the official policy of the Party leaders thus found themselves isolated on an island surrounded by the angry waters of revolution and counter-revolution. For the hungry masses on the Left desired a revolution, and the capitalists on the Right wanted a counter-revolution. The whole nation was indeed in the grip of one or other of these movements. The moderates among the Socialist workers and their leaders were alone upon the island of the Weimar Constitution, and were compelled to watch the entire force of the storm break upon them from both sides.

The SPD should at least have abandoned this unfortunate island. It was not sufficient that in the spring of 1930 the SPD left the Government. For as long as the Social Democratic Ministers in the State Governments, the Social Democratic burgomasters, and the Social Democratic chiefs of police remained in

office, the broad masses of the nation looked upon the SPD as *the* Party responsible for the Weimar Constitution and its enforcement. The SPD should have withdrawn its members from all their offices and employments in the State and municipal administrations simultaneously with the withdrawal of its Ministers from the Reich Government. At the same time, the Independent Trade Unions should have made their preparations for a general strike. It is, however, doubtful whether the SPD after twelve years' association with the constitutional republican administration was capable of resorting to such desperate means. A Party that could not sever its connexion with the constitutional State could hardly act as the leader of a new revolutionary movement.

The revolutionary masses who could find no home with the Communists or the SPD joined the National Socialist movement. Tiny groups like the *Landvolk* in Schleswig-Holstein or the Schmalix Party in Erfurt were only intermediate halts on the road that led to Hitler. Throughout the years 1924-8, in which the North German Racist Party and the other Racist associations fell into decay, Hitler contrived to keep the Nazi Party alive. It was tiny and unimportant. Neither the Reichswehr nor the capitalists afforded it any support. And it was this very lack of support that enabled its leaders to attack existing institutions ruthlessly and without any reservations. At the time of the great political crisis in 1929 the People's Party and the Nationalists, who had now also become 'system' Parties in the eyes of the populace, lost their authority over large numbers of their Right wing supporters. Every association and tendency that had had anything to do with the vacillating policy of the Nationalists was compromised in the eyes of the people, and even the Stahlhelm, which emphasized 'its hatred of the

Weimar Constitution, exercised little influence over the revolutionary masses after 1929. It is highly characteristic of the state of feeling in these days, that even a man like Captain Ehrhardt had lost his popularity with the masses since he had allied himself with Kahr and the Stahlhelm.

The Nazis were not only the sole unused-up force in the Racist and counter-revolutionary movement and therefore entitled to harvest the seed that had been sown since 1919 by all the other Racist and Nationalist groups. They were also the sole Racist organization that appeared in the eyes of the masses to be inspired by anti-capitalist sentiments. At the time of the founding of the National Socialist Party in 1920, the usual Racist students and Free Corps men were joined by a number of convinced National 'Socialists.' These latter were men who sincerely desired the introduction of Socialism, but who saw in the SPD the ally of a 'liberal' capitalism and in the KPD the agent of the Russian Bolshevists. It was these men who introduced into the Nazi Party programme, alongside the customary Racist catchwords, definitely Socialist proposals.

The National Socialist Programme of 1920 called for the nationalization of the trusts, the abolition of unearned incomes and the 'slavery of interest' (*Zinsknechtschaft*), the immediate communalization of the great stores, etc. etc. When the Party organization extended over the whole country after 1929, its leaders resumed their former relations with heavy industry and the great banks. At the same time many thousands of convinced Socialists joined the Party in the hope that Hitler would realize the objects which the Marxist Parties had failed to achieve. The National Socialist Party thus came to have one foot in the revolutionary camp and one foot in the camp of the counter-revolution. Although this naturally conferred upon the

Party great strength and power, it was also the cause of its steadily increasing internal dissensions. In 1929 three main tendencies could be discerned within the Party itself. The Right wing was composed of outspoken representatives of the capitalists of the great landowners and the Prussian-militarist counter-revolution. Hitler carried this Right wing with him in concluding his alliance with Hugenberg. It is comprehensible that Socialist activities were not to be expected from a Nationalist Opposition led by Hitler and Hugenberg. The genuinely Socialist Left wing of the National Socialist Party under the leadership of the brothers Strasser definitely refused to enter any alliance with Hugenberg. Otto Strasser eventually came so sharply into conflict with Hitler that he left the Party as early as 1930. His brother Gregor at first remained in the Party in company with thousands of other National Socialists who still hoped to seize a favourable opportunity of detaching Hitler from his alliance with Hugenberg. Many of the Left wing supporters thought that it was necessary to make Hitler so powerful that he would be able and willing to dispense with Hugenberg. In that eventuality the way would be open to a Socialist revolution. In its daily agitation the Party made use of the phraseology of the Left wing and addressed the impoverished peasants and students, unemployed workers and shop assistants, in the style employed by the KPD.

The central position between these Left and Right wings was occupied by the former Free Corps men and their followers. The SA was their special province. Its numbers rose with enormous rapidity after 1929, and it soon overtopped all other defence associations even including the Stahlhelm. In the SA, unemployed students and workless proletarians (including many former Utopian-radical Communists) met together

under former Free Corps leaders. The spirit of the SA was that of the Black Reichswehr of 1923 combined with certain nebulous Socialist ideas. From the outset the SA were a cause of grave anxiety to the Party leaders and the capitalist Right wing.

After 1929 the capitalists and great landowners doffed the democratic cloak which they had been forced to put on at Stresemann's insistence, and came forward openly in support of a dictatorship. It is necessary to ask why the ruling classes entertained this hatred of democratic government. In the existing political conditions the SPD and KPD had no prospect whatever of achieving a majority in the Reichstag. Why, therefore, did the middle-class Parties not unite to form a strong counter-revolutionary block? In this way they could have obtained everything they wished for and at the same time have spared themselves the unpleasantnesses resulting from a breach of the constitution and the employment of force. If the Reich Association of Industry had really desired the formation of such a coalition, the differences of opinion between the various middle-class Parties and groups would have been composed. The capitalist classes, however, were firmly resolved upon a dictatorship.

In a country like Germany, where practically three-fourths of the total electorate are workers and clerks, the rule of a middle-class parliamentary majority is only possible if the capitalist Parties adopt a democratic manner and make all sorts of promises to the poverty-stricken masses. If an attempt has been made in the Reichstag to carry through capitalist legislation of an extremist nature by constitutional means, the Government would not only have been opposed by the SPD and the KPD, but also by many middle-class deputies who would have hesitated to advocate avowedly anti-democratic legislation before

their constituents. It was not only the SPD and the KPD that rendered a dictatorship inevitable, but also the Left wing Nazis and the Christian workers. If the dictatorship made an end to Marxism, it simultaneously liberated the capitalist from any necessity to have regard to the popular tendencies in their own Parties. The Christian Trade Unions and the Left wing Nazis, indeed even the Free Corps men, subsequently experienced in their own persons that their power ceased at the moment in which the capitalists were freed from the counterweight of the so-called Marxists.

✓ After the break-up of the Great Coalition in 1930, the capitalists and great landowners were unanimously of the opinion that a dictatorship was imperatively necessary. At the same time, differences of opinion manifested themselves over the nature and governmental methods of this dictatorship. A section of the capitalists and landowners had already found their way into the camp of Hitler and Hugenberg. Another section, and a greater, preferred the methods of the so-called Popular Conservative (*Volkskonservativen*) movement. Hitler and Hugenberg wanted to make a dramatic and definite break with the republican past. They wanted the forcible deposition of the democratic Prussian Government and the other State Governments in so far as these were not supporters of the Nationalist Opposition ; the ruthless suppression of the SPD, KPD, and the Independent Trade Unions ; and the crushing of every form of opposition with the help of the Reichswehr, Defence Police, Stahlhelm, and SA. But in 1930 the great majority of the capitalists were still unwilling to adopt methods that involved a swift and relentless use of force.

Since 1928, Hugenberg had been in control of the destinies of the Nationalist Party and the opposition to him had come from the former supporters of the Dawes

Plan. The position within the Party was therefore the reverse of what it had been in the stabilization period when Hugenberg and his friends had been in opposition to the more moderate Party leaders. The moderate Nationalists, who had been the supporters of the Middle-class block from 1924 to 1928, took to themselves the high-sounding name of Popular Conservatives. Their principal demand was for the strengthening of the authority of the President of the Reich. The new Reich Government ought in their opinion to be the creation of Hindenburg's personal choice and not the result of parliamentary negotiations. It would be the duty of this Government to take the necessary measures to meet the crisis, and especially to insist upon ruthless cuts in wages, salaries, and expenditure for social purposes. In event of a refusal on the part of the Reichstag to pass the necessary legislation, giving effect to these proposals, the entire programme was to be put into operation by means of emergency decrees signed by the President of the Reich.

The Conservatives were resolved to carry out their task of reconstruction relentlessly and, if necessary, to crush any armed rising with the help of the Reichswehr. If, however, the crisis was to be overcome at the expense of the broad masses of the people, it was desirable to avoid complicating the situation unnecessarily by drastic measures directed against the Labour Parties, the Trade Unions, and even the Prussian Government. The Conservatives and the influential industrial circles united with them had no confidence in Hugenberg's rigid fanaticism and would rather break up the Nationalist Party than assist in his experiments. The leaders of the Conservatives in the Reichstag entered into relations with the People's Party and with the group of Christian Trade Unionists

led by Stegerwald who sympathized with the idea of a dictatorship. In the spring of 1930, Hugenberg and Hitler therefore led the extreme Nationalists and the Nazis while the Conservative block comprised the moderate Nationalists, the Centre, the People's Party, and the tiny middle-class groups. The decisive position between the two main tendencies within the counter-revolution was held by Hindenburg and the Reichswehr generals.

In the spring of 1930 the Conservative block were far stronger in the Reichstag than the Hugenberg block. The Reichstag was composed of less than 500 members, of whom about 200 were Marxists and about 40 determined supporters of Hitler and Hugenberg. If the Conservatives made common cause with the Centre, and also mobilized all the middle-class groups on their side, they would be able to count upon the support of nearly half the members of the Reichstag. And if a few undecided Nationalists could be induced to desert Hugenberg's camp, the Conservatives and their friends would be in the majority. Moreover, the sympathies of the great industrial associations were on their side. Since the Generals also preferred to march with the big battalions, the Reichswehr gave its decision in favour of the Conservatives and against Hugenberg and Hitler. Hindenburg appointed the new Reich Government in accordance with the proposals of the Conservative block.

The Conservatives did not demand the post of Chancellor for themselves, and instead relinquished the formal leadership of the new government to their friends from the Stegerwald group in the Centre Party. Stegerwald did not aspire to the Chancellorship, and instead took the Ministry of Labour. The Chancellorship was given to Stegerwald's political right-hand man, Brüning. The new Chancellor took into his Cabinet,

in addition to Stegerwald, prominent members of the Conservatives and of the People's Party. The Reichswehr Ministry was again entrusted to General Groener. In his capacity as Chancellor Brüning shared all the astonishing political illusions that had been cherished for years past by the Christian Trade Union leaders. These men actually believed that the Christian Trade Unions would in all circumstances prove to be the indicator in the political scales. In reality, Brüning from the very outset of his Chancellorship at the head of a counter-revolutionary and dictatorial Government was the prisoner of the industrialists, bankers, and great landowners. He obediently included in his emergency decrees all the demands made by the big business interests.

In a similar situation during the winter of 1923-4 Stresemann had also made many concessions to the counter-revolutionary forces. But he had always remained master of the situation and had finally discovered the way out of it. Brüning did not share Stresemann's brilliant political gifts. It was Stresemann's strength that he never allowed himself to be influenced by popular symbols and Party cries. Brüning, on the contrary, believed in such phrases as 'duty,' 'service,' and 'loyalty,' with which the feudal and capitalist reaction in Prussia had been accustomed for two centuries past to disguise their autocratic rule. Stresemann was a judge of men both at home and abroad. Brüning did not understand either his own nation or foreign countries. Since Brüning invariably made psychological mistakes in his handling of men and events, and also showed himself incapable of appreciating the true factors in a situation, it follows that he threw away Stresemann's great legacy in foreign policy and also brought the nation into a more desperate situation than the economic crisis alone

warranted. There is indeed an astonishing resemblance between Brüning and the Imperial Chancellor Theodore von Bethmann-Hollweg. The Chancellorship of Bethmann-Hollweg prepared the way for the destruction of the German Empire. Brüning's two years' tenure of the Chancellorship sufficed to nullify the programme of the Conservatives and simultaneously to destroy the last remnants of the Weimar Republic.

The revolutionary movement in Germany in the spring of 1930 was weakly and inadequately represented by the KPD, the Left wing SPD, and the Left wing National Socialists. On the other hand, the counter-revolution was embodied in the two powerful coalitions, Conservatives and Reichswehr and 'Hugenberg-Hitler.' The sole surviving champion of the republican Constitution was the Right wing SPD. Future developments roughly followed the following course: The counter-revolution allowed the misled revolutionaries to destroy the Weimar Republic and then assumed power itself.

The programme for a drastic reduction in national expenditure drawn up by Brüning was put into operation by means of emergency decrees signed by President von Hindenburg in accordance with the provisions of Article 48 of the Reich Constitution. His action was a flagrant breach of the Constitution. For Article 48 applied only to cases of armed revolt and its framers never contemplated that the normal legislative procedure of the Reichstag would be superseded by the President's right to issue emergency decrees. The counter-revolutionaries were fully aware that this action was unconstitutional. Unfortunately Article 48 had already been similarly abused in 1923 at the time of the stabilization of the Mark. In 1928 the former Chancellor, Dr. Luther, published an account of

the manner in which the currency was stabilized in which he wrote *inter alia* :

' On November 30, 1923, the new Government under Marx as Chancellor came into office. I was again Finance Minister. Since the new Enabling Act was not available for immediate use, the necessary tax regulations were issued by means of Article 48 of the Reich Constitution. This Article confers upon the Reich President the right to issue decrees having the force of law. Obviously these decrees require the counter-signature of a Minister. It must be admitted that at the time these clauses (of Article 48) were drafted the authors only had in view police or other measures for ensuring public order. In reality, this Article proved extremely useful in times of urgent necessity in rendering possible the enforcement of economic measures, especially taxation.'

Nothing could be clearer than this statement. The utilization of Article 48 for the purposes of economic and fiscal legislation is indeed unconstitutional but nevertheless 'very useful.' Brüning, his Cabinet colleagues, and the men behind him in 1930 acted on this principle. A motion was introduced into the Reichstag in July proposing the withdrawal of Brüning's emergency decrees. It was supported by the Social Democrats, the Communists, and the Hitler-Hugenberg coalition. The result of the voting showed that Brüning had failed to secure a sufficient number of Nationalist supporters. The Government was defeated by a majority of 236 to 225 votes. Brüning then dissolved the Reichstag. The elections for the new Reichstag were held on September 14, 1930, when the crisis and the embitterment among the masses had

mobilized millions of voters who had formerly taken no part in parliamentary elections. The number of votes cast rose from 31 million in 1928 to 35 million at this election.

If the general situation is recalled, the losses sustained at the polls by the Social Democrats do not appear very large. The total number of votes cast for them sank from 9 million to $8\frac{1}{2}$ million. Increased unemployment resulted in giving the Communists an additional $1\frac{1}{4}$ million votes. The Communist vote rose from $3\frac{1}{4}$ to $4\frac{1}{4}$ million. The race between the opposing horses from the Nationalist stable resulted in a dead-heat. Hugenberg obtained $2\frac{1}{2}$ million votes and 41 seats in the Reichstag, while the Conservatives, who had joined in the fight under various slogans, obtained approximately the same number of votes and seats. The outstanding feature of this election was the success achieved by the Nazis. The Nazi vote increased from 800,000 to $6\frac{1}{2}$ million, and they gained 107 seats. Of the 4 million new voters at least 3 million cast their votes for Hitler, and in addition about $2\frac{1}{2}$ million voters deserted the Right Parties in his favour. Nevertheless the Nazis did not gain any notable number of votes at the expense of the so-called Marxist Parties. But the fact that 3 million new voters cast their votes for the one Party very clearly reveals the existing state of public opinion. A few individual results serve to throw an interesting light upon these elections. In Schleswig-Holstein—the home of Claus Heims—the Nazi vote rose from 32,000 to 240,000. Hugenberg obtained 55,000 votes, the Conservatives 70,000, the Social Democrats suffered small losses, and the Communists gained 32,000 votes. In East Prussia agrarian distress caused the Nazi vote to rise from 8000 to 235,000. Although the Nazis also achieved important successes in the cities and industrial

districts, they still remained in the minority there. The Sklarek scandal gave the Communists 750,000 and the Nazis 400,000 votes in Greater Berlin. Nevertheless the SPD also received 750,000 votes. Thus the total 'Marxist' vote in Greater Berlin on September 14 was almost four times as large as the Nazi vote.

A united front SPD-KPD that ruthlessly waged war upon Brüning's dictatorship and capitalism might still have decided the destiny of the German Republic by compelling the new Nazi electorate to decide between Capitalism and Socialism. The necessity for any such decision would have broken up Hitler's following and deprived the counter-revolution of its popular basis. Since, however, the KPD leaders did not want a revolution, but only wished to follow the easy road of making propaganda against the SPD, and since the Right wing Socialist leaders mistrusted the power of the proletariat and preferred the 'lesser evil,' no such united Socialist fighting front came into existence. Moreover, Left wing Socialists were hemmed in between the majority in their own Party and the official KPD, and therefore rendered incapable of action.

The new Reichstag was composed of 150 supporters of the Hitler-Hugenberg block, 220 Marxists, and about 200 supporters of Brüning's Government. The Conservatives did not fear either the SPD or the KPD, but the competition of the Hitler-Hugenberg block, which had scored such a notable success at the polls. The struggle between the Conservatives and Hugenberg's supporters was, however, a domestic concern of the great capitalists and their friends among the territorial magnates. The SPD regarded the Conservative Government as the lesser evil, and therefore gave its support to Brüning in his struggle with the Hitler-Hugenberg Block and the KPD.

On October 18, 1930, the majority in the Reichstag composed of Brüning's supporters and the Social Democrats resolved to refer the question of the emergency decrees to a special commission of the Reichstag and to pass to the order of the day without discussing the proposed vote of no confidence that lay upon the table. The Reichstag thus abandoned the struggle with the unconstitutional dictatorship of Brüning and his friends by a majority vote. The same hour saw the death of the Weimar Republic. Since then one dictatorship has succeeded to another in Germany.

The leading Social Democrats, who were convinced that the Socialist proletariat was too weak to embark upon open warfare, indulged themselves in hopes that the existing crisis would run the same course that had been followed by the crisis of 1923. They were prepared to 'tolerate' the emergency decrees in a similar fashion to that in which they had formerly 'tolerated' the Enabling Act. If Brüning in his struggle with Hitler and Hugenberg only contrived to avoid making any really serious mistake, it was possible—so they argued—that some fortunate concatenation of circumstances would permit of the resuscitation of the Weimar Republic. These men forgot that in 1924 democracy in Germany was not rescued by their endeavours, but by the intervention of the New York Stock Exchange. In 1930-31, American financiers were neither willing nor able to rescue the Weimar Republic for a second time.

The middle-class Republic established in 1918 in Germany was the creation of the working classes. The middle classes themselves had either fought against it or only half-heartedly supported it. The middle class Republic collapsed in 1930 because its destiny had been entrusted to the middle classes, and because the working classes were no longer strong enough to

save it. Although the working classes comprised three-quarters of the entire nation, they were unable to unite either upon their political ideals or their political tactics. The Counter-Revolution triumphed because the working classes squandered their immense forces in internecine warfare.

EPILOGUE

THE following sketch of developments in Germany from 1930 to the present day has been written specially for the English edition of this book. Its purpose is to give the English public an outline of events from the point at which the last chapter of the more detailed study ends. Its purpose is to set forth the main facts in as few words as possible. Obviously no exhaustive criticism can be made of events during the dictatorship of Brüning, Papen, Schleicher, and Hitler, events which were at times of a highly complicated nature.

In 1931-32 Brüning's Government stood in the shadow of the economic crisis which was becoming increasingly serious. Brüning sought vainly to deal with the situation by the issue of numerous emergency decrees. He was primarily carrying out the wishes of the great capitalists and the great landowners. With these measures he combined a radical policy of deflation and economy. Life had been made hard enough for the masses of the people by the very fact of the crisis, and it was made increasingly harder by the mistakes of the Brüning Government. Grown desperate the masses became more and more disgusted with Brüning's methods. By 1932 the number of unemployed in Germany had risen to six millions. To these must be added millions of middle-class men and women who were ruined. The masses lost all confidence in the Conservative Government. Since the SPD deputies in the Reichstag supported the Government,

that Party was partly blamed for Brüning's actions. Nor did the KPD increase in popularity. In the summer of 1931 the German banking system came literally to a standstill under the intolerable pressure of the crisis. The Banks suddenly found themselves unable to make further payments. The 'collapse of capitalism,' to which reference had so often been made in Socialist and Communist literature as to a vague future possibility, suddenly became a fact. The temper of the people was such that any Social Revolutionary movement that had made a determined effort could have achieved power. Neither the SPD nor the KPD, however, seized the opportunity. Nor did the National Socialists make any move. Hence the capitalists were given sufficient time to put their system more or less into working order again.

Since the Marxist Parties took no advantage of the situation, the mass of the dissatisfied populace went over to National Socialism. As is shown by the election figures, the number of Hitler's followers was more than doubled between 1930 and 1932. Armed attacks by the National Socialist storm troops upon their political opponents increased. At times the Communists attempted reprisals. Thus Germany drifted gradually into a state of civil war. The Brüning Government was utterly incapable of preserving internal peace.

By way of diverting attention from economic and other internal difficulties, Brüning sought to pursue a nationalist foreign policy. He surprised the world by proclaiming a customs union between Germany and Austria as a preliminary to the complete fusion of the two States. Austria, however, was obliged by pressure from France and Italy to cancel its assent to the customs union. Brüning's action nevertheless destroyed the result of Stresemann's efforts towards

Germany's friendly co-operation with other powers at a time when German economic life had greater need than ever of assistance from abroad. Brüning never realized that the advancing economic crisis of itself made further payment of reparations by Germany impossible. He set himself the task of delivering Germany from reparations, although the crisis was itself performing the act of liberation only too thoroughly. Brüning wished to show foreign countries as clearly as possible Germany's poverty and incapacity to pay. This motive also formed the basis of his fateful policy of saving and economy, which, however, was altogether useless and superfluous.

The majority of German capitalists and landowners had originally supported the Conservative experiment ; not from any personal liking for Brüning, but because they believed that the Conservative method would best serve their interests. As, however, the masses not only of the working classes, but also of the middle classes turned against Brüning, and as the economic and political situation of Germany grew increasingly worse, more and more of the great capitalists and landowners declared themselves in favour of his opponents—Hitler and Hugenberg. By the end of 1931 Conservatism as a political movement was dead, and the time was obviously approaching when Hindenburg and the Reichswehr would drop Brüning and come to terms with Hugenberg and Hitler.

Brüning now made a desperate effort to save his own cause. At the beginning of 1932 Hindenburg's term of office as president was due to expire. Brüning opened a campaign for his re-election in the hope that if Hindenburg were re-elected, he would continue to favour the Conservatives. Hugenberg and Hitler had no objection in principle to Hindenburg as Reich

President. But they did not wish to receive him at Brüning's hand. Hence the National Socialists as well as the Nationalists opposed the re-election of Hindenburg. At Brüning's instance a number of prominent Conservatives put the proposal for the re-election of Hindenburg before the public. The Social Democrats and the Centre determined also to support Hindenburg on this occasion, as the 'lesser evil.'

The remarkable election of 1932 did in fact end in the victory of Hindenburg over the rival candidates of the Nationalists, the National Socialists, and the Communists. Hindenburg, however, had not entered into the electoral battle in any sense as the candidate of the Democratic Republic. He had indeed permitted the Social Democrats and the Centre to vote for him, but he had promised them nothing. Hindenburg had shown the rival leaders of the Right wing Parties that he could still win in spite of them. But after his election he was no less than before a supporter of military dictatorship and of the anti-democratic counter-revolution. Nor had Hindenburg assumed any moral obligation to defend the Chancellor Brüning and his views for an unlimited time. Hindenburg and the Reichswehr Generals had as free a hand politically after the election as before. Brüning had once again counted his chickens before they were hatched. The first important act of the new President was to dismiss Brüning. Groener, the Reichswehr Minister, who had become too deeply involved with the Conservatives, was also dismissed.

The Reichstag had had no say in all these changes, for the real political system under which Germany had been living since 1930 was a presidential dictatorship. As Chancellor, Hindenburg appointed Herr von Papen, a Conservative Catholic who was closely associated with the industrialist and land-owning

classes. Papen had formerly been a Centre deputy in the Reichstag, but had always pursued an extreme Conservative policy on Hugenberg's lines within his own Party. In becoming Reichswehr Minister in the Papen Cabinet, General von Schleicher at length attained the goal of his ambitions for which he had been working for many years. All the members of the new Cabinet were of the same political opinion as Hugenberg. It was to be expected that the Papen Government would also obtain the support of the National Socialists and in one way or another assure itself of the co-operation of Hitler. Thus matters seemed to be taking their logical political course. Since the Republicans and Socialists were not yet ready to take action and the Conservatives had shot their political bolt, Hugenberg and Hitler were certain to achieve power.

Papen showed that he was preparing to take a different course from that followed by the cautious Brüning. With the aid of a presidential decree Papen dismissed the Socialist-Republican Government of Prussia. By threatening them with the Reichswehr, the Prussian Ministers were induced to retire. Neither the working classes nor the Prussian police made the least resistance to this arbitrary action. Papen then assumed the government of Prussia in addition to that of the Reich, and a systematic purge of the Prussian administration of all Republican or even socialistically minded officials took place.

Papen had dissolved the Reichstag immediately upon assuming office. When the new elections took place in July 1932, the National Socialists polled nearly fourteen million of the thirty-seven million votes. The question now was what part this immense Party would play in the government of the country. In August unexpected difficulties presented them-

selves. The National Socialist Party owed its enormous increase to the influx of workers, unemployed, despairing peasants, and middle-class people. The millions of radical adherents at first forced the Party towards the Left. They wanted a new Germany and a new organization of German society. The Left wing of the Party strove desperately against its simply drifting into the train of the capitalist and feudal reactionaries. Hence Hitler refused to serve under Papen, and demanded the post of Chancellor for himself.

The extraordinary increase in and the radical tendency of the National Socialist Party, however, filled the capitalists and the Generals with suspicion. Hindenburg therefore refused to appoint Hitler to the Chancellorship. The Left wing of the National Socialists, which for the time being was the most influential section of the Party, sought as a retaliatory measure to form a coalition with the Centre. Papen took up the challenge energetically. He dissolved the newly elected Reichstag to prevent the formation of an Opposition majority composed of the National Socialists and the Centre. He declared Germany to be in a state of emergency, appointed extraordinary courts for political offences, and threatened to punish acts of political violence with death. The result was staggering. The civil war which had been afflicting Germany for years came to a sudden end, and all was quiet. It was clear that the capitalist class in alliance with the Reichswehr, and using the State machinery, could always dispose of the National Socialists. The masses of camp-followers who had during the past year joined the National Socialists began to waver as soon as they saw that Hitler was not invincible. At the Reichstag elections in November 1932 the National Socialist Party lost two million votes.

The unexpected conflict between the Government

and the National Socialists opened up fresh prospects to the Republicans and Socialists. At the beginning of November there was a general strike of transport workers in Berlin. The traffic of the great city was at a standstill. If the SPD and the KPD had taken joint command of the situation and had extended the strike to a general political strike against Papen's dictatorial Government, there would have been considerable possibilities of success. For the National Socialists were already obliged to support the transport strike in Berlin in conjunction with the KPD. If the working class had taken united action against Papen, the Left wing of the National Socialists would have been swept along in the movement, the Right wing isolated, and the Fascist danger wholly averted.

The leaders of the Socialist Independent Trade Unions, however, had lost all their effective force under the pressure of the development of affairs in Germany. The Trade Unions and the SPD refused their support for the Berlin strike, and it collapsed. It was the last blow aimed by the proletariat against the ruling capitalist dictatorship. It is curious to note how class-fronts and Party-fronts intersected. Since then events have taken their course unchecked.

At first Papen was victorious on every count. Nevertheless the general situation towards the end of 1932 was not pleasant for the German capitalists and Generals. Nine-tenths of the Reichstag were hostile to the Papen Government. The four great mass-movements, the SPD, KPD, Centre, and National Socialist Party, were in opposition. If this situation continued there was some danger that the Centre and the National Socialists would grow more and more radical, and that in the end a gigantic united national Bolshevik front would be formed against the ruling

system. At this moment Papen had the additional misfortune to lose his most potent support—the army. General von Schleicher, the Reichswehr Minister, was the type of political officer who had developed in the atmosphere of semi-obscurity and intrigue that encompassed the Republican military policy. He had for years been in the van of those fighting for the Conservative counter-revolution, and it was not long since he had assisted materially in the formation of the Papen Government. However, the only things that really mattered to Schleicher were the interests of the army and of the Corps of Officers. Apart from these he was just as ready to turn Left as Right.

Schleicher suddenly declared himself to be opposed to Papen's methods and evolved a programme of social pacification under military leadership. Papen was dismissed, and Hindenburg appointed Schleicher to the Chancellorship. Thus, about the turn of the year 1932-3, there occurred a curious political *entr'acte*. Schleicher appeared in the role of 'Socialist General,' and entered into relations with the Christian Trade Unions, the Left National Socialists, and even with the Social Democrats. Schleicher's aim appeared to be a sort of Labour Government under the direction of the Generals. It was an utterly fantastic idea; for the Reichswehr officers were hardly prepared to follow Schleicher on this path, and the working classes felt a very natural distrust of their future uniformed allies. Meanwhile, Schleicher roused furious hatred in the ranks of the great capitalists and landowners by these plans. They feared that he would deprive them of all they had won politically since 1930.

In revenge, Schleicher made sensational disclosures about the *Osthilfe* scandal, about the squandering of

Government money for the benefit of the bankrupt landowners in Eastern Germany. The landowners and capitalists determined to act quickly. The situation was only to be saved if the counter-revolutionaries could once again show a united front, if Papen and Hugenberg became reconciled with Hitler. After the serious set-backs that National Socialism had suffered during the past six months, its pretensions had been considerably modified. Hence a compromise was reached. Hindenburg, who disapproved strongly of Schleicher's campaign against the Prussian landowners, dismissed him. Schleicher is said to have played with the idea of a military *coup d'état*—of eliminating Hitler, Papen, and Hindenburg, and with the support of the Labour organizations assuming the dictatorship himself. But Schleicher, a second and lesser Wallenstein, could not take the decisive step either. He retired quietly into private life. Schleicher's fall, however, by no means implied the defeat of the Reichswehr as a whole. The Generals merely dissociated themselves from the plans of their venturesome colleague.

On January 30, 1933, the new coalition Government of the Parties of the Right assumed office. Though Hitler had been made Chancellor, only two other members of the Cabinet were National Socialists. The majority in the Government was Nationalist. Hugenberg became Minister for Economy; Papen, Commissar for Prussia; General von Blomberg, Reichswehr Minister. The balance of power within the coalition appeared to be wholly on the side of the Nationalists. The fact that Hitler had at last become Chancellor nevertheless gave the National Socialist mass movement a tremendous upward impetus. At the Reichstag elections, which took place in March, the National Socialists obtained seventeen million votes.

They and the Nationalists together constituted a majority in the Reichstag. The Government induced the President and the Reichstag to grant them authority to issue decrees having the force of law. The dictatorship had thereby given itself a new legal form.

The National Socialist mass movement soon proved to be beyond the power of the Nationalist Ministers to control. Unchecked by the police, the SA indulged in acts of terrorism throughout Germany. Communists, Social Democrats, and the Centre were everywhere ousted from public life. A violent persecution of the Jews began, and by the summer the National Socialist Party felt itself to be in such a strong position that it could do away with all the other Parties and the Trade Unions. The Nationalist Party was among those suppressed. The National Socialists thenceforward ruled alone in Germany. The Reichswehr had remained untouched by all these occurrences. It was still the same State within a State that it had been in the Weimar Republic. Similarly, the private property of great capitalists and landowners was untouched, while the administrative and judicial machinery was only very slightly tampered with.

From the summer of 1933 onwards the decisive question became whether or not the National Socialists would follow up their political victory by the social reconstruction of Germany. The Left wing of the Party, and the terrorist masses of the SA, wished to carry the revolution further. Hitler, on the other hand, declared in the sense of the Right wing of the Party that the 'Revolution' was at an end with the political transformation of Germany. The SA and its leader, Röhm, came to be more and more hostile to the official policy of the Party. Röhm's attempts to plant SA men in the Reichswehr failed. It appears that the

SA leaders were planning a *coup d'état* in 1934 for the purpose of eliminating the Right wing of the Party. It also appears that Röhm entered into relations with Gregor Strasser, the leader of the Left wing National Socialists, and with Schleicher's friends. But Hitler and the Right wing of the Party forestalled them.

On June 30, 1934, the headquarters of the SA in Munich, Berlin, etc., were occupied by the Reichswehr and the State police. Röhm and hundreds of other SA leaders were arrested and shot. On the same occasion Strasser, Schleicher, and a number of other opponents of the ruling faction were killed. This massacre broke the power of the SA and of the Left and radical elements of the National Socialist Party in general. The SA was completely disarmed and numerically greatly decreased. Since then the shock troops have had no political significance; the legitimate authorities are the sole executaries of power; and the alliance between the ruling Right wing of the Party and the Reichswehr and the great capitalists has been consolidated. Shortly afterwards, President von Hindenburg died. Since the army was now wholly on Hitler's side, a peaceful political reconstruction was carried out. The offices of President and Chancellor of the Reich were united, and Hitler has since then filled both offices simultaneously under the title of 'Leader and Chancellor.'

The economic policy of National Socialism has favoured capitalist ownership. The decisive influence in all economic questions has been that of Dr. Schacht, the President of the Reichsbank, who was also given the post of Reich Minister for Economy. National Socialist labour laws confer great power over his workers upon the employer as 'leader' of a concern. The Trade Unions have all been dissolved and their

place taken by the German Labour Front which, however, is mainly concerned with cultural matters, sport, travel, &c., and not so much with the economic interests of the workers. By means of large State contracts for building, armaments, etc., the National Socialist Government was able to animate the internal labour market and considerably to reduce the number of unemployed. These undertakings were financed by a sort of credit-inflation effected by the issue of large quantities of Treasury bonds. At the same time, however, German foreign trade took a very unfavourable turn. The reserves of gold and securities in the Reichsbank have been almost exhausted, and the provision of raw materials for German industry grows more and more difficult.

Industrialists, financiers, and landowners are the only persons who gain any advantage from the new order in Germany. Agriculture especially is encouraged in every possible way. On the other hand, the standard of life of the workers in general and of the urban middle classes remains depressed. The policy of the National Socialist Government has since June 30, 1934, roughly corresponded with the political hopes and wishes of the historic German counter-revolution. Germany is now ruled by a large united block composed of the former Right Parties led by Hitler and supported by the Reichswehr, the Civil Service, the great capitalists, agriculturists, and the Racist intellectuals and students. This governing block, firmly consolidated by the organization of a totalitarian State, is undoubtedly a formidable power, especially since the working classes have been utterly crushed and disintegrated. In the long-run, however, it is improbable that a Government which eliminates entirely the influence of the masses will be able to maintain itself.

The cultural results which were bound to follow on the victory of the counter-revolution of 1930 have become increasingly plain since 1933. The ruling tendency ruthlessly took command of all spheres of cultural life. Literature, art and science, the Press and education have all been centralized, and every divergent opinion has been suppressed. The Jews have been excluded from all public offices and from all participation in public life, and their economic position has grown increasingly difficult. Thousands of Jews and other opponents of the reigning system have been obliged to leave Germany.

The foreign policy of Hitler's Government brought about an unexpected understanding between Germany and Poland, whereby Germany withdrew all claims to a revision of her eastern frontiers. At the same time, Hitler tried to come to an understanding with France. In this, however, he did not succeed, because after 1933 Germany had exchanged her policy of secret rearmament for a public parade of it. The Hitler Government wished to gain some 'national' success, and since it had no desire to wage war, it used the fact of German rearmament for propaganda purposes among the German people. This did not, of course, make any difference to the facts, but it broke up the disarmament conference, forced Germany to leave the League of Nations, and made the French more and more nervous. The anti-Bolshevik tendency of the Hitler Government also roused the hostility of Soviet Russia. Fascist Italy had originally been very well-disposed towards National Socialism. But when after Hitler's victory the Austrian Nazis also assumed the offensive, and there seemed to be a chance of an amalgamation of Germany and Austria, the German-Italian friendship broke down. At the time of writing (in the spring of 1935), Germany is completely isolated, and its

international position is more unfavourable than at any time since 1919. This in its turn reacts upon Germany's economic position, since Germany can neither obtain foreign credits nor increase its exports.

NOTES AND DOCUMENTS

CHAPTER I

THE actual events of the German Revolution of 1918-19 so far as the public heard about them from day to day are best followed in the leading Socialist daily papers in Berlin—the *Vorwärts* (Majority Socialist) and the *Freiheit* (USPD). Of the periodicals of that time the *Sozialistischen Monatshefte* provide the best material. Of great importance, moreover, are the printed minutes of the Party Congresses—the SPD Congress at Weimar in 1919; the USPD Congress in Berlin in 1919; the Congress that founded the KPD which met from December 30, 1918, to January 1, 1919, and the KPD Congress at Heidelberg in October, 1919. The following narratives may be mentioned: Eduard Bernstein, *Die deutsche Revolution* (second edition, Berlin, 1922), written with abundant political experience and knowledge, but with a bias against the extreme Left. Eugen Fischer-Baling, *Volksgericht, die deutsche Revolution von 1918 als Erlebnis und Gedanke* (Berlin, 1932). The author was secretary to the Reichstag Committee of Investigation into the causes of the German collapse. This gives the history of the Revolution up to August 11, 1919. E. O. Volkmann, *Revolution über Deutschland* (Oldenburg, 1930). The author was first a Major in the Army and then an official in the Reich Archives. He provides important new material which, however, in view of his militarist bias must be carefully used. His account ends with the Kapp Putsch.

Arthur Rosenberg, *Die Entstehung der deutschen Republik* (second edition, Berlin, 1930. Translated into English under the title *The Birth of the German Republic*, Oxford University Press, 1931), contains a narrative of the internal developments in Germany during the World War, and of the events leading up to the Revolution. For the development of the Soviets, see Arthur Rosenberg, *Geschichte des Bolshevismus* (Berlin, 1933. Translated into English under the title of *A History of Bolshevism*, Oxford University Press, 1934). There is much material, especially citation of sources, in

Bergsträsser, *Geschichte der politischen Parteien in Deutschland* (fourth edition, Mannheim, 1926). On the subject of the Constitution: Hugo Preuss, *Staat, Recht und Freiheit. Aus 40 Jahren deutscher Politik und Geschichte. (Gesammelte Aufsätze, Tübingen, 1926.)*

CHAPTER II

The minutes of the Meetings of the Representatives of the People, which I have been able to consult for the purposes of this book, consist of two volumes of typescript. The first contains one hundred and forty-nine pages, the second one hundred and forty-two. The minutes cover the period November 14 to December 31, 1918. The typescript has never been corrected, and therefore contains a number of clerical errors, but on the other hand these minutes have not been through the hands of editors, and are therefore perfectly faithful records of the meetings in question. The clerical errors are very easily discerned and corrected.

Page 44. The article by Wissell quoted here appeared in the *Sozialistischen Monatsheften*.

Page 50. The so-called alliance between Ebert and Groener is a much-disputed problem. As witness in the so-called Munich 'stab-in-the-back-case,' General Groener said in November, 1925: 'The political aim for which Ebert was working and which he discussed with me at the time when the troops were marching in and after the affair with the sailors took place, was firstly the expulsion of the Independents from the Provisional Government, and secondly the safeguarding of the National Assembly. He requested my help for both, and I gave it to him. Ebert managed the ejection of the USPD as cleverly as it could possibly have been done.' Facts go to show that Groener's statement cannot possibly be correct. If Ebert had really wished to force the Independents out of the Reich Government he would have had every opportunity of doing so at the Soviet Congress, when the USPD group left its own representatives in the lurch and refused to enter the new central Council. It would have been perfectly simple for Ebert, supported by the Soviet Congress itself, to have insisted upon the resignation of the USPD People's Representatives. He did not do so. Moreover, the withdrawal of the Independents from the Government on December 29 was any-

thing but a triumph for Ebert. The Majority Socialist Representatives of the People remained isolated in the Government, forfeiting a great deal of their authority and in a most dangerous situation. Of Ebert's alleged 'cleverness' there is no sign.

Undoubtedly General Groener personally made every endeavour to speak the truth in 1925. But he was only able to give a one-sided picture of events which were then seven years old. How unreliable Groener's testimony was is shown by another of his statements. He said: 'I was talking to Ebert on the evening of December 24. He said to me: "What shall we do?" I replied that there were only about one hundred and fifty men left in Berlin; that the High Command was leaving Berlin and going to Wilhelms-höhe. Whereupon Ebert said laughing: "You know, I shall go away now and go to sleep for three days. I need it badly. I am going to stay with friends; I shall disappear utterly from the Chancellor's palace and go to sleep. I shall also see to it that all the other gentlemen go away for the next few days. Only a porter will be left. If the Liebknecht crowd takes this opportunity to seize the power there will be nobody here. But if nothing is found they will only be beating the air. And then we shall be in a position to set up our Government somewhere else in a few days' time, possibly in Potsdam.'" I suggested that he should come to Cassel. But he went off to sleep, and this is the curious thing about the story—Messrs. Liebknecht and Company also kept Christmas and did not attempt anything during these days.'

It might be supposed that a statement given with such precision and told so plausibly must be true. Actually it is purely imaginary. The three days during which Eber is said to have slept over Christmas 1918 are not to be found in the minutes of the meetings of the Representatives of the People. At half-past four in the afternoon of December 24 there was a meeting of the Council of the Representatives of the People. On December 26 at a quarter to eleven in the morning the Council met again. On December 27 there was another meeting at ten forty-five a.m., and on December 28 meetings went on without intermission until after midnight. The official withdrawal of the Independents took place during the midnight meeting on December 28-29. According to this, December 25 was the only day on which no meeting of the Representatives of the People took place. Historically it is not in itself of any great importance for how long Ebert slept, but this fact shows the care that is necessary in using Groener's testimony. Possibly somebody said for a joke in those critical days in December 1918 that it would

be best to shut up shop and go to bed. And in General Groener's mind this joke had become reality seven years later. The reasons for which Groener believed an 'alliance' to exist between him and Ebert have been stated in the text. (Groener's statement is published in Beckmann, *Der Dolchstoßprozess in München*, Munich, 1925, pp. 110 and 111.)

Page 51. Light is thrown upon the attitude of the old Imperial officials to the Government of the Representatives of the People by the demeanour of Solf, the Secretary of State for Foreign Affairs. Joffe, the former Russian Ambassador in Berlin, had asserted in a wireless message that the USPD had used Bolshevik money in preparing for the German Revolution. Thereupon the following scene occurred. The account is taken verbatim from the minutes of the Council of the Representatives of the People :

Cabinet Meeting on December 9, 1918, 10 a.m. Present : Ebert, Haase, Barth, Scheidemann, Landsberg, Solf, Nadolni, Kautsky.

'Violent scene between Solf and Haase. Solf repeats that he refused to shake hands with Haase. Haase calls this behaviour inadmissible. Solf reads Joffe's wireless message aloud. (Lengthy speeches of vindication by Haase and Barth follow ; after which the minutes continue.)

SOLF : I persist in my refusal to shake hands with Haase. I must act according to my convictions. As long as such a serious accusation hangs over him I refuse to greet him.

EBERT : The Joffe telegram has been published all over the world.

LANDSBERG : What are you going to do, Haase ?

HAASE : I shall reply to it at once publicly.

Barth associated himself with this statement.

EBERT : That closes the incident for the time being.'

And this sort of thing could happen a month after the victory of the Revolution ! Obviously it never occurred to any of the Representatives of the People to have Herr Solf arrested then and there. What would have happened in Russia in 1918 if some bourgeois official had behaved in a similar manner to Trotsky, or in France in 1793 if an aristocratic functionary had treated Robespierre like that ? In both cases the official would have been instantly brought before the Revolutionary Court.

An extract from the minutes of the Cabinet meeting on December 12 reads :

' Unofficial discussion about Solf. Unanimous agreement that he must go, but shall remain in office until a successor has been found.'

Nothing further was done against Solf. His successor was Count Brockdorff-Rantzau.

Page 58. A brilliant picture of the reconstitution of the middle-class Parties after the Revolution is given in the diary of a German National speaker published by Walter Lambach in the appendix to his book *Die Herrschaft der Fünfhundert* (Hamburg, 1926). The scene takes place at Cuxhaven on November 27, 1918. . . .

' The hall is full to overflowing with men and women. I begin with an objective criticism of the faults of the old régime and am rewarded by encouraging applause. That was to be expected. . . . Now the helm must be brought round. Now we come to criticism of the new rulers, of the members of the Workmen's and Soldiers' Councils who are in the hall. Now we shall see whether the spark catches, whether there is still room for us in Cuxhaven.

' The old gang has gone,' I begin after the clapping has ended, in a hard, loud voice. ' But I shall prove that those who have seized the power are even worse than they were. We have gone out of the frying-pan into the fire. We have fallen into intolerable slavery.' Breathless silence. The audience evidently expects interruptions from the members of the Workmen's and Soldiers' Councils who are adorning the front row wearing red armbands. The Revolution is still too young. Fear of machine-guns still paralyses most limbs. But the dreaded sound is not heard. The new God of Revolution does not send down either fire or brimstone.

Now or never was the time to burst the bonds of fear, to awaken the old feeling of self-reliance in these people : ' But we will not be slaves. We will live as free men. Your tyranny, gentlemen of the Workmen's and Soldiers' Councils, will be shattered by our cry for our rights,' I shout passionately. Something seems to snap in the audience. Tremendous applause breaks out. Our thoughts have free rein again.

The member of the Soldiers' Council who speaks after me is in naval uniform. He does not succeed in putting the audience back into its chains. He is laughed at. Furious indignation of the citizens rises to meet him. Ruthlessly they confront him with the shortcomings of his youthful government, and I am able to crush him completely in my final words.'

Here the crisis is crowded into a single moment. If the member of the Soldiers' Council had still possessed the force and the power

three weeks after the Revolution to have the counter-revolutionary speaker arrested after the first provocative words, and if this had been done all over Germany, then the Nationalist Party could never have been formed. But when it was seen that the 'God of Revolution' was defenceless, the middle-class counter-revolution could be organized unhindered.

Page 66. The temper of the Government shortly before the assembly of the Soviet Congress is shown by the following extract from the minutes of the Cabinet meeting on December 13. (There had again been complaints of the interference of the Councils in the Administration and the Army.)

EBERT: Things cannot go on like this. We are making fools of ourselves before the whole world. We must submit the following motion to the Reich Conference (*he means the Soviet Congress*): 'The conduct of the affairs of the Reich lies exclusively in the hands of the Government.' If this is passed, then a committee of the Reich Conference can be given parliamentary authority and hear reports at definite times, as the chief committee of the Reichstag used to in the old days. But a clear-cut delimitation is necessary. The responsibility is ours. The interference with the Government on the part of the Workers' and Soldiers' Councils that has been occurring all over the place must stop. . . .

DITTMANN: . . . We must get in touch with the Central Council from the very outset. We do not, after all, wish to be absolute rulers. Let us leave the (Berlin) Executive Council in peace and tell the Central Council what it is we want. In any case the Central Council has more power in the country than the Executive Council. But they must have the right of supervision, more or less, as the Chief Committee used to have it.

EBERT: Nothing whatever has been said against the right of supervision.

HAASE: The comparison with the Chief Committee is apt. But neither the Central Council nor any local Soldiers' Council must interfere in the affairs of any branch of the administration. On the other hand, the fact that the Workmen's and Soldiers' Councils have often acted very satisfactorily as supervisory committees over the local administration must not be overlooked. On the subject of encroachments, let us not forget the encroachments of the officers.

LANDSBERG: In the case of the officers it was only a few bigoted fellows. In the case of the Soviets we are dealing with the organization of disorder. . . . The comparison between the Executive

Council and the Chief Committee is not altogether correct. The Chief Committee is composed of men who have been selected first by the electors and again by their own parliamentary group. Only the best men got into the Chief Committee. The Executive Committee contains numbers of unsuitable persons. Whether that will be any different in the Central Council, is doubtful. Even there the lust for power can do much harm.

EBERT : If we hold together, we can very easily change things. Any objective differences between us must give way to this great task.

(After this Scheidemann indulged in further violent attacks on the Councils.)

HAASE : If we are agreed upon this, the situation may still be saved. Sense and the lack of it are divided evenly between both Parties in the Executive Council.

It is interesting here to see how little the Majority Socialist Representatives of the People understood what was new in the Councils, and also the attempts that were made to understand the unpleasant new phenomenon by making totally untenable comparisons with the usages of parliamentary life. The adherents of the USPD had far more fellow-feeling for the Councils, but were not in a position to confront the Majority Socialists with any other principle. The strong desire for unity displayed by both sides and especially by Ebert and Haase is also highly characteristic.

Page 66. Light is thrown upon the impotence of the Government after the seizure of the *Vorwärts* by the following minute :

Cabinet meeting on December 26, 10.45 a.m. Present : Ebert, Dittmann, Haase, Barth, Scheidemann, and in addition Heller and Schäfer of the Central Council.

The seizure of the *Vorwärts* : Ebert and Heller give a brief summary of the events.

Scheidemann ascertains that Liebknecht and Rosa Luxemburg were in the *Vorwärts* offices.

EBERT : We must demand on behalf of our Party that the *Vorwärts* is handed over to us unreservedly. We ourselves have no means to compel it. Fischer (*Military Governor of Berlin, successor to Wels*) will undertake nothing without the order of the whole Cabinet.

HAASE : You know very well that the Revolutionary *Obleute* turned against us (*that is, against the USPD*) in the *Red Flag*.

DITTMANN : It must first be ascertained whether Eichhorn

cannot get rid of the people. Only if he says that he cannot do so does it become a matter for the Military Governor.

SCHEIDEMANN : Yes, but if the Army is brought into it, there will be bloodshed, and then you will be bloodhounds too.

HAASE : We must speak to Eichhorn first.

After holding a consultation on the telephone, Haase continues : The Revolutionary *Obleute* immediately resolved that the *Vorwärts* must be evacuated. It was a mistake to say that they occasioned the occupation. If there should be any difficulty, Däumig would by virtue of his authority himself demand the evacuation of the *Vorwärts*. If even that should not be sufficient, the sailors have agreed to help in liberating the *Vorwärts*.

The humour of the situation lay in the fact that the People's Naval Division, the victor of the Christmas Eve affair, was now appearing as the last safety anchor of the Government. So broken was the power of the Representatives of the People !

CHAPTER III

Page 80. Rosa Luxemburg and the January revolt. On May 4, 1921, Paul Levi made a speech to the central committee of the KPD in which he justified his criticism of the March revolt of 1921. Levi published the speech in pamphlet form (*Was ist das Verbrechen ?* Berlin, 1921). In the course of his speech, Levi mentions January, 1919 (pp. 33 et seq.) :

' It has further been objected that Rosa Luxemburg's attitude during the January rising in 1919 was very different. . . . It is said that although Rosa Luxemburg was not in favour of that action, she nevertheless wrote articles and appeals for it. . . . I, too, was then opposed to the movement, and I, too, wrote leaflets and articles. And why ? From the completely different point of view that great masses of people were making a mistake, and not that a small collection of leaders was driving the right-thinking masses to destruction. . . .

Comrade Pieck was at the meeting in Puttkammer Street when we came into conflict with Karl Liebknecht's attitude. You will remember that Karl Liebknecht was stubborn, and that it was Leo Jogiches who made the suggestion to publish a strong declaration

in the *Red Flag* while the rising was in progress ; a declaration which should definitely repudiate Karl Liebknecht ; which should simply announce that Karl Liebknecht was no longer the representative of the Spartacus Union among the *Obleute*. You know exactly how much Rosa Luxemburg disliked Karl Liebknecht's attitude and how severe her criticism was. She would have made known her criticism as soon as the rising was at an end.'

Thus it becomes obvious how awkward and ambiguous was the situation in which Rosa Luxemburg found herself when she was obliged to agree publicly to the January action while privately she disapproved of it. As a member of the so-called Revolutionary Government, Karl Liebknecht was even more involved in the rising, and so the two came into conflict with one another. Rosa Luxemburg thought that Karl Liebknecht was giving too much support to the rising. In the general ambiguity, however, which attitude is to be regarded as right, and which as wrong? Undoubtedly if Rosa Luxemburg and Karl Liebknecht had lived longer the misunderstanding would have been cleared up. For though Karl Liebknecht was sometimes carried away by the excitement of battle he was never a Utopian.

Pieck was a Communist leader. Leo Jogiches was an eminent Polish Socialist who had worked in the ranks of the Spartacus Union during the War and in the early days of the Revolution. He was 'shot while trying to escape' by the police in Berlin in March, 1919.

Page 82. All Volkmann's sympathies are with the former Imperial officers and their Free Corps. Nevertheless, he writes of the result of the January fighting as follows (page 185) :

'The soldier is the decisive factor in the game. Not the Free Corps of General von Lüttwitz, but the undisciplined mobs in the barracks of Berlin and Potsdam, and a few republican fighting associations raked up during the last few days. Their lust for battle suddenly becomes uncontrollable. They are jealous of the Noske Guards and want to get the better of them. They do not wish to be supplanted (p. 186). Twenty-four hours later the chaos at headquarters has been cleared up, and order among the Berlin and Potsdam units has been so far restored that Major von Stephani, the commander of the regiment composed of the Potsdam contingents, can be given the order to attack the offices of the *Vorwärts* (p. 187). In the newspaper quarter the Majority Socialist Republican Militia is fighting with the "Reichstag" Regiment raised by

Kuttner, the editor of the *Vorwärts*, from among the workers who are willing to fight. . . . The attack upon the last as yet unconquered fort—the chief Police Station—will be launched during the night of January 11-12. The “Cockchafers,” under Sergeant-Major Schulz, which of all the Berlin regiments has always been most loyal to the Ebert Government, will bear the brunt of the battle.’

Page 98. During his trial before the Munich Courts, Leviné said (cf. *Freiheit*, June 6, 1919) : ‘ During the night of April 4-5 I was fetched by a friend to go to a meeting at the War Ministry, where the proclamation of a Soviet Republic was being planned. It was incomprehensible to me. In my opinion only the workers could proclaim a Soviet Republic, not individual persons. There were present at this meeting anarchists, independents, and Right wing Socialists, like Niekisch, Schneppenhorst, Dürr, etc. I made clear to the meeting what my standpoint was—which was also shared by my Party—and protested vehemently against their proceedings. I said that I considered the time most inauspicious and much too early. Bavaria is not a self-sufficient economic unity. It could not maintain a Soviet Republic unless the whole of Germany were doing the same. . . . We sent a delegation to the Central Council . . . and protested in the name of the Party against the puerile undertaking. Nevertheless, a specious Soviet Republic was proclaimed, and we fought against it for as long as there was any fight left in us.’

Regarding the events of the night of April 13-14, Leviné spoke as follows : ‘ At the meeting of the Industrial Councils the mood was : “ We will not yield.” I remember saying, “ I am afraid you are lost either way. Now it is a case of at least going under honourably. If you decide to fight, then we as communists will not leave you in the lurch.” We regarded it as our duty as Labour leaders to stand by the proletariat. We warned, we let them abuse us, but as soon as this pseudo-Soviet Republic—and thereby the proletariat itself—was threatened, it was our duty not to leave the workers in the lurch. We should have been traitors if we had done so.’

In conclusion, Leviné said : ‘ I have known for a long time that we Communists are only dead men on holiday from the grave. It lies in your hands, gentlemen, to extend my reprieve or to send me to join Karl Liebknecht and Rosa Luxemburg. You may kill me, but my ideas will live.’

CHAPTER IV

Page 120. Volkmann gives some information regarding the background to the Baltic venture (p. 238, from a conversation between Ebert and Groener in January, 1919) : Even if there had been no idea of making conquests in Russia, replied Groener, it was nevertheless of vital interest to Germany to keep the Bolshevists at a reasonable distance from her frontiers. For this reason the Field Marshal (Hindenburg) and he, he continued, had always advocated the longest possible delay in evacuating the States on the Russian border, and for the same reason they still considered the resumption of a limited offensive in Courland to be necessary. A sort of vacuum must be created beyond East Prussia.

On April 24, a discussion took place in the Cabinet as to what was to be done in the East. Groener announced that the goal that had been set—to erect a secure barrier beyond the German frontier on the shortest line against the Bolshevists—had been achieved. The danger of an immediate attack, he continued, was the less at that time because the Bolshevik armies were fully occupied in resisting the attacks of the White Guards under Admiral Koltshak and General Denikin. An end might even be put to the Soviet régime if an Entente army were to invade Russia from the West with the German troops. . . . The Cabinet arrived at the conclusion that the existing frontiers in the East were sufficiently secured, and that no offensive was intended either against the Poles or in Courland.' The conclusions of the Government were correct. But the Generals and the amateur politicians did not allow their plans to be disturbed on that account.

CHAPTER V

Page 139. On the question of the Labour Government during the Kapp Putsch : Däumig at a meeting of the Berlin Industrial Councils on March 23, 1920 (compare the account in the *Freiheit* of March 24) said : ' Legien has during the last few days made an attempt to do away with the Bauer-Noske Government, but, be it noted, only with the persons. The principles of middle-class democracy and of Trade Unionism were not attacked in any way. Legien,

united with the members of the Free Trade Union Association and the German Union of Civil Servants, also got in touch with the Independent Party in order to negotiate with it about the points he had formulated. The Independent Socialist Party for its part made much more far-reaching demands and did not express any willingness to co-operate with the compromised Right wing Socialist Party. Thereupon Legien went to the coalition Parties.' In the course of his speech Däumig stated that the idea of a Socialist Labour Government had fallen to the ground.

After Däumig, Pieck spoke for the KPD. He said, amongst other things: 'The present situation is not ripe for a Soviet Republic, but for a Labour Government. As revolutionary workers, we should regard a purely Labour Government as exceedingly desirable. It could, of course, be no more than a transitory phenomenon. . . . The USPD has rejected the Labour Government and thus failed to look after the interests of the proletariat at the politically favourable moment.' (The report notes at this point, 'Violent dissent and applause.')

A well-informed member of the KPD under the name 'Spartakus' gave a description of the Kapp Putsch in the periodical *Die Kommunistische Internationale*, Number 10 (1920). The writer says, *inter alia* (p. 160): 'Such was the situation in Berlin when after six days of a general strike the Kapp Government found itself at the end of its resources, when Kapp himself resigned, and the Association of Trade Unions under the leadership of Legien was forced by the members of the Trade Unions to make demands of the Ebert Government which led to a breach with the Middle-class Government. There was a possibility that the formation of a Labour Government to the exclusion of the middle classes might have been extorted from the Ebert-Bauer Government by pertinacity and under the threat of an extension of the general strike. Legien conducted negotiations with the USPD to induce them to enter the Government. The Right wing of the Independents was inclined to agree to . . . this suggestion. . . . The attitude of the Left wing to this question depended upon the attitude that the KPD would assume in the event of Legien's proposal being adopted. Since the Left wing of the USPD has in fact a great influence within the whole Party, it really depended on Däumig and others whether men like Hilferding and Crispian did or did not accept Legien's suggestion. When our representatives among the strike-leaders (of the general strike in Berlin) came unofficially to hear of this question, they said something to the effect that naturally a Labour Government

excluding the middle classes would be preferable to them than a return to the old middle-class-Socialist coalition, which despite the change of personnel must in effect be the same Noske régime.'

Following on this, the Central Committee of the KPD passed a resolution on March 21, assuring a future Labour Government composed of both Socialist Parties a 'fair Opposition.' That is to say, that the Communists would not under a purely Socialist Government make further preparations for an armed revolt, but confine themselves to peaceful propaganda for their views.

At this time the SPD under Legien's leadership, the Right wing of the USPD, and even the KPD were in favour of a Labour Government. The plan came to nothing, owing to the opposition of the Left USPD led by Däumig. This is the explanation of Pieck's attack on Däumig at the Berlin meeting of the Industrial Councils (see above).

The official biography of Legien—Leipart, *Carl Legien, ein Gedenkbuch* (Berlin, 1929)—says something about Legien's part in the Kapp Putsch (pp. 116 et seq.), but unfortunately is silent upon the important question of the Labour Government.

CHAPTER VI

For this and the following chapters cf. the collective work: *Zehn Jahre Deutsche Geschichte 1918-28*, Berlin, 1928 (in which, amongst others: Külz, *Deutschlands innerpolitische Gestaltung*; Von Rheinbaben, *Die auswärtige Politik seit dem Vertrage von Versailles*; Schiffer, *Die Rechtsentwicklung im neuen Deutschland*; Schmid, *Zehn Jahre fremder Besatzung am Rhein*; Luther, *Die Stabilisierung der deutschen Währung*; Popitz, *Die Finanzpolitik seit 1918*; August Müller, *Die Sozialpolitik seit 1918*; Demuth, *Die Wirtschaftsverbände der Unternehmer*; Leipart, *Die Arbeitnehmer in Deutschland*).

Further, *Recht und Staat im neuen Deutschland* (Lectures given at the German Association for Education in Political Science, published by Harms, 2 vols., Berlin, 1929). *Volk und Reich der Deutschen* (Lectures given at the same Association, 3 vols., Berlin, 1929). In the second volume there are important articles on the political Parties after 1918, on the Patriotic Associations, and on the *Reichsbanner*.

For economic and political statistics, see the excellent work of

Woytinsky, *Zehn Jahre neues Deutschland, ein Gesamtüberblick in Zahlen* (Berlin, 1929); cf. also: E. J. Gumbel, *Vier Jahre politischer Mord* (Berlin, 1922); E. J. Gumbel, *Verschwörer, Beiträge zur Geschichte und Soziologie der deutschen nationalistischen Geheimbünde seit 1918* (Vienna, 1924); Konrad Heiden, *A History of National Socialism* (London, 1934); Walther Rathenau, *Politische Briefe* (Dresden, 1929); Caro und Oehme, *Schleichers Aufstieg, ein Beitrag zur Geschichte der Gegenrevolution* (Berlin, 1933).

CHAPTER VII

Gustav Stresemann, *Vermächtnis*. His papers in three volumes. Published by Henry Bernhard in collaboration with Wolfgang Goetz and Paul Wiegler (Berlin, 1932-33). This is a primary source for the years 1923-29. Stresemann's *Vermächtnis* is not strictly a book of memoirs, but a collection of notes and documents of all descriptions with a short text uniting them into a coherent whole (English translation, *Gustav Stresemann*, London, 1936-). Important too, are the Memoirs of Lord d'Abernon, the British Ambassador in Berlin.

Page 182. An indispensable work is Wentzcke, *Ruhrkampf. Einbruch und Abwehr im Rheinisch-Westphälischen Industriegebiet*, volume i. (Berlin, 1930). Wentzcke wrote his book with the assistance of the Municipal Councils and of the Industrialists of the Ruhr. His sympathies are wholly with the middle-class Parties and with the Black Reichswehr. Nevertheless he did his work carefully, and is the first to bring to light a number of important facts on the subject of the so-called passive resistance, see especially his remarks on pp. 301 *et seq.*, 376 *et seq.*, and 428 *et seq.*

Page 184. On the subject of the standard of life of the German workers during the inflation, cf. Pawlowski, *Vor dem Endkampf in Deutschland* (Berlin, 1923).

Page 185. Cf. Chief Burgomaster Böss, *Die Not in Berlin. Tatsachen und Zahlen* (Berlin, 1923).

Page 206. The Reichstag Committee for the investigation of the Vehm organization and the Vehm murders met in 1926 and 1927. The minutes of its meetings were published as Reichstag pamphlets. Especially important are the minutes of the meeting of March 30, 1927, with the report of deputy Leví on the documents in the

Rossbach case. Only a few excerpts can be given here from the wealth of material. Thus Rossbach wrote to his counsel on September 18, 1923, from the prison where he was detained on remand (a copy of the letter was among the documents. Rossbach usually shortens the Reichswehr to R.W.; A.G. stands for Labour Association, one of the innocuous aliases for the secret societies; Fr. Rex. is 'Fridericus Rex,' another alias for the Black Reichswehr. Eberhard was one of Rossbach's officers. Rossbach wishes to prove how close his association with the Reichswehr has always been, and that therefore the charge of high treason against him is absurd) :

' My own personal relations with the R.W. go back to the days of the A.G. in Pomerania, say about 1920. At that time I often carried on negotiations with two R.W. officers in Stettin, one of whom now occupies one of the chief posts in the Army of the Reich. Hence I can only discuss this with you by word of mouth and furnish proof of it if the attitude of General von Seeckt makes it necessary. I had undertaken at that time to raise a battalion in case of mobilization. Equipment, arms, etc., had been settled. (Once more new R.W. activities come to light here.) Later direct communication was dropped, because I refused to agree to the demand of the Reichswehr and to have my men absorbed into the Reichswehr altogether. (Reasons for this I will give you later orally). Disappointed at my determined attitude in this matter, the later so-called Black R.W. (Fr. Rex, etc.) tried to inveigle the men of my former organization into its ranks one by one. The result was the row in Mecklenburg (Eberhard can tell you about it) and the new ideas on the Upper Silesian question. Owing to the urgency of the situation I finally succumbed to the blandishments of the then representative of the R.W., Colonel von Schwarzkoppen, at Breslau, and despite resistance at first, I did in the end allow my men to be used. . . . I suppose nobody in the Government or Reichswehr will deny that the self-defence there was financed by them. Regular R.W. officers and men were actually fighting in the regiment " Silesia " which was under my command.'

In the same letter Rossbach writes later : ' Finally, I am convinced that the Marxists of all shades of opinion both in the Government and in the Courts of Justice are certainly not going grey over the fact that the Reichswehr and the Swastika men are at loggerheads with one another. The super-clever Herr von Schleicher should also realise this.'

In these documents Herr von Schleicher is continually appearing as the real originator of all the political measures taken by the

Reichswehr Ministry. Also in September 1923 Rossbach's Counsel moved that General von Seeckt should be examined on the following points :

1. That he knew that so-called Black Reichswehr detachments were in existence throughout the whole Reich, and that it was with his knowledge that invitations were issued to all members of Nationalist Associations to join marching battalions (*Marsch-Bataillone*), which had now been established in every single district, and for which estimates had also been drawn up by the secret Reichswehr officials.

2. That he knew of a regulation whereby if these things should come to the ears of the authorities, every single man who was caught should deny any connexion with the Reichswehr and take the matter on his own shoulders alone.

Among the various questions which were to be put to Herr von Seeckt the following is particularly interesting in view of the future Putsch at K ustrin : ' Is General von Seeckt acquainted with Major Buchrucker and his activities ? '

While in the rest of the Reich the Reichswehr was carrying on its conflict with the Racist leaders, matters were different in Bavaria. Thus, in the letter of September 18 from Rossbach, quoted above, is the following passage :

' Graefe himself must decide whether any questions are to be asked about Bavaria. For there is here an official Rossbach division among the National Socialist units. If General von Seeckt denies all connexion with Rossbach men, that is, of course, understandable, but the manner in which he (or Herr von Schleicher) does it is, to say the least of it, not clever. For Bavaria obviously still forms part of the German Reich, and the Reichswehr there is under the control of Gessler and von Seeckt. However, as I said before, here begins a chapter about which Herr von Seeckt must decide for himself.'

This is an obvious allusion to the fact that up to November, 1923, the SA, the Rossbach men, etc., in Bavaria were officially part of the Black Reichswehr, and that in Bavaria not even the camouflage was necessary that was practised in the remainder of the Reich.

Page 210. On the subject of the Black Reichswehr in the summer of 1923, Wentzcke says on p. 435 :

' The total number of volunteers and mercenaries available throughout Germany is estimated rather too liberally at fifty to eighty thousand men.'

The curious vagueness regarding the number is not to be explained by any superficiality on the part of Wentzcke; but evidently Seeckt and Schleicher themselves did not in the confused state of affairs know on how many men they could reckon if matters became serious.

CHAPTER VIII

America and the Dawes Plan: In February 1924 the Dawes Commission visited Berlin. Lord D'Abernon¹ says on this subject in his diary on February 7: 'The American President, Dawes, knows nothing of the detail and takes no interest in it, but he possesses a mysterious power of swinging American opinion. . . . Young, the second delegate, a youth of forty, has already made himself the head of the General Electric Company, and is said to outclass humanity intellectually. In conversation he is deliberate and reticent. The Americans, with their mania for booming everything, talk about his mind as being the most perfect of instruments. Some of his colleagues naturally say this is nonsense, but he has money and prestige behind him and the reputation for prescience in business.'

The effect produced by the visit of the Dawes Commission on the American Ambassador in Berlin is shown by d'Abernon's entry on March 20, 1924: ² 'Berlin, March 20.—The American Ambassador (Houghton) came round to see me last night to discuss the position. Since the visit of the Reparation Sub-Commissioners he has rather altered his line. Previously he was strongly opposed to any excessive demands on Germany and extremely critical of French action. Now he takes the line that Germany has got to accept whatever terms the Sub-Commission puts forward, since the only alternative to acceptance is complete disruption and permanent occupation of the Ruhr by France. He is inclined to adopt wholesale the proposals of the Sub-Commission, believing them to have been inspired by Young, who, in his turn, he believes to be verbally inspired by Providence. . . . I am myself strongly in favour of falling in with American conceptions, provided that these conceptions possess any chance of workability. The desirability of working with America is

¹ *D'Abernon: An Ambassador of Peace*, vol. iii. p. 46.

² *Ibid.*, pp. 59-60.

dominant. Apart from the political side, the advantage of it can be measured by the amount of financial assistance America can give towards the restoration of business in Europe. If this assistance is large, Europe will put up with a good many erroneous conceptions. The question is: Will it be large?'

In July and August 1924 Hughes, the American Secretary of State, actually came to Europe himself. On an ostensibly unofficial trip he visited London, Paris, Brussels, and Berlin, and everywhere urged the adoption of the Dawes Plan (cf. Lord d'Abernon's diary on August 8, 1924).

Stresemann himself wrote to Houghton on June 4, 1925: 'It must be nearly a year since, chiefly at your instigation and on your recommendation, I pressed for the adoption in principle of the Dawes Plan. Doctor Luther and I swept the Cabinet with us at that time.'

Dawes Plan and foreign loans: The Dawes Commission in the introduction to its report describes the great possibilities of expansion in German trade, and then continues: ¹ (1) Germany is therefore well equipped with resources; she possesses the means for exploiting them on a large scale; when the present credit shortage has been overcome, she will be able to resume a favoured position in the activity of a world where normal conditions of exchange are gradually being restored.

Further, the Dawes Report says (p. 12): ² More important still is the fact that the success of our proposals to attain financial stabilization depends essentially upon the return of confidence. Without this the return of German capital invested abroad, the attraction of foreign capital for the purposes mentioned in the scheme and of foreign credits for the current conduct of business, and even the proper collection of taxes, will alike be impossible.

Such confidence cannot be attained unless a settlement is now made which both Germany and the outside world believe will give an assurance that for a considerable period neither its finances nor its foreign relations will be endangered by renewed disputes. Such an assurance, as we shall see, does not mean making the charge on Germany a uniform one over a period of years, nor even deciding beforehand what the charge shall be in each of these years. But it does mean settling beforehand the method by which increases shall be determined.

When we speak of the adoption of such a method for 'a consider-

¹ *Dawes Report*, Part I, para. v. p. 13.

² *Ibid.*, para. viii (a), pp. 16-17.

able period,' we are thinking primarily of the period which lenders and investors whose money is required as a part of our scheme will have in mind.

The Reparations Agent, Parker Gilbert, in his report of December 10, 1927, also quotes the above extract from the Dawes Report as proof that the experts themselves were reckoning with an influx of foreign credits to Germany as a consequence of the adoption of their plan. In reference to this, Parker Gilbert points out that the progress already made in Germany would not have been possible without foreign credits. He then continues:¹ But the question at present is not what foreign funds have done in the past for the benefit of Germany, but how far they can be usefully absorbed in the future and to what extent they might even prevent, if they continue to flow in in their recent volume, the consolidation of the advancement already made.

CHAPTER IX

For the policy of the years 1928-9 cf. Stresemann's *Vermächtnis*, vol. iii. For the economic crisis: Sternberg, *Der Niedergang des deutschen Kapitalismus* (Berlin, 1932). For agrarian questions: Topf, *Die grüne Front. Der Kampf um den deutschen Acker* (Berlin, 1933). For the currents within the working classes, cf. the two Socialist periodicals, *Die Gesellschaft* (which was in close connection with the Party leaders) and *Der Klassenkampf* (the organ of the Left SPD).

¹ *Report of the Agent-General for Reparation Payments*, December 10, 1927 p. 235.

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