

The Historian Albert Fischer on the Minister of Economics and the Expulsion of the Jews from German Economy

Hjalmar Schacht lived from 1877 to 1970. During this time he was twice president of the Reichsbank, the first time as a left-wing liberal from 1923 to 1930 and again as a follower of Adolf Hitler from 1933 to 1937. In addition, he served under Hitler as Minister of Economics from 1934 to 1937 and as Minister without Portfolio until 1943.¹ Schacht was thus one of the dominating figures in the field of economic policy and the prime mover of the National Socialist economic upturn.² Not only was he a powerful figure in the economy during the first years of the Hitler regime, he played a significant political role as well. In 1936 the *New York Times Magazine* called him “dictator no. 2” after Hitler, the “dictator no. 1.”³

Hjalmar Schacht's political role has always been a subject of dispute and controversy - with one exception: for decades there had been widespread agreement that Schacht had opposed Nazi antisemitism, in particular that he had prevented the expulsion of the Jews from the German economy. The business world was considered to have been a so-called refuge in which, despite the Nuremberg laws, the Jews were able to continue comparatively unmolested until the second half of the thirties, almost until Schacht stepped down as Minister of Economics.⁴ In the post war years Schacht himself claimed again and again that this was the case. Once he even said that he

¹ Amos E. Simpson, *Hjalmar Schacht in Perspective* (Studies in European History. No. XVIII), The Hague, 1969; Edward N. Peterson, *Hjalmar Schacht. For and against Hitler. A Political-Economic Study of Germany 1923-1945*, Boston, 1954.

² Loc. cit. Furthermore: Harold James, *The German Slump. Politics and Economics 1924-1936*, Oxford, 1986; Harold James, “Hjalmar Schacht. Der Magier des Geldes,” in: *Die braune Elite II. 21 weitere biographische Skizzen*, Ronald Smelser et al., eds., Darmstadt, 1993, pp. 206-218.

³ Emil Lengyel, “Schacht Challenges the Nazi Hotheads,” in *New York Times Magazine*, 1 September 1935.

⁴ Uwe D. Adam, *Judenpolitik im Dritten Reich*, Duesseldorf, 1972, p. 173. Willi A. Boelcke, *Die deutsche Wirtschaft 1930-1945*, Duesseldorf, 1983, p. 210; Rolf Puppko, *Die wirtschaftsrechtliche Gesetzgebung des Dritten Reiches*, Konstanz, 1987, p. 274; Karl A. Schleunes, *The Twisted Road to Auschwitz. Nazi Policy toward German Jews 1933-39*, London, 1972, p. 217.

would feel embarrassed to admit the extent to which he had helped the Jews in Germany.⁵

However, in the 1980s an Israeli historian, Avraham Barkai, refuted that view. He maintained that Schacht could not have done much for the Jews who were working in industry and commerce, nor for the Jews in general.⁶ But Barkai did not support this view with specific research on the Jewish policy of the head of the central bank. He announced this as a hypothesis that should be further investigated. Soon afterwards other historians, such as Reinhard Ruerup and Werner Mosse for example, called for a more detailed investigation of Schacht's role in relation to the Jews.⁷

This article takes up the challenge, and poses, examines and attempts to answer the following questions. Firstly, what was Schacht's attitude towards the Jews in principle? Did he actually want to help them? Secondly, did he fight for the Jews to the extent he afterwards claimed? In other words, how far did he act if he really wanted to help them? Thirdly, did he achieve any notable results? If he did help the Jews, was he successful? The investigation only covers the years up until the dismissal of Schacht as Reichsbank President in January 1939. The investigation does not deal with the war years and the mass extermination of the Jews. It is limited to examining the extent to which Schacht opposed the expulsion of the German Jews from their jobs and from the country prior to January 1939.

The source of the research material was the Central State Archives at Potsdam in the former German Democratic Republic, which houses the files of the Reichsbank and the Ministry of Economics. The Federal Archives at Koblenz, the Foreign Office records and some municipal archives in the Federal Republic of Germany were made use of as well. The records of the International Military Tribunal held at Nuremberg, those of the de-Nazification Chamber at Ludwigsburg, and the records of American archives at the Institute of Contemporary History in Munich were also consulted.

⁵ Hjalmar Schacht, *76 Jahre meines Lebens*, Bad Woerishofen, 1953, p. 590.

⁶ Avraham Barkai, Vom Boykott zur "Entjudung." Der wirtschaftliche Existenzkampf der Juden im Dritten Reich, Frankfurt am Main, 1988, p. 73

⁷ Reinhard Ruerup, "Das Ende der Emanzipation: Die antijuedische Politik in Deutschland von der 'Machtergreifung' bis zum Zweiten Weltkrieg," in *Die Juden im nationalsozialistischen Deutschland. The Jews in Nazi Germany. 1933-1943*, Arnold Pauker, ed., Tuebingen, 1986, pp. 97-114; p. 110, n. 54

The investigation revealed that Avraham Barkai was correct in his assumption. Schacht neither fought for the Jewish minority to the extent claimed, nor did any efforts on his part really contribute to protecting the Jews. And, most importantly, not only was Schacht *unable* to achieve as much as he himself claimed, he actually did not *want* to oppose Nazi policy. In fact, from time to time he even helped to tighten those laws discriminating against the Jews.⁸

This is not as surprising as it may seem since Schacht was never the champion of the German Jews as he is portrayed by his biographer, Pentzlin, for example.⁹ According to his own confessions, he was not. Even in Schacht's post war writings, antisemitic resentments surfaced again and again. And in 1953 he was still complaining about Jewish overrepresentation in the spheres of culture, justice, administration, and medicine in the Weimar Republic. He called this "the break-in of an alien spirit into the spirit of the host nation,"¹⁰ and he concluded: "If they [the Jews] had been a little bit less urgent in these things, no one would have done anything to them."¹¹

The fact is that Schacht did not oppose the expulsion of the Jews from the civil service, the bar and the medical profession at all. He kept silent at cabinet meetings.¹² He implemented the racial laws in his Ministry of Economics and at the Reichsbank, although he was not obliged to do so. That is to say he personally arranged and signed the decrees that ordered the dismissal of Jews and of those Germans married to Jews.¹³ Furthermore, Schacht justified the antisemitic policy in public and made light of it to the international community.¹⁴ As he had justified the laws and edicts of the early years of the

⁸ The whole investigation has already been published in German: Albert Fischer, *Hjalmar Schacht und Deutschlands "Judenfrage". Der "Wirtschaftsdiktator" und die Vertreibung der Juden aus der deutschen Wirtschaft*, Cologne, 1995.

⁹ Heinz Pentzlin, *Hjalmar Schacht. Leben und Wirken einer umstrittenen Persoenlichkeit*, Berlin, 1980, p. 14

¹⁰ Schacht, *76 Jahre*, p. 450.

¹¹ Institut fuer Zeitgeschichte, Munich, Sp. 1/12, Stuttgart, F. F1/89.

¹² Konrad Repgen and Hans Booms, eds, *Akten der Reichskanzlei. Regierung Hitler 1933-1938*, part 1, 1933/34, vol. 1, 30 January to 31 August 1933, documents no. 1-206, Boppard, 1983.

¹³ Bundesarchiv, Abt. Potsdam (hereafter BAP), 25.01, Deutsche Reichsbank, no. 7237, 7238, 7251.

¹⁴ See for example: Gerhard L. Weinberg, "Schachts Besuch in den USA im Jahre 1933," in *Vierteljahreshfte fuer Zeitgeschichte*, 11 (1963), pp. 166-180; Edwin Black, *The Transfer Agreement. The Untold Story of the Secret Agreement between the Third Reich and Jewish*

Third Reich, so he energetically defended the Nuremberg Laws.¹⁵ In November 1935 he declared to the Saxonian Chamber of Commerce:

I welcome the [racial] classification that is realized by the Nuremberg laws. ... I welcome ... that the Jew won't be a citizen of the Reich any more, that he is being repelled back into his isolation from which he has pushed out of to dominate the German people in an impertinent and impudent manner, that he is being repelled into his ghetto. That is completely right and justifiable. If we had 600,000 Chinese people in Germany today who presumed to occupy our theatres, our press, our culture, we wouldn't tolerate it and would put them into a Chinese ghetto. ... So we have to agree to the Jewish policy of the Fuehrer and, you may be surprised to hear, that of Julius Streicher as well. The race problem will be solved by the Nuremberg Laws and by throwing the Jews out of the administration, the theatres and so on.¹⁶

By the time of this statement Schacht had gone a long way in the sphere of Jewish policy. He had begun his career as a pronounced pro-Jew and, having entered the political arena as a founder and executive member of the left-wing liberal German Democratic Party (GDP),¹⁷ he had taken over the chair of the Reichsbank President as the candidate of the left.¹⁸ The fact that the GDP fought for the rights of the Jewish minority more than any other political party meant that Schacht for many years had been exposed to the barrage of insults and ridicule of right-wing demagogues. They had called him an "obedient pupil of Jewish bankers,"¹⁹ and claimed that he was a Hungarian

Palestine, New York, 1984, pp.115-116; Hjalmar Schacht, "German Trade and German Debts," *Foreign Affairs*, October 1934, pp. 1-5; p. 4.

¹⁵ Der Prozess gegen die Hauptkriegsverbrecher vor dem Internationalen Militaergerichtshof. Nuernberg. 14. November 1945 - 1. Oktober 1946, Nuremberg 1947-49, vol. 36, doc. 450-EC, p. 525

¹⁶ BAP, 31.01, Deutsche Reichsbank, no. 716.
¹⁷ Lothar Albertin, *Liberalismus und Demokratie am Anfang der Weimarer Republik. Eine vergleichende Analyse der Deutschen Demokratischen Partei und der Deutschen Volkspartei*, Duesseldorf, 1972, pp. 95-96, 179.

¹⁸ Helmut Mueller, *Die Zentralbank - eine Nebenregierung. Reichsbankpraesident Hjalmar Schacht als Politiker der Weimarer Republik*, Opladen, 1973, p. 36.
¹⁹ Alfred Rosenberg, *Dreissig Novemberkoepe*, Berlin, 1927, p. 239.

Jew whose real name was “Hajum Schachtel”²⁰ or a Danish Jew “Chaim Schachtel.”²¹

Schacht supported the “Aryanization” outside industry and commerce without qualification. Moreover, his commitment to the Jews in the business world was not as significant as claimed either by himself or by his followers afterwards.²² He did indeed try several times to check antisemitic encroachments. He mentioned them in ministerial meetings. He issued decrees regarding the matter. He rebuked local authorities.²³ However, Schacht's ministry and the Reichsbank helped the Jewish firms too infrequently and too half-heartedly to warrant the claim of being a defender of the Jews.

This is clearly illustrated in three incidents that occurred in the banking sphere; each reflects the daily, routine, harassment of Jewish banks as well as the attitude of Schacht's ministry and the Reichsbank. The banking sphere is especially relevant, for two reasons. Firstly, it was under Schacht's control, or better under his responsibility. As Minister of Economics, as President of the Reichsbank, and as chairman of the supervisory authority for the credit system he was in a very strong position.²⁴ Secondly, the importance of the Jews in the private banking sector was considerable - not in the banking system as a whole but in the private bank sector. For example, the large joint-stock companies that still exist in Germany today were founded by Jewish bankers: The *Deutsche Bank*, the *Dresdner Bank* and the *Commerzbank*. Before 1900 half of the leading positions in the limited companies were held by people of Jewish origin, and in 1928 this figure was still at least ten

²⁰ Quoted by Norbert Muehlen, *Der Zauberer. Leben und Anleihen des Dr. Hjalmar Horace Greeley Schacht*, Zuerich, 2nd edition, 1938, p. 31.

²¹ Document Center, Berlin, B 328, Hjalmar Schacht.

²² Hjalmar Schacht: “As long as I was minister of Economics not a single act of injustice was done to the Jews in the business world” (IMT, doc. NI-406, p. 37). See furthermore: Schacht, *.76 Jahre*, p. 404. Hjalmar Schacht, *Abrechnung mit Hitler*, Hamburg, 1948, p. 13.

²³ Fischer, *Hjalmar Schacht*, pp. 113-209

²⁴ Christopher Kopper, *Zwischen Marktwirtschaft und Dirigismus. Bankenpolitik im “Dritten Reich” 1933-1939*, Bonn, 1995, pp. 71-74

percent.²⁵ In 1930 fifty percent of sole trader and partnership private banks were still Jewish owned.²⁶

The first incident occurred in the autumn of 1935. The Saxon state withdrew the financial administration of the state lottery from a large private bank because its owners were Jewish. The bank had administered the lottery for 75 years. It was not without good reason that the management of the bank feared the deleterious effects on its reputation and concern among its clients if the revocation were to be published. The bank therefore asked the Reichsbank to prevent publication of this decision. But the Reichsbank's Board of Directors ignored the request. "We won't do anything about it," remarked one director, and the Jewish bankers found themselves on their own.²⁷

The second incident was the declaration by the newspapers of Luebeck that they would publish the usual joint Christmas greetings of the local banks, only if the Jewish banks remained excluded. The local banking association protested. Schacht's ministry, however, remained silent, tacitly accepting the advertising ban on Jewish banks.²⁸ One might add that these newspapers generally refused to accept advertisements from Jewish firms.²⁹

The third incident occurred in the autumn of 1936 and is particularly illuminating of Schacht's role inside his ministry. The President of the Hamburg Law Society had proposed revoking the registration of a lawyer because he had begun working for the Warburg Bank. Schacht's subordinates were strongly opposed. They drafted a letter to the Minister of Justice, demanding "that the aspects of the racial question should come second to the economic aspects in the struggle for the preservation and fostering of our foreign relations." They further protested with detailed complaints against the harassment of (Jewish-run), companies dealing with foreign countries. For Schacht, however, such wording was definitely going too far and he had these

²⁵ Jakob Lestschinsky, *Das wirtschaftliche Schicksal des deutschen Judentums. Aufstieg .Wandlung Krise Ausblick*, Berlin, 1932, p. 91

²⁶ Alfred Marcus, *Die wirtschaftliche Krise des deutschen Juden. Eine soziologische .Untersuchung*, Berlin, 1931, p. 48

²⁷ BAP, 31.01, Reichswirtschaftsministerium, no. 15514.

²⁸ Loc. Cit.

²⁹ Bundesarchiv, Koblenz (hereafter BAK), R 2, Reichsfinanzministerium, no. 4863. Furthermore: Uwe Westphal, *Werbung im Dritten Reich*, Berlin, 1989.

remarks as well as the quoted sentence completely deleted. The critical letter was never sent.³⁰

Table 1. Private Banks in Germany 1 January 1936³¹

Total Assets (Millions RM)	Number		Total Assets (1,000 RM)	
	"Non-Aryan"	"Aryan"	"Non-Aryan"	"Aryan"
0-0,1	71	117	3,146	5,742
0,1-0,5	133	227	33,965	59,056
0,5-1,0	54	97	37,796	68,340
1,0-10,0	72	112	217,871	276,242
10,0-50,0	10	17	181,871	342,867
50,0-	5	0	512,123	0
	345	570	986,772	752,247
	915		1,739,019	

The implications of these individual incidents become more significant when seen in the broader context. By the time Schacht was dismissed as President of the Reichsbank in 1939, the Jews had been completely driven out of the banking world.³² During the first three years after Hitler's seizure of power, almost a quarter of the 1,300 private bankers had given up banking. The vast majority of the more than 300 closed banks had been Jewish owned.³³ After 1935 the "selection process" continued, as can be seen from Table 1 and Figure 1. The table shows that in 1935 half of the private banking firms were still Jewish, and the diagram illustrates the extent of the "Aryanization" during the years 1936 and 1937. According to the balance sheets one-third of the banks were "Aryanized", another one-third entered into "Aryanization" negotiations.

Figure 1. Jewish Private Banks – Total Assets

³⁰ BAP, 31.01, Reichswirtschaftsministerium, no. 15514

³¹ BAP, 25.01, Deutsche Reichsbank, no. 6790.

³² Albert Fischer, "Juedische Privatbanken im 'Dritten Reich'", *Scripta Mercaturae, Zeitschrift fuer Wirtschafts-und Sozialgeschichte*, 28 (1994), p. 1-54, p. 37

³³ *Ibid.*, p. 17.

January 1936 to April 1938 (%)³⁴

Unfortunately there are no data for November 1937, the month when Schacht was dismissed as Minister of Economics. But the aforementioned secret figures provided by Reichsbank statisticians are evidence enough, even though they continue beyond Schacht's period in office, until the spring of 1938. This is explained firstly by the fact that Schacht remained Reichsbank President until 1939 and was thus responsible for the banking system; Secondly, a significant number of the "Aryanizations" procedures that were completed after Schacht left had already been initiated. Thirdly, and most importantly, the closure of the Jewish banking firms had begun long before the statistical registration in 1936. As already mentioned, almost half of them had to close during the first three years of Hitler's leadership. Incidentally, looking beyond the banking sphere to the economy as a whole, we find a similar picture: By the summer of 1935 a quarter of *all* Jewish enterprises had already been "Aryanized" or put into liquidation.³⁵

Doubtless Schacht was not enthusiastic about the "Aryanizations." He was only interested in a sound economy, and the persecution of Jewish firms jeopardized this. However, when considering Jewish businesses overall and not only select and famous firms, it is important to recognize that Schacht and his officials, even if they really tried, were simply unable to halt the process. Konrad Fuchs captures the essence of the situation in his monograph on the Schocken company. He claims that even if Schacht had remained minister the Jewish owners would have taken the same measures that they took after his dismissal, because "the reasons which had required a certain consideration for the Jews in business life had lost their relevance."³⁶

The staying or living of Hjalmar Schacht would not have affected the "Aryanization" process. "Private Aryanization" had already taken place during Schacht's period of office. The state increased its involvement not because of Schacht's dismissal. The state increased it because the factors that had

³⁴ BAP, 25.01, Deutsche Reichsbank, no. 6581, no. 6791.

³⁵ Barkai, *Vom Boykott*, p. 80.

³⁶ Konrad Fuchs, *Ein Konzern aus Sachsen: das Kaufhaus Schocken als Spiegelbild deutscher Wirtschaft und Politik 1901 bis 1953*, Stuttgart, 1990, p. 237.

earlier prevented it earlier - namely depression and unemployment on the one hand and dependence on trade with Western Europe and the United States on the other hand - no longer existed. By 1937 there was full employment, and foreign trade had decreased and shifted significantly to other countries.³⁷ Thus the economic risks against completing the "Aryanization" process had become calculable and Schacht was now dispensable. The reasons which had both brought Schacht to power and required some consideration for the Jewish enterprises no longer existed. The minister's dismissal should be viewed, therefore, as a result of the economic and political development in general, and not as a cause.

Moreover, an essential point is that the fundamental course had been changed, with Schacht's approval, long before his dismissal. At an executive meeting on 20 August 1935 he made it clear that he basically accepted the Nazi objectives. He had no objection to either reducing the influence of Jews in the business world or expelling them from it. His only stipulation was that it should take place gradually, and through the enactment and use of laws. Basically, damaging effects on the economy were to be avoided.³⁸ A year later, in September 1936, a year before Schacht left the Ministry of Economics, his Ministry and the Ministry of the Interior had come to an agreement that the question regarding the complete expulsion of all the Jews from Germany had to be tackled. From this time on the only economic activity allowed to the Jews was that which was absolutely necessary for them to earn their living.³⁹

The Ministry and the central bank acted accordingly. In 1936 the Ministry of Economics agreed to a marking of Jewish firms. It instructed, in full agreement with the Nazi party and the Ministry of the Interior, which firms should be classified as Jewish and which not.⁴⁰ At the same time the

³⁷ Rene Erbe, *Die nationalsozialistische Wirtschaftspolitik 1933-1939 im Lichte der modernen Theorie*, Zuerich, 1958, pp. 72, 76, 82, 100.

³⁸ BAK, R 18, Reichsministerium des Innern, no. 5513. Institut fuer Zeitgeschichte, Munich, F 71/2 and IMT, doc. NG-4067/II. *Die juedische Emigration aus Deutschland 1933-1941. Die Geschichte einer Austreibung*, Frankfurt am Main, 1985, no. 131, pp. 71-72; *Akten der Partei-Kanzlei der NSDAP*, Munich, 1983, no. 21251.

³⁹ BAK, R 18, Reichsministerium des Innern, no. 5514.

⁴⁰ Hans-Joachim Fliedner: *Die Judenverfolgung in Mannheim 1933-1945. Vol. 2. Dokumente*, Stuttgart, 1971, no 117b, p. 194.

Reichsbank recorded the racial ownership of all German export businesses.⁴¹ Later on Schacht himself gave the order to prohibit Jewish banks from selling and purchasing foreign currencies.⁴² It is no surprise then that the Reichsbank finally decided to curtail its business with Jews as much as possible and under no circumstances to undertake any new business with them.⁴³

There are some other notable point. Firstly Schacht was convinced that his actions always had the approval of Adolf Hitler. Not only the chancellor explicitly encouraged the head of the central bank to keep up his relations with Jewish high finance.⁴⁴ It is important to note here that generally there was no discord between Schacht and Hitler or the party's headquarters at Munich; there were conflicts between Schacht and other individual Nazis such as Goebbels, some Gauleiters and the leader of the German Labor Front, Robert Ley, but never with the Nazi party as a whole. In fact, Schacht's statements were nearly always preceded by similar or identical statements from the party's headquarters or by a Nazi minister, or Schacht insured himself by consulting party officials before voicing his opinion.⁴⁵

No, Schacht did not risk any real conflict with Hitler or with the headquarters of the Nazi party. Neither was he the only politician who occasionally opposed the antisemitic terror. His predecessors within the Ministry of Economics, Hugenberg Schmitt, and other important Nazi figures such as Rudolf Hess or Wilhelm Frick did so, too.⁴⁶ Their dissent was based not on pro-Jewish motives but on economic ones: In the first years after the *Machtergreifung* they agreed completely with Schacht that absolute priority should be given to Germany's economic recovery. Hitler had himself ordered the party to stop and to prevent all encroachments on banks (March 1934). "A banking crisis," he had said, "would deal a deathblow to the economic upturn which would make everything else fail."⁴⁷

⁴¹ BAP, 25.01, Deutsche Reichsbank, no. 7252.

⁴² Fischer, "Juedische Privatbanken", p. 30.

⁴³ BAP, 25.01, Deutsche Reichsbank, no. 7259.

⁴⁴ *Der Prozess gegen die Hauptkriegsverbrecher*, vol. 12, p. 490.

⁴⁵ Fischer, *Hjalmar Schacht*, p. 224.

⁴⁶ Helmut Genschel, *Die Verdraengung der Juden aus der Wirtschaft im Dritten Reich*, Goettingen, 1966.

⁴⁷ *Akten der Reichskanzlei*, vol. 2, doc. 320, p. 1197/n. 3, p. 1198.

This is precisely the point: the priority of the economic targets, and less a demand for justice, was Schacht's motive for sometimes intervening in favor of Jewish companies. Problems in economic policy, or better in the economic sphere in general, would reflect on the Minister of Economics – Hjalmar Schacht. The words with which he concluded his complaint about the harassment of some banks in March 1933, when he was only the central banker, speak for themselves: “My request [for stopping this harassment] is strictly limited to the area of banking... because I am not responsible for other economic spheres.”⁴⁸ In the summer of 1934 he was appointed Minister of Economics. From this time on he was responsible for the whole economy, and because of this he occasionally asked to speak. Had he been Minister of Finance or Minister of Agriculture he most likely would have kept his silence as Schwerin von Krosigk or Eltz-Ruebenach had done because in this case he *would not have been responsible* for the economic sphere.

Finally, the point should be made that Hjalmar Schacht was quite willing to take measures against the Jews if those measures could serve to improve or stabilize the economy. It was Schacht who excluded the Jews from the foreign exchange markets in order to limit the selling of Reichsmarks by emigrating Jews.⁴⁹ It was Schacht who later forbade the Jews nearly any foreign currency transactions.⁵⁰ Jews who survived the Third Reich complained bitterly about this measure.⁵¹ Schacht was also responsible for making the flight of capital punishable by death from 1936 on, and tightening the foreign exchange laws to such a degree that Jewish property could be legally confiscated.⁵² The common denominator of these measures was the objective of a prospering economy. Sometimes the economic policy worked in the Jews' favor, for example when Schacht, fearing damage to foreign trade, opposed the antisemitic terror, and sometimes it worked directly against them such as in the case of the foreign exchange policy.

The fact that Schacht helped Jews in certain individual cases should not be overlooked. He especially supported his long-standing friends in high

⁴⁸ BAP, 31.01, Reichswirtschaftsministerium, no. 15514.

⁴⁹ Adam, *Judenpolitik*, p. 148/n. 24. BAP, 31.01, Reichswirtschaftsministerium, no. 16928.

⁵⁰ *Reichsgesetzblatt I*, 1936, p. 525.

⁵¹ Institut fuer Zeitgeschichte, Munich, Sp. 1/5, Ludwigsburg, p. 463.

⁵² *Reichsgesetzblatt I*, 1936, pp. 999-1001.

finance.⁵³ These efforts are without doubt indeed commendable. However, firstly one should note that his activities were quite limited. He had already told Max Warburg in 1934 that he would not be able to do a lot for the Jews.⁵⁴ Later he would shrug his shoulders, leaving to their fate even those Jews who personally appealed to him for help.⁵⁵ Secondly, his position was not very different from those of his colleagues. Other members of the regime acted in a similar way. Schwerin von Krosigk, the Minister of Finance, helped some of those Jews who turned to him;⁵⁶ and even Hermann Goering supported his Jewish friends.⁵⁷ So Schacht's effort in individual cases has to be acknowledged, but within the Nazi government he was not the only one who helped Jews. It should be repeated that his behavior and actions were not so different from those of his contemporaries as has been claimed, and *if* it was different then it was different for economic reasons.

On balance one has to say that the often-mentioned restraining role of the Ministry of Economics, the Reichsbank and especially of Hjalmar Schacht, was quite a small one. Of course Schacht and his subordinates were not the driving forces of the "Aryanization" process, and they certainly opposed any acts of violence such as *Kristallnacht*. A prosperous economy would not be able to withstand violence, boycotts and the like. Nonetheless, we have to note that they helped the Jews only somewhat more than did other government institutions.

Finally, not only had Schacht done everything within his power to help Hitler attain the chancellorship, he was responsible for the famous economic upturn and for eradicating mass unemployment. Thus he made an important or even vital contribution to the popularity of Hitler and to the internal stabilization of the regime. Unintentionally so he cleared the way for all that followed.

⁵³ Institut fuer Zeitgeschichte, Munich, Sp. 1/4, Ludwigsburg, p. 330.

⁵⁴ Max M. Warburg, *Aus meinen Aufzeichnungen*, New York, 1952, p. 154. Lutz Graf Schwerin von Krosigk, *Staatsbankrott. Die Geschichte der Finanzpolitik des Deutschen Reiches von 1920 bis 1945*, Frankfurt am Main, 1974, p. 221.

⁵⁵ Henry Bernhard, *Finis Germaniae. Aufzeichnungen und Betrachtungen*, Stuttgart, 1947, p. 221.

⁵⁶ Stefan Mehl, *Das Reichsfinanzministerium und die Verfolgung der deutschen Juden 1933-1943*, Berlin, 1990, p. 21.

⁵⁷ Manfred Funke, *Starker oder schwacher Diktator? Hitlers Herrschaft und die Deutschen*, Duesseldorf, 1989, p. 54. Alfred Kube, *Pour le mérite und Hakenkreuz. Hermann Goering im Dritten Reich*, Munich, 1986, p. 204.

Source: David Bankier (Ed.), *Probing the Depths of German Antisemitism German Society and the Persecution of the Jews, 1933-1941*, Yad Vashem and the Leo Baeck Institution, Jerusalem, 2000.