

Two articles, as sensational as they are authentic, show that Fritz Thyssen is the real power behind Hitler and that the Third Reich is faithfully obeying his orders and preparing for war.

Germany Moves *toward* WAR

AN INTERNATIONAL
EXPOSÉ

I. THE MAN BEHIND HITLER

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IN CERTAIN circles in this country it has become usual to regard what has happened in Germany simply as a 'rebellion of the middle classes.' This is too easy a way to look at it. The middle classes have emblazoned Hitler on their shield, and supplied him with armed forces; but they were not the driving forces, they were driven. All these sons of butchers and publicans, of post-office officials and insurance agents, of doctors and lawyers certainly imagined they were fighting for the interests of their fathers as well as for their own ideals when, on February 28, they swarmed out of the Storm Troops barracks and struck down defenseless workers, Jews, Socialists, and Communists. But neither

a revolution nor a counter-revolution is ever made by the petty bourgeoisie alone. And the petty bourgeoisie would not have been able to do it in Germany either had it not been mobilized from some other source. Hitler, the idol of this mass, and himself only a petty bourgeois—a petty bourgeois posing as a Napoleon—in reality followed the dictates of a higher power.

The steps that led to Hitler's seizure of power in the spring, and to the consolidation of his position in face of every resistance in the months that followed, have been all too little disclosed. In Germany itself no one dare mention it: The secret must be sought in the hidden history of Germany's industrial oligarchy, in the post-

war politics of coal and steel. Not in the small shops of the German petty bourgeois but in the plots and plans of this industrial oligarchy are to be found the roots of the formation, the rise, and the victory of German National Socialism. Not Hitler, but Thyssen, the great magnate of the Ruhr, is the prime mover of German Fascism.

About six months before the last political upheaval in Germany it became clear that the existence of the greatest private undertaking in the country, the powerful German Steel Trust (Vereinigte Stahlwerke A.-G.), was in mortal danger. Everyone who has any knowledge of Germany to-day will realize what this fact means. Some time previously the bankruptcy of a smaller undertaking, the Nordwolle woolen concern in Bremen, involving liabilities to the extent of several hundred million marks, had shaken the whole German economy, and had caused the collapse of the leading bank, the Danat Bank of Jakob Goldschmidt. But the new crisis threatened the foundations of the whole economic structure, seeing that it concerned an undertaking which at its most flourishing period employed more than 120,000 workers and clerks, and was capable of throwing nearly 10,000,000 tons of steel on to the markets (almost twice the total steel output of Great Britain to-day). The collapse of the Vereinigte Stahlwerke A.-G. would have meant a national catastrophe. Not only would it have meant the disorganization of Germany's entire coal and iron production, as well as of the electro-technical industries (the great electrical firm of Siemens is a part of the Steel Trust); not only the dissolution of the mighty

German coal and steel syndicates in the foreign markets, and an invasion of French, English, and American products; not only the final break-up of the German banking system, which had lent to no other undertaking so much money and so unfavorably (for the banks themselves) as to the dominant steel trust; not only would it have meant all these things, but it would also have simultaneously dealt a deadly blow at the whole capitalist and social system in Germany, the basis of which was the Steel Trust; a deadly blow at the whole system of monopolies, which has dominated Germany in recent years; and a deadly blow at private property generally, whose inability to direct the economy of the nation would in this way be demonstrated before the eyes of the whole indignant and desperate people. That had to be prevented, if Thyssen, Friedrich Flick, Otto Wolff, and the other giants of the Ruhr were to preserve their property, and if Germany were not to be converted into a country of Socialism.

The state, therefore—at that time still the Brüning government—stepped in and 'bought' from Thyssen, Flick, and so on, for a fantastic price (something like twice their Stock Exchange value) nearly half the shares, nominally 125,000,000 marks, of the Gelsenkirchener Bergwerks A.-G., the holding company that owns a majority of the shares of the German Steel Trust. By this enormous disguised subsidy the Steel Trust was 'saved.' It was clear that the state would very soon sell the shares of the Steel Trust back to private control, and sell them very cheaply. But only now did the real struggle inside the combine begin.

Who should hold the shares and the leadership in the new Steel Trust, and with it the command of the monopoly, the most important economic and political weapon in Germany? This question was a political one. The group that would have the biggest influence over the Government must win the leadership of the Steel Trust. It was at this point that Thyssen stepped in with his National Socialist battering-ram.

II

On the Ruhr two rival groups confronted each other: the Otto Wolff-Deutsche Bank group, which was strongly connected with the Catholic circles in Germany and so was preferred by the Brüning government; and the Thyssen-Flick-Vöglér group, which was menaced in the first place. Both groups had been interested in the Steel Trust since its foundation, and for years had been competing in every possible way for its leadership. Each of these two groups in Germany represents different financial interests (the Morgan and Rockefeller groups in U. S. A.), has different political connections and alliances, and, above all, holds different views about the direction of German and European politics. The Otto Wolff group tends to be liberal, because its leading members are drawn from comparatively young Catholic and Jewish commercial and banking circles, regarded as 'strangers' and intruders by the Prussian coal and iron barons of the Ruhr. Otto Wolff himself is a leading Catholic who was only a small iron merchant before the War, and who later on, thanks to his connections with the Centre Party then in power, came rapidly to the fore and acquired

strong interests in the steel industry. His partner, Ottmar Strauss, is one of the best known liberal Jewish politicians in Germany, who was very near the Social Democrats. This group is closely connected with the Deutsche Bank in Berlin, which, in turn, by its connections with important Catholic circles in the Rhineland, Bavaria, and Silesia, and by financing the Catholic press, had a strong influence over the Centre Party, and thereby, in recent years, over the Brüning government as well.

It was clear that if the Brüning or Schleicher governments should remain (General Schleicher, too, was himself closely connected with Otto Wolff), the shares of the Steel Trust and the leadership of German industry would pass into the hands of this liberal Catholic group, which in internal politics supported a leveling, moderate course, and in foreign politics favored a friendly understanding with France. Linked up with this was an idea prepared long ago by this group for a Continental Steel Trust by means of a fusion of German and French interests, even at the price of recognizing the political supremacy of France. The most important fact was that Wolff and Silverberg had, during late years, taken a number of practical steps for the realization of this plan—for example, had created a close relationship with the great French steel concern, *Acéries de la Marine et d'Homécourt*, that influential Lorraine group which in post-war times in France had vigorously advocated an alliance between the German and French mountain industries (metal and coke), and which possessed a strong political supporter in the person of the French ambassador in Ber-

lin, François-Poncet, its former director. Their preparations had gone so far that news began to appear in the international press canvassing the possibility of a direct French participation in the German Steel Trust by the acquisition of shares.

This was the most ominous news for the rival group led by Thyssen, which always has been, and still is, the stronghold of extreme and aggressive German nationalism. The forefather of this group is no other than Stinnes, the old king of the Ruhr, who was the most prominent war instigator in Germany from 1914-1918, and who, after the War, by deliberately organizing inflation, sequestered a great part of German national wealth for a heap of worthless paper, and then ruled Germany for a time as his private duchy. Stinnes was perhaps the first National Socialist in Germany. In 1920, at the Spa Conference, he terrified his colleagues in the German delegation by his declaration that 'foreign races would never understand the German soul,' and he never ceased to dream of a dominant 'great German realm,' which would include Austria, Belgium, and Lorraine, and in whose centre would stand the triumphant Steel Trust on the Ruhr. Not only are Thyssen and his friends, Flick and Vögler, the political heirs of Stinnes, representatives of the same reactionary and extremely imperialistic industrial elements, for whom not even the Wilhelm monarchy itself was reactionary and militaristic enough—but the very possessions of this group are based on the old Stinnes possessions, which were distributed among them after Stinnes's death (Flick and Vögler were his personal adjutants during his lifetime).

For years now this group had been fighting to force the other group out of the Steel Trust. Thyssen, the chairman of the Steel Trust, and Vögler, his general manager, first endeavored to buy up Otto Wolff's shares two years ago, but they suffered losses of dozens of millions in the attempt. They also attacked the Deutsche Bank, but equally unsuccessfully (in the banking crisis of 1931, the Deutsche Bank 'choked' the Danat Bank, which had been closely attached to this group). The first important obstacle was Brüning's liberal Catholic government, which for political reasons favored the other half of the trust. And when, finally, there appeared the possibility that the Steel Trust shares bought by the state would change hands and that French interests would be involved, the Thyssen group felt its very existence endangered. Thyssen also stands for a German-French steel alliance, and he, too, had prepared his plans. But he demanded as the price of alliance a definite hegemony for the German partners, and all the time, in spite of these plans, he never abandoned the idea of a later military attack by Germany on France. Before the War Thyssen owned metal mines in French Lorraine, and the German demand for annexing Lorraine during the War was mainly a result of representations by Stinnes and Thyssen to the Kaiser. Subsequently, in 1923, at the time of the French invasion of the Ruhr, Thyssen, as the only one of the big captains in the Ruhr, was arrested and spent several months in a French prison as a result of his aggressive attitude toward French demands. Ever since, his nationalism has been growing still stronger. At the begin-

ning of 1933 the situation was such that Thyssen had at all costs to take action. He had to overthrow Brüning and Schleicher and to erect his own government. So he prepared the way for Hitler.

III

How the Thyssen group organized the arrival of Hitler is a chapter of its own, one of the darkest and dirtiest intrigues in German history. The so-called National Socialist Revolution had nothing to do with it, for that revolution came only when Hitler already possessed all the powers in the state and had nothing left to do but to excite the armed S.A. troops against defenseless citizens. Before this, the Thyssen group had, in an entirely 'legal' fashion, delivered up the state apparatus to him. Thyssen has been a member, the chief financier, and the real inspirer of the Hitler party since 1927, the year in which he and Vögler were received in Rome by Mussolini, and shortly before the time when the sudden growth of National Socialism in Germany began. He became the closest personal friend of its leader; Hitler never took an important step without first consulting Thyssen and his friends. Thyssen systematically financed all the election funds of the National Socialist Party. It was he who, by a majority decision and against the most pointed opposition on the part of Otto Wolff and Klöckner, persuaded the two political centres of German Ruhr capital, the Bergbauverein Essen and the Nord-westgruppe der Eisen- und Stahlindustrie, to agree that every coal and steel concern had, by way of a particular obligatory tax, to deliver a certain sum into the election cash of the

National Socialists. In order to raise this money, the price of coal was raised in Germany.

For the presidential elections of 1932 alone Thyssen provided the Nazis within a few days with more than 3,000,000 marks. Without this help the fantastic measures resorted to by Hitler in the years 1930-1933 would never have been possible. Without Thyssen's money Hitler would never have achieved such a success, and the party would probably have broken up at the time of the Papen elections at the end of 1932, when it lost 2,000,000 votes and the Strasser group announced its secession. In January 1933 Schleicher was on the point of hitting the Hitler movement on the head and putting it under his own command. But, just as before Thyssen had raised Hitler by his financial machinery, so now he rescued him by his political machinery.

To bring off this *coup* Thyssen employed two of his political friends and agents: Hugenberg (who is one of the directors of the Thyssen Steel Trust group) and Von Papen. In the middle of January a secret meeting between Hitler and Papen was held at Cologne in the house of Baron von Schröder, partner of the banking house of J. H. Stein, which is closely related with Flick and Thyssen. Although, thanks to an indiscretion, the news of this meeting got into the papers a few days later, the conspiracy against Schleicher was ready. The allied group, Thyssen-Hitler-Von Papen-Hugenberg, which was backed by the entire German reactionary force, succeeded in drawing to its side the son of President von Hindenburg, Major Oskar von Hindenburg, who had so far stood by his old regimental

friend, Schleicher. In this way the sudden fall of Schleicher and the sensational nomination of Hitler came about. Thyssen had won, and Hitler set the scene for his St. Bartholomew's day.

What followed was a continual triumph of the capitalistic interests of the Thyssen group. The National Socialist Government of Germany today carries out Thyssen's policy on all matters, as though the entire nation were but a part of the Steel Trust. Every step taken by the new Government corresponds exactly to the private interests of this clique; Stinnes's days have returned.

Thyssen had six main objectives: (1) to secure the Steel Trust for his own group; (2) to save the great coal and steel syndicates, the basis of the entire capitalist system of monopolies in Germany; (3) to eliminate the Catholic and Jewish rival groups and to capture the whole industrial machine for the extreme reactionary wing of heavy industry; (4) to crush the workers and abolish the trade unions, so as to strengthen German competition in the world's markets by means of further wage reductions, etc.; (5) to increase the chances of inflation, in order to devalue the debts of heavy industry (a repetition of the astute transaction invented by Stinnes in 1923); and finally (6) to initiate a pronouncedly imperialist tendency in foreign politics in order to satisfy the powerful drive for expansion in Ruhr capital. All these items of his programme without exception have been, are, or will now be executed by the Hitler Government.

The most urgent problem for Thyssen, the handing over of the Steel Trust to his group, is being solved by

a trick that can well be called a deliberate deception practised upon the taxpayer. While previously the state has controlled half the capital of the holding company (Gelsenkirchener Bergwerks A.-G.), possessing as it did shares to the value of 125,000,000 marks, this company is now to be fused with a number of others, mostly valueless, belonging to the Thyssen group; in the new amalgamation, with a capital of approximately 660,000,000 marks, the state will control less than 20 per cent of the shares. So Thyssen becomes once again the coal and steel king, and therewith dictator of the whole industry. At the same time the Government, this supposedly Socialist Administration of defenders of the little man, proclaims that the great monopoly syndicates, such as coal and iron, must not be touched (the small, trivial cartels in the consuming industries are being 'examined' to decide if there is justification for their continuance). Thus the Thyssen group is once again in a position to reap extra profit from these two basic raw materials, and consequently to draw tribute from the whole nation.

And in order that in achieving this object it should not meet with any competition, the new 'race politic' and *Gleichschaltung* of the Hitler régime has been put into operation. Mass persecution and boycott of the Jews and Catholics in present-day Germany is to a large extent nothing else than a large-scale expropriation of Jewish and Catholic capital by the Fascist oligarchy of the Thyssen circle. Throughout the country the Jews and Catholics are being drummed out of their positions as directors of large and small companies; but in their places are entering old reactionaries from

heavy industry and new National Socialist agents. The managing director of the Catholic-Jewish Deutsche Bank, Oscar Wassermann, the most dangerous and most powerful rival of the Thyssen group in the fight for the Steel Trust, has retired on 'grounds of health.' Klöckner, the Catholic outsider of the Steel Trust, 'resigned' his seat in the Reichstag. Against Otto Wolff a charge of corruption has been launched, a step taken in order to force his 'voluntary' capitulation and association as a 'junior partner,' a step that has already succeeded. Thyssen, however, is appointed leader of the new amalgamated Union of West German Industry created by the Nazis; and his friend, Insurance Director Dr. Schmitt, becomes Reich Minister of Economics. Göring calls Thyssen to the post of chief representative of private capital in the new Prussian State Council.

But this is not all. At the end of July the Government appointed Thyssen as 'Supreme State Authority' for the whole of West Germany—the centre of German industry. The powers conferred upon him are practically dictatorial. All Nazi authorities in these provinces are subordinated to him, 'have to apply to him in all questions of economic policy, and regard his decisions as final' (from a letter written to Thyssen by the lead-

ers of the Essen, Düsseldorf, North and South Westphalian districts of the National Socialist Party). The life's aim of this man is hereby reached. He is now political king of the Ruhr: the S.A. is merely the pretorian guard for his trust. Thyssen has gone one better than Stinnes. And, as the sublime *dénouement* of this tragi-comedy, his new appointment coincides with the Government's dissolution of the 'National Socialist Fighting League of the Trading Middle Class'—the great league of the German petty bourgeoisie that raised Hitler on high and dreamed of dominating the new state. The new National Socialist monopolist oligarchy is already formed. The capital is the old capital, but the new holding company is called Hitler-Thyssen.

The trade unions have been destroyed. Thyssen can dictate wages through the new 'corporations' and thus reduce still further the prices of export goods in the face of English and American competition. Armaments are being prepared; Thyssen provides the steel. Thyssen needs the Danube markets, where he owns the Alpine Montan-Gesellschaft, the greatest steel producers in Austria. But the primal objective of this new system in Germany has not yet been attained. Thyssen wants a war, and it looks as though Hitler may yet provide him with one.

II. GERMANY MOBILIZES

By A SPECIAL CORRESPONDENT

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GERMANY has become an army barracks, a single vast concentration camp for the coming war. The Ger-

man people, the German soil and its harvests, German industry and its productive capacity, the theatres, the