

THE REAL RULERS OF GERMANY

THE PURPOSE of Mr Hans Behrend's book, *The Real Rulers of Germany* (Lawrence & Wishart Ltd., 3s. 6d.), is to show that the Nazi movement in Germany is dominated by junkers, trust magnates and bankers, and that its professed social aims are a sham which it does not intend and is unable to carry out. It is written with a strong communist bias, and was apparently compiled about the beginning of 1939.

We have at various times published some of the evidence that it was with the assent and assistance of the landowners that Hitler was able to attain power. This alliance, according to Mr Behrend, commenced at quite an early period in the history of the National Socialist Party. In 1926 a referendum was taken on the confiscation of the estates of the former ruling families. Hitler then issued orders that no Nazi was to take part in the referendum. "Although he had received a certain amount of help before, it was from this moment onwards that substantial aid was forthcoming for the Nazis from the feudal landowners." A number of landowners joined the Nazi Party, and received high office and a position of influence in the councils of the party. Among these was Prince August Wilhelm, son of the ex-Kaiser who is still the largest landowner in Germany. In return for this support Hitler "added a codicil to Article 17 of the Nazi programme, dated 13th April, 1928, in which he definitely rejects non-compensatory confiscation of large estates, while in *Mein Kampf* he just as emphatically repudiates and derides "internal colonization" or land settlement, preferring in its place the conquest of foreign soil." It is not without significance that the number of new small holdings created in Germany has shown a steady decline since the Nazis came to power.

Mr Behrend quotes the book, *Nationalsozialistischer Wirtschaftsaufbau*, published in 1936 with the official approval of the Nazi party, as showing that the landed proprietors and large farmers, that is those owning over 100 hectares (about 250 acres) each, own 20.1 per cent of the cultivated area of Germany, while the poor peasants, owning under five hectares each, had only 17.1 per cent. "Yet on these farms of the poor and poorest peasants, constituting only 17.1 per cent of the total cultivated area, 7,300,000 persons—over half of all persons engaged in agriculture—are working. This 17.1 per cent embraces 3,921,000 farms with a total area of 4,500,000 hectares. Yet there are 9,760 big farms of 200 hectares and over which alone make up a total area of nearly 4,000,000 hectares." No wonder that the Germans are a people without space!

It may be remarked that Mr Behrend's interpretation of the statistics seem to require correction. So far as we know there are no figures published in Germany showing the ownership of land. His figures probably relate to number of holdings. It is known that in the group of holdings under 5 hectares about one-quarter are rented and not owned by the occupiers. On this point reference may be made to the paper by Dr Kurt Schmidt on "Distribution of Land and Taxation of Land in Germany" presented at the Henry George Centenary Conference recently. The distribution of ownership is, therefore, more unequal than the distribution of holdings.

The Hitler Government has accentuated the policy of agricultural protectionism, on the plea no doubt of national self-sufficiency but much to the advantage of the large landowners. The small peasant is normally a buyer of agricultural products as well as a seller of them, for example, the increased customs duty on the import of grain and the complete prohibition of the

import of fodder oats "caused a rapid rise in fodder prices, thus greatly harming the stock-farming of the poorer peasants. The greater proportion of stock-raising in Germany is done by the small and medium peasant. . . . And in actual fact the total amount of live-stock in the country has considerably diminished since Hitler's seizure of power." The economic pressure upon the peasants appears to be evidenced by figures quoted by Mr Behrend showing that the number of forced sales of small properties has largely increased in recent years. He omits to make any mention of the Erbhof Law which is intended to make small properties hereditary and inalienable, but the law does not apply to properties which were already encumbered and no doubt many peasants were mortgaged before 1933. One result of agricultural protectionism in Germany was that "in autumn, 1938, when a ton of wheat was worth from £5 to £6 on the world market, the German Government was paying £10 per ton for it in the Balkans. In Germany it cost 210 marks, between £17 and £18."

A much fuller account than that given by Mr Behrend of the deal between the Junkers and Hitler by which the Nazis came to power was given by Mr Wickham Steed and reprinted in *Land & Liberty*, September, 1933. The Junkers forced Dr Brüning and General von Schleicher, the last pre-Hitler Chancellor, out of office because they had recognized the necessity for at least some modest measure of land reform, and Hitler came in on his promise not to interfere with the great estates.

Undoubtedly many of the "capitalists" supported and financed the Nazi party. The most prominent of these were engaged in the coal and iron and steel industries. Mr Behrend does not appreciate the significance of the fact that the monopolies in these industries are built up upon the basis of land monopoly, concentration of ownership of the natural resources of coal and other minerals. The growth of the vertical trust, that is to say of monopolies based on ownership of land and thereby controlling the production of a series of derived products, had long been a striking feature in Germany. Most of the "capitalists" whom Mr Behrend pillories as conspirators with Hitler belonged to this category, and to apply to them the label "finance capital" obscures the most important facts. There is little doubt that these monopolists have been strengthened under the present regime in Germany. The tariffs and quotas and "planning" of industry have enabled these trusts "to exploit, not only, as always, the workers, farmers, tradesmen, and small dealers, but also a considerable section of medium sized manufacturers and wholesalers."

It may be remarked that this book, although it emphasizes that the direction of future German expansion would be in the Balkans and the Near East, makes no mention of German relations with Russia nor of the activities of the communist party in Germany at the time of Hitler's accession to power. Mr Page Arnott, in an introduction dated October, 1939, endeavours to repair some of this omission by the theory that "German imperialism began to flinch from its task when it found its 'fifth column' of counter-revolutionaries had been discovered and their wrecking plans disclosed by the Moscow trials." The present war he indicates is due to the refusal of the German Government to obey the bidding of the British Government that it should attack Russia which he describes as the "foremost advocate of peace," but the part played by the Soviet in the present crisis cannot be explained away so simply.