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Economics and Democracy

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**The German Weimar Republic: Why Did Democracy Fail?**

**After its defeat in World War I, Germany adopted a democratic form of government with a constitution and free elections. But barely 14 years later, the elected German parliament voted to hand over its powers to Adolph Hitler.**

In 1871, the modern state of Germany was formed. During the 19th century, many people had yearned to unite Germany, but one man was responsible, Chancellor Otto von Bismarck of Prussia. Working for the Prussian monarch, Bismarck had provoked two short wars—one with Austria and the other with France—to achieve his goal of uniting Germany. He considered the new German state the “second reich.” (*Reich* is German for “empire.”) The first reich was the Holy Roman Empire (800–1806) founded by German emperors in medieval times. The new reich had a constitution and parliament (Reichstag). But the power rested with the chancellor chosen by the emperor, the kaiser. (*Kaiser* comes from the Latin word “Caesar.”)

By 1914, a web of hostile alliances entangled Germany and most of the other European nations. When war erupted between Austria and Serbia, Russia and France threatened to intervene. Germany’s Kaiser Wilhelm II declared war on the Russia and France, calling it an act of self-defense. World War I had broken out.

Kaiser Wilhelm largely ignored the Reichstag and directed the war along with his top generals headed by Field Marshal Paul von Hindenburg. Germany had to fight on two main fronts—the eastern and western. In the east, the war went well. A new communist government in Russia sued for peace in 1917. In the west, the Germans advanced quickly, but were stopped about 60 miles from Paris. The western front turned into a stalemate, with neither side able to advance. In 1917, however, the United States entered the war against Germany.

Throughout the war, the kaiser and his generals had assured the German people of victory. In the fall of 1918, however, with defeat certain, the German generals suddenly called for an armistice, a ceasefire until the signing of a peace treaty. Most Germans were shocked. To divert blame from themselves, the generals claimed that the German army had been “stabbed in the back” by Reichstag politicians who had not adequately supported the war effort.

As a condition of the armistice, U.S. President Woodrow Wilson demanded that Kaiser Wilhelm give up his monarchy. The kaiser agreed and left Germany for exile in Holland. The German Reichstag assumed the responsibility of signing a peace treaty.

Before the Reichstag politicians could act, mutinies by sailors, soldiers, and workers broke out all over Germany. Many set up local governing councils and called for communism as in Russia. The German army and marauding bands of right-wing soldiers broke up these governing councils. Amid the

pandemonium, the politicians in the Reichstag promised a new form of government—a democracy.

Despite the chaos and a Communist Party boycott, 83 percent of German voters (including women for the first time) turned out in January 1919 to elect a National Assembly. The purpose of this body was to write a new constitution and negotiate a peace treaty with the victorious Allied Powers.

### **The Weimar Constitution**

The National Assembly began its sessions on February 9, 1919, in Weimar, a small German city about 100 miles from Berlin. The city was considered safer from left- and right-wing extremists than Berlin, the capital. The delegates debated a constitution for several months and finally agreed to adopt a republic, a representative form of democracy.

The so-called “Weimar Republic” included two legislative bodies—an upper and lower house. The members of the upper house were appointed by regional governments. Each German state sent representatives to this body based on its population. The upper house approved or rejected laws passed by the lower house, the Reichstag.

Elected by the people, the Reichstag made the laws. After a Reichstag election, the political party winning the majority of seats formed a new government. This was like other parliaments in Europe. But one party rarely won a majority in the Weimar Republic, so two or more parties had to agree to rule together. After a coalition formed, the president of the republic chose a chancellor to put the government together and lead it.

Reichstag elections had to be held at least once every four years. But, like other parliamentary systems, whenever the chancellor failed to win a majority vote in the Reichstag, his government would fall. The president would then call for new elections. In fact, Reichstag elections in the Weimar Republic took place frequently, sometimes twice in one year.

Under the Weimar Constitution, the people elected the president for a seven-year term. In addition to appointing a chancellor and calling for Reichstag elections, he was the commander-in-chief of the German military. The Constitution also gave him the power to temporarily suspend constitutional rights and let the chancellor rule by decree in a “state of emergency.”

The Weimar Constitution granted citizens civil liberties like freedom of speech and press. It also provided economic and social rights such as unemployment benefits and a ban against job discrimination because of sex, religion, or politics. In addition, the people had the right to put laws directly before the voters in a referendum.

The National Assembly adopted the Weimar Constitution in July 1919. Meanwhile, the Allied Powers presented their terms of peace to a German delegation at Versailles, the magnificent palace of the old French kings near Paris.

### **A Bitter Peace**

The Allies had not invited Germany to the Versailles Treaty negotiations, so Germans were shocked at what they considered its harsh demands. The treaty:

- Prohibited German troops in the Rhineland. (German territory west of the Rhine River that bordered France, Belgium, and Holland). A separate treaty authorized the Allies to occupy the

Rhineland for 15 years.

- Placed severe limits on the number of soldiers in the German army and banned German warplanes, submarines, and tanks.
- Put all German overseas colonies under the control of the League of Nations.
- Required Germany to pay reparations to the Allied Powers.

Even more humiliating, the treaty placed sole responsibility for the war on Germany. German right-wing nationalists, viewing themselves as defenders of national honor, rejected this “war guilt” clause as “shameful.”

The German public strongly opposed the treaty. The National Assembly at Weimar at first refused to sign the Versailles Treaty, but finally did so in June 1919 under the threat of a renewed Allied attack.

The treaty incited the radical right. Already thinking that the army had been “stabbed in the back” by traitors, right-wingers now believed that the politicians at Weimar had further betrayed Germany. A campaign of political violence began. In the next three years, more than 400 people were assassinated, most by right-wingers.

### **Reparations and Hyperinflation**

The first Reichstag election under the new Weimar Constitution took place in January 1920. More than a dozen political parties competed for seats. The strongest of these parties, the moderate Social Democratic Party, won only 22 percent of the vote.

The Social Democrats thus had to put together a coalition government with other moderate parties. This set the pattern for the Weimar Republic. Between 1920 and 1932, 14 coalition governments formed and fell.

In 1921, Britain, France, Belgium, and Italy settled on a reparation sum that would burden Germany with enormous payments for decades. (The United States did not participate in the reparation plan since the Senate had refused to ratify the Versailles Treaty.)

The moderate German government agreed to cooperate with the reparation schedule, hoping to persuade the Allies to reduce the payments in the future. Right-wing nationalists objected, calling the reparations nothing more than “slave tribute.”

Unwilling to increase taxes to make the reparation payments, the German government depended heavily on foreign, mainly American, short-term, high-interest loans. The government began to pay for these loans by printing more marks, the German paper currency.

The Allies complained that the Germans were paying their reparations with increasingly worthless currency. The German people also suffered as prices spiraled upward.

In 1923, Germany was late in making reparation deliveries of coal and other products to France. In response, French and Belgian troops occupied Germany’s Ruhr Valley, a major coal-mining and industrial region.

The German government responded to the Ruhr occupation by ordering miners and railroad workers to

stop digging coal and transporting it to France. While the workers were idle, the government paid their wages.

To pay the Ruhr workers, the German government again printed more paper money. This severely worsened inflation in the entire country as shown by these exchange rates:

July 1914: 4 marks = \$1

Jan. 1923: 353,000 marks = \$1

Nov. 1923: 4 trillion marks = \$1

At the peak of this hyperinflation crisis, an obscure anti-Jewish leader of the extremist National Socialist German Worker's Party (Nazi) attempted to overthrow the state government of Bavaria. Adolph Hitler hoped to take over the Bavarian government as a first step in a revolution against the Weimar Republic. But Hitler planned badly and was arrested, tried, and sentenced to prison. In prison, he wrote his political manifesto, *Mein Kampf* ("My Struggle").

In the meantime, a new German government worked to stop inflation. It abandoned the policy of paying the wages of Ruhr workers. It stabilized the mark, tying it to the value of grain and real estate. In addition, the Allied Powers agreed to reschedule reparation payments, encourage more foreign loans and investments, and end the Ruhr occupation.

Thus by 1924, inflation was under control and the German economy was recovering. Even so, the hyperinflation of 1923 caused great damage to the German people, especially to the middle class, which had the most to gain in a democratic Germany. Pensions had been wiped out. A lifetime of savings accumulated before the crisis would not buy a loaf of bread. Extremists of the right and left gained influence.

### **Germany and the Depression**

By the mid-1920s, the German people had grown disillusioned with ineffective coalition governments and seemed to yearn for a "strong man" in charge. In 1925, the moderate parties persuaded the old Prussian military hero Paul von Hindenburg to run for president. Hindenburg, 78, won easily.

In 1928, an international conference assembled to review the German reparations issue. This time the Germans participated and argued that the remaining payments were far beyond what Germany could pay. Chaired by an American corporation officer, Owen Young, the conference agreed on a plan of nearly 60 years of installments. The payments would be reduced at first and then gradually increase over time.

Right-wing nationalists like Hitler believed that reparations were part of the "war guilt lie." Hitler condemned German politicians who agreed with the Young Plan and said they should be imprisoned. He and other nationalists put these views before the voters in a referendum. When the referendum failed, the Reichstag and President Hindenburg ratified the Young Plan.

The 1929 New York stock market crash signaled the worldwide Depression. Foreign loans to the German government dried up. Without funds, the government could not pay its reparations or sustain its unemployment and other social-spending programs. Foreign investments in German businesses also stopped, causing many to go bankrupt.

Another German government took over in 1930 with Heinrich Brüning as chancellor. When Brüning and President Hindenburg declared a “state of emergency” and attempted to rule by decree, the Reichstag passed a law opposing this.

Hindenburg called a new Reichstag election. In the September 1930 election, the moderate parties lost seats, but still put together a weak coalition to form a government. The Nazis gained almost 100 seats in the election to become the second strongest party in the Reichstag. Brüning returned as chancellor and together with Hindenburg continued to rule by emergency decree. As German employers cut wages and laid off workers, Chancellor Brüning increased taxes and reduced unemployment benefits.

In 1931, U.S. President Herbert Hoover secured an agreement among the Allies to postpone all international war debts, including German reparations. Political events in Germany soon made the reparations issue irrelevant, however, and Germany never made another payment.

### **The Fall of the Weimar Republic**

Blaming Germany’s troubles on Jews, traitors, communists, and the failures of Weimar democracy, Hitler ran against Hindenburg in the April 1932 presidential election. Hindenburg won, but Hitler got 37 percent of the vote. In July, 14 million Germans voted for the Nazis in new parliamentary elections, making Hitler’s party the largest in the Reichstag with 37 percent of the seats.

Continuing political turmoil resulted in yet another Reichstag election barely four months later. The Nazis lost some seats in the Reichstag, but the Communist Party gained seats, which drove a wide range of parties to back Hitler.

Finally, on January 30, 1933, President Hindenburg reluctantly agreed to choose Hitler as the new chancellor. Hitler promised to observe the Weimar Constitution and form a broad coalition government to solve the economic crisis. The politicians advising Hindenburg told him they could control the upstart from Bavaria. One political leader said, “In two months we’ll have pushed Hitler into a corner so hard he’ll be squeaking.”

Hitler, however, quickly outflanked the other politicians. He persuaded Hindenburg to call another election while ruling by decree. One edict restricted political party activities and the press.

During the election campaign, part of the Reichstag building mysteriously burned down. Hitler blamed the communists. He issued a new “temporary” decree, suspending constitutional rights to crush the communists.

In March 1933, with close to 6 million Germans unemployed, the Nazi Party won 44 percent of the Reichstag seats. With the support of smaller right-wing parties, Hitler commanded a majority to form a new government.

Hitler submitted an “Enabling Act,” calling for the Reichstag to transfer its lawmaking powers to him. The law also allowed Hitler to ignore any provision of the Weimar Constitution.

On March 23, 1933, the Reichstag met in a Berlin opera house to vote on the Enabling Act. With the aisles packed with Nazi storm troopers, the Reichstag voted to end democracy in Germany and make Hitler dictator of what he called the “Third Reich.”

### **Why Did Democracy Fail?**

When the Weimar Republic was formed in 1919, there were hopeful signs that democracy would take root in Germany. The new democratic constitution with its expanded bill of rights was one of the most progressive in the world. Many Germans belonged to the well-educated middle class made up of business owners, government workers, and professionals who normally flourish in a democracy. Political parties freely competed in elections. But democracy still failed in Germany. Why?

Some historians blame the failure of democracy on individuals. The moderate chancellors were ineffective leaders who constantly rose and fell as party coalitions gained or lost strength in the Reichstag. President Hindenburg doubted democracy and dreamed of restoring the kaiser to power. Extremists like Hitler hated democracy.

Other historians point to flaws in the Weimar Constitution, such as the provision that allowed rule by decree and the suspension of constitutional rights in a national emergency. Many criticize the Versailles Treaty for humiliating Germany with the “war guilt” clause and punishing future generations of Germans with the burden of reparations. Historians have also placed great emphasis on the economic conditions that ravaged the German people with hyperinflation and unemployment.

The sudden replacement of the kaiser with the Weimar Republic never won the hearts of most Germans. The numerous political parties often appealed to narrow interests and fractured the nation. In the end, the political movement most successful in uniting Germany was the Nazi Party.

Democracy did not die forever in Germany. After World War II, a new German democracy slowly rose from the ashes of Hitler’s Third Reich.

### **For Discussion and Writing**

1. What do you believe was the *most important* cause of the failure of democracy in the Weimar Republic? Use evidence from the article to support your answer.
2. Why do you think Hitler and the Nazi Party gained increasing support from German voters?
3. How did the victorious Allied Powers contribute to the failure of democracy in the Weimar Republic?

### **A C T I V I T Y A Debate: Was the Weimar Republic Destined to Fail?**

Divide the class into two groups. Assign each group a pro or con position on the following thesis statement:

Given the circumstances of the Weimar Republic, it was doomed to failure.

Using the article as a source, each student should write a position paper. Then students should meet in pro and con teams and decide on their best arguments. Finally, the class should hold a debate.

### **For Further Information**

#### **History of Germany**

Encyclopedia Articles:

[Encarta: History of Germany](#)

[Wikipedia: History of Germany](#)

[Columbia Encyclopedia: Germany](#)

[Answers.com: History of Germany](#)

[1911 Britannica: History of Germany](#)

[Infoplease: German History](#)

[Library of Congress: Historical Setting: Early Years to 1945](#)

[History of Modern Germany Lectures](#) Lectures on the beginnings of Germany to the present.

[Virtual Library: German History](#)

[Journal of Online Genealogy: History of Germany](#) A brief overview of German history by John Holwell.

[Map Collection of Germany](#) Historical maps.

Links:

[Google Directory: History of Germany](#)

[Open Directory Project: History of Germany](#)

[Yahoo Directory: History of Germany](#)

[German History Sources](#) Links to documents related to German history.

## **The Weimar Republic**

Encyclopedia Articles:

[Encarta: Weimar Republic](#)

[Wikipedia: The Weimar Republic](#) and [Weimar Culture](#)

[Columbia Encyclopedia: Weimar Republic](#)

[Answers.com: Weimar Republic](#)

[GermanCulture: The Weimar Republic, 1918–33](#)

[Sparknotes.com: Nazi Germany \(1919-1938\)](#) A study guide.

[HistoryLearningSite: Weimar Republic](#)

[PBS: Germany 1919–1932: The Weimar Republic](#)

[Spartacus Educational: The Weimar Republic](#)

[Greenfield History: Germany 1919–1939: Key Questions](#) Offers answers to basic questions about Weimar and after.

Lectures of Professor Gerhard Rempel, Western New England College:

[Economic and Political Problems of Weimar](#)

[Foreign Policy Problems of Weimar](#)

[Good Years of the Weimar Republic](#)

[Collapse of the Weimar Republic](#)

[Cultural Life in the Republic](#)

[The Nazi Road to Power](#)

[The Nazi “Seizure” of Power](#)

[Political Economics and the Weimar Disaster](#) (PDF file) Essay by Roger B. Myerson, Department of Economics, University of Chicago.

[MacroHistory: Germany and Hitler in the Twenties](#)

Links:

[Google Directory: Weimar Republic](#)

[Open Directory Project: Weimar Republic](#)

[Yahoo Directory: Weimar Republic](#)

[About.com: European History: The Weimar Republic](#)

**Weimar Constitution**

[PSM Data: Weimar Constitution](#) The complete text of the Constitution.

[Weimar Constitution: Selected Articles](#)



## **Timelines**

[A Full Timeline of the Weimar Republic](#)

[A Research-oriented Timeline](#)

[Rise of the Nazi Party Timeline](#)

[PBS: Pre-War Germany Time Line](#)

## **Hyperinflation**

[The Economist: German Hyperinflation](#)

[PBS: The German Hyperinflation, 1923](#)

[Wikipedia: Hyperinflation in Germany](#)

[School History.org: The Seeds of Evil: Germany 1919–1933: Hyperinflation](#)

[USAGold: The Nightmare German Inflation](#)

## **Historical Documents**

[\*Mein Kampf\*](#) By Adolph Hitler.

[Treaty of Versailles](#)

[The Constitution of the German Federation of August 11, 1919](#)

[The Enabling Act](#)

## **Kaiser Wilhem II**

Encyclopedia Articles:

[Encarta: William II \(of Germany and Prussia\)](#)

[Wikipedia: William II, German Emperor](#)

[Columbia Encyclopedia: William II](#)

[Answers.com: Wilhem II](#)

Biographies:

[First World War.com: Kaiser Wilhelm II](#)

[Trenches on the Web: Kaiser Wilhelm II of Germany](#)

[Spartacus Educational: Kaiser Wilhelm II](#)

[BBC History: Kaiser Wilhelm II](#)

Links:

[Google Directory: Kaiser Wilhem II](#)

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### **Paul von Hindenburg**

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[Wikipedia: Paul von Hindenburg](#)

[Columbia Encyclopedia: Paul von Hindenburg](#)

[Answers.com: Paul von Hindenburg](#)

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[BBC History: Paul von Hindenburg](#)

[Spartacus Educational: Paul von Hindenburg](#)

[First World War.com: Who's Who: Paul von Hindenburg](#)

[History Learning Site: Paul von Hindenburg](#)

[\*Out of My Life\*](#) His 1920 autobiography.

Links:

[Google Directory: Paul von Hindenburg](#)

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[Yahoo Directory: Paul von Hindenburg](#)

## **Adolf Hitler**

Encyclopedia Articles:

[Encarta: Adolf Hitler](#)

[Wikipedia: Adolf Hitler](#)

[Columbia Encyclopedia: Adolf Hitler](#)

[Answers.com: Adolf Hitler](#)

[Citizendium: Adolf Hitler](#)

[Jewish Virtual Library: Adolph Hitler](#) A biography.

[New York Times Topics: Adolf Hitler](#) Recent news articles concerning Hitler.

Links:

[Google Directory: Adolf Hitler](#)

[Open Directory Project: Adolf Hitler](#)

[Yahoo Directory: Adolf Hitler](#)

[About.com: Adolf Hitler](#)

## **Hitler's Rise to Power**

[MacroHistory: Hitler Takes Power](#)

See [Constitutional Rights Foundation: Hitler's Rise to Total Power](#) Links.

## **Books**

[\*Economics and Politics in the Weimar Republic\*](#) By Theo Balderston.

[\*Hitler and the Collapse of Weimar Germany\*](#) By Martin Broszat.

[\*Hindenburg and the Weimar Republic\*](#) By Andreas Dorpalen.

[\*The Coming of the Third Reich\*](#) By Richard Evans.

[\*The Rise of the Nazis\*](#) By Conan Fischer.

*Weimar Culture: The Outsider as Insider* By Peter Gay.

*The Weimar Republic* By Helmut Heiber.

*The Weimar Republic 1919–1933* By Ruth Henig.

*The Weimar Republic Sourcebook* Edited by Anton Kaes, Martin Jay, and Edward Dimendberg.

*The Weimar Republic* by Eberhard Kolb.

*The Rise and Fall of Weimar Democracy* By Hans Mommsen.

*Weimar and the Rise of Hitler* By A. J. Nicholls.

*The Weimar Republic* By Detlev Peukert.

*Weimar: A Jurisprudence of Crisis* Edited by Arthur Jacobson and Bernhard Schlink.

*Weimar Germany: Promise and Tragedy* By Eric D. Weitz.

*Culture and Inflation in Weimar Germany* By Bernd Widdig.

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