



Economic Policies

Aim:

To understand the policies adopted by the Nazis to reduce unemployment

To evaluate whether the lives of German people improved or not





Economic Policies

What was the rate of unemployment in 1932 following the Great Depression?

Reducing this unemployment was a priority for Hitler, Why?

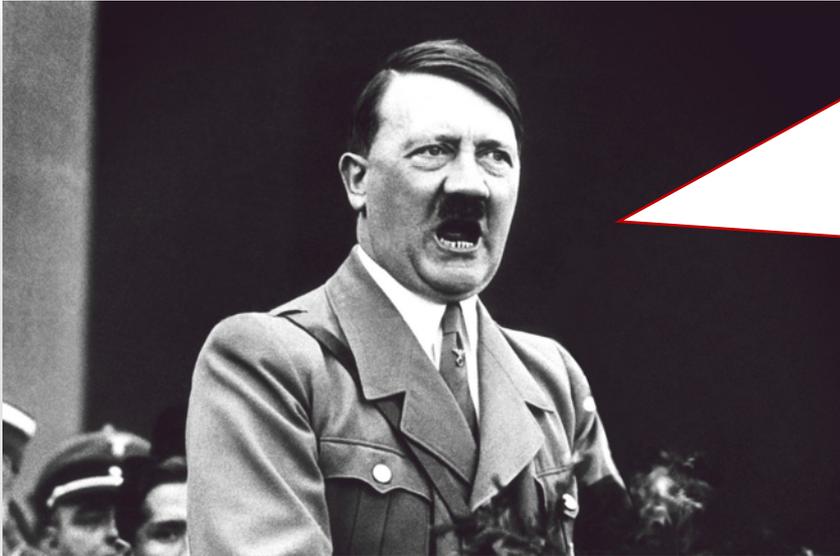
1. Unemployed were politically dangerous, they suffered poor living conditions and demanded help. If Hitler couldn't help them they may turn to the left and Communism.
2. Unemployed workers are a waste of resources and a burden on society. Every German should be in useful 'work'.



How might Hitler reduce unemployment? Make a list of ideas in your books



Economic Policies



February 1933 in the Reichstag

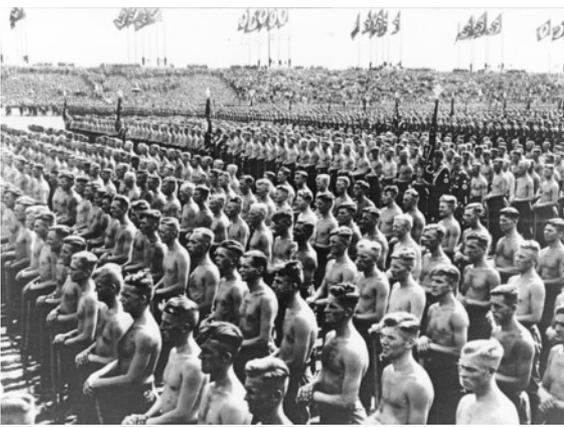
The next 5 years in Germany must be devoted to the rearmament of Germany. Every job creation scheme must be judged by whether it helps rearmament... Germany's position in the world will depend on the position of Germany's armed forces. Upon this, the position of Germany's economy also depends



Economic Policies

1. Labour Service: (RAD)

- **Paid work for the Unemployed**
 - Public works like repairing roads, planting trees, draining marshes, bridges, coastal walls & sports facilities (Berlin's Olympic Stadium).
- **From 1933-1935 the RAD was voluntary**
- **1935 – All young men 18-25 had to serve 6 months in the RAD leading to 422,000 members**



I hate the RAD, its like the army, uniforms, living in camps, military drills and parades as well as the hard manual work. Working conditions, including the food, are awful and the pay is very poor. This is not employment, this is military service!

Identify at least 4 features of the RAD that were unpopular



Economic Policies

2. (RAD) Autobahns

- 7000 miles of motorway to improve transport around Germany
- 1935 – 125,000 men were employed
- These public buildings created many jobs but quicker and cheaper transport on the improved roads and bridges helped the German industry and agriculture massively boosting German goods = stronger economy

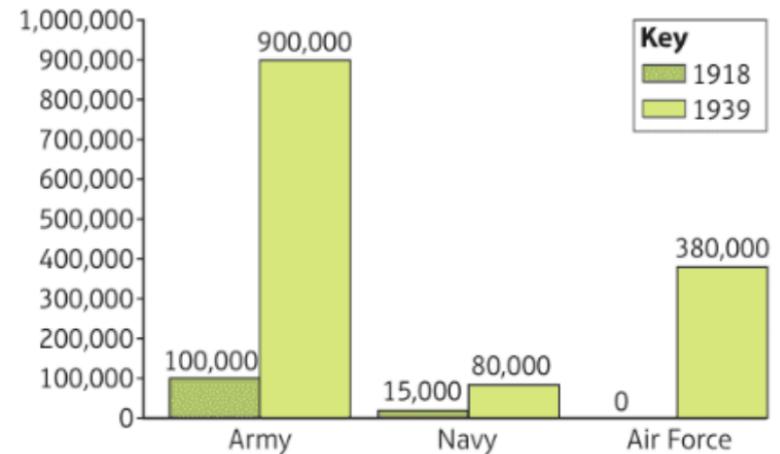




Economic Policies

3. Rearmament

- **Treaty of Versailles - 100,000 soldiers**
 - Hitler ignored this and introduced conscription in 1935 for all young men
- **By 1939, 1.4 million men employed in the army**
- **In 1933, they were spending 3.5 billion marks on arms, by 1939 this rose to 26 billion marks this needed workers**
 - in 1933 = 4000 aircraft constructors
 - in 1935 = 72,000



What does this graph suggest about the success of the Rearmament policy?



Economic Policies

Look back at all 3 policies, how many people were employed by 1939?

Explain how successful you think the Nazi economic policies have been by 1939, with at least 2 pieces of specific evidence for **SUCCESSFUL** and **NOT SUCCESSFUL**

“I think the Nazis were successful with their economic policies by 1939 because...”

“On the other hand, they were not successful with their economic policies by 1939 due to...”



Economic Policies

4. Invisible Unemployment

- **Some historians claim the Nazis produced false figures for their employment by 1939. They found ways to reduce the number of people recorded as unemployed...**
- **How might they do this?**
Eg: People who found part time work were counted as 'fully employed'



Economic Policies

4. Invisible Unemployment

The Labour Service

By the middle of the 1930s, there were about half a million 'unemployed' people in the Labour Service. These did not show up in unemployment figures.

Rearmament

By 1939, many jobs depended upon massive armaments orders. In normal peacetime, these jobs would not exist.

Women and Jews

The Nazis forced women and Jews to give up work. These unemployed did not show up on the unemployment figures.



The SA, SS and Gestapo

The Nazis used public money to employ hundreds of thousands of men in their own security forces. Some would say that these were not 'real' jobs.

Changing statistics

The Nazis changed the way that unemployment statistics were calculated after 1933. From 1935, for example, people in part-time jobs were counted amongst the full-time employed.

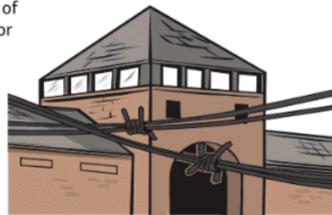
The armed forces

By 1939, over 1.3 million men were in the armed forces. In normal peacetime, most of these men would need jobs



Prisons

The Nazis put hundreds of thousands into prisons or concentration camps. This made unemployment look lower than it would in normal times.



Public works

The Nazis had a huge programme of public works in the 1930s. This was much too expensive to afford for long, so the jobs it created were not 'real' jobs.

'Reducing' unemployment figures

Rank these ways of reducing unemployment 1-8, 1 being the smartest idea

Figure 4.6 Ways in which the Nazis 'hid' the real level of unemployment.



Economic Policies

Success or failure?

1. Unemployed were politically dangerous, they suffered poor living conditions and demanded help. If Hitler couldn't help them they may turn to the left and Communism.
2. Unemployed workers are a waste of resources and a burden on society. Every German should be in useful 'work'.

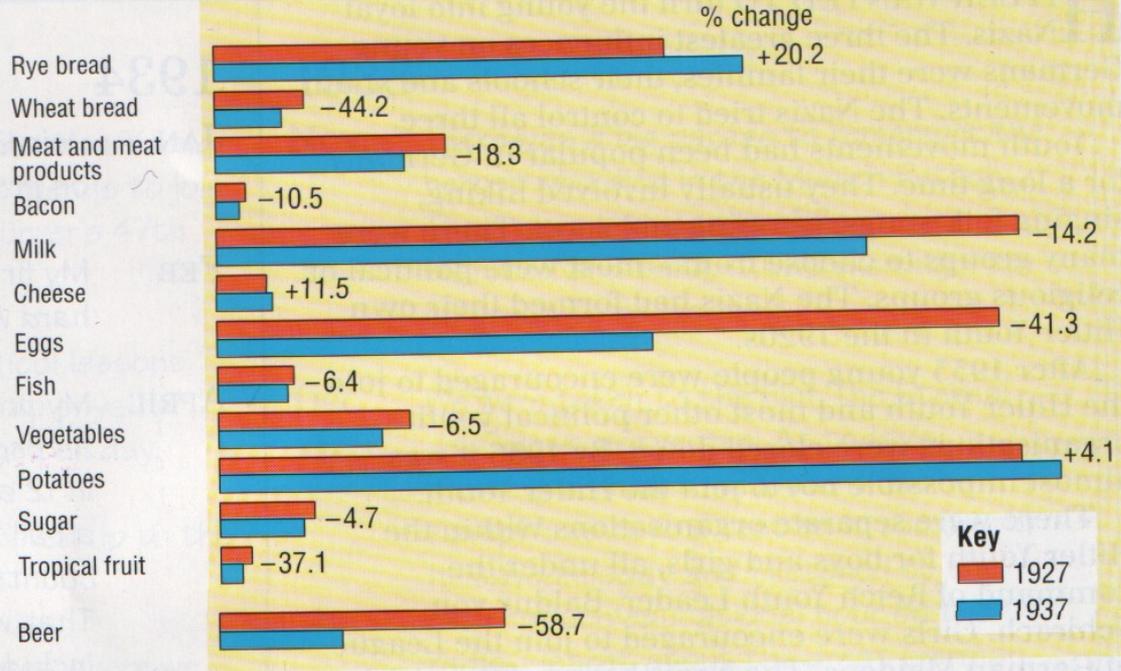
| Successful | Not successful |
|---|---|
| <ul style="list-style-type: none">• Unemployment 'reduced' by 4 million• 'Reduced' unemployment meant there was no public resentment towards Nazis• Unemployment in Britain had only fallen by 1 million in the 1930s | <ul style="list-style-type: none">• Unemployment was falling everywhere in the world following the Depression• Jews, women and political prisoners were not counted in official figures• Some jobs created (in the armament industry and Security Forces and RAD weren't 'real' jobs• The public works were supported by very high government spending which could not be maintained in the long run |

Standards of living: Did people's lives get better?

Whilst considering this question, keep in mind...:

- Sometimes, the standard of living goes up for some but down for others
- Sometimes, some aspects of people's lives get better but other aspects get worse
- Sometimes people can become wealthier but their enjoyment of life gets worse – or vice versa

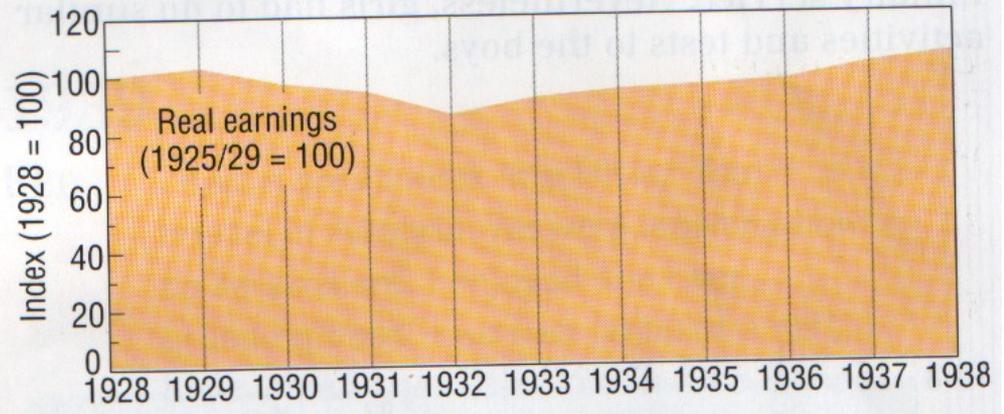




SOURCE 5 Annual food consumption in working-class families, 1927 and 1937

Were Germans better off under the Nazis?

Under the Nazis industrial workers enjoyed regular work and controlled shop prices. But their pay was also controlled and they had no trade unions to bargain for better conditions or higher wages. The average industrial worker's pay stayed the same from 1929 to 1938, however the average working week lengthened from 43 hours in 1933 to 47 hours in 1939. Average figures always disguise specific changes. Workers in the armament industries did improve their pay whereas those producing consumer goods earned less.



SOURCE 8 Real wages in Germany 1928–38 (that is, wages adjusted to allow for inflation)

How do these sources suggest people's lives improved or did not?



Employment:

- More people in work enjoying a regular income
- Jews & women lost their jobs
- RAD was hard work with poor pay – no enjoyment

Wages:

- Wage rises were slow between 1933-1936 (6-9% rise)
- They rose quicker from 1936-1939 (20% rise)
- Some industries had better wage rises eg: those in Armament jobs rose well, those in RAD did not
- Price of goods / food rose in 1930s by 20-45%, meaning the wage rises were cancelled out for many low earners
- Well paid, highly skilled workers benefitted the most, they were able to buy luxury goods

Hours worked:

- 43 hours worked in 1933 to 49 in 1939
- Despite earning more, they were working more

Schemes to improve workers lives:

- DAF (The Labour Front)
- KdF (Strength Through Joy)
- SdA (Beauty of Labour)

We'll look at these in more detail ...



Lives improved



Lives did not improve

Highlight the examples of life that improved or didn't improve on your economy sheet



Economic Policies

Labour Front - DAF

- **Trade Unions would normally help protect and improve workers conditions – As we know these were banned in 1933**
- **DAF replaced the unions and set out:**
 - The rights of workers in the workplace
 - Maximum length of working week
 - Minimum pay levels
- **The Reality:**
 - Workers lost their right to negotiate
 - Maximum hours of work went up by 6 hours a week
 - Workers could be punished by the DAF





Economic Policies

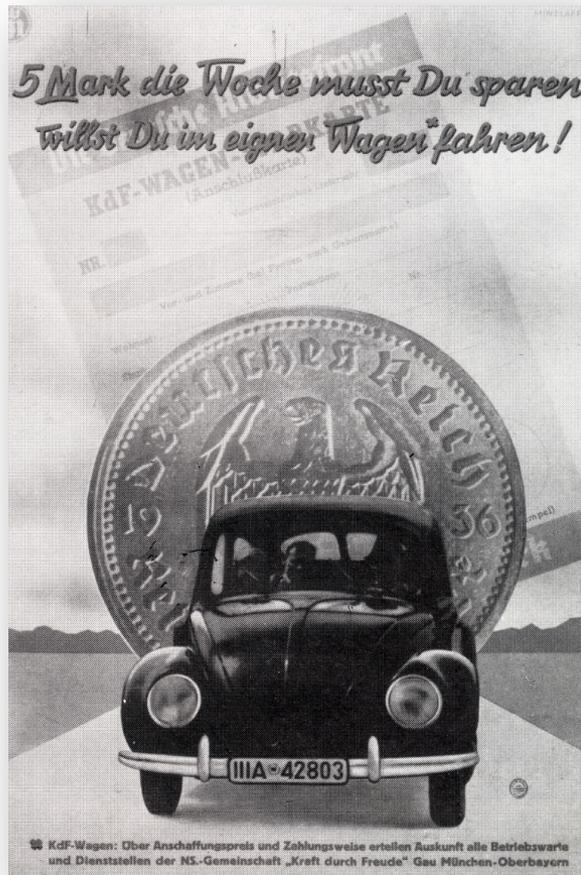
Strength through joy (KdF)

- Hitler realised the loss of the unions could lead to unrest so the Nazis set up the KdF as part of the DAF
- The Strength through joy programme would make the benefits of working hard more enjoyable leading to a **happier life and stronger nation (Everyone “in it together”**
- **Most workers were expected to join, by 1936 = 35 million members**
- Some activities of the KdF:
- **Leisure activities, Sports events, films, theatres, outings and even foreign travel. The most loyal workers could win impressive holidays. A chance to own a Volkswagen car.**



Economic Policies

Strength through joy (KdF)





Economic Policies

Strength through joy (KdF)



Problem was, they had to do all of this in their own time = Less popular





Economic Policies

Beauty of Labour (SdA)

- **Better facilities for workers**
 - Better toilets, changing rooms, canteens & showers
- **Workers had to do the building, repairing & decorating themselves, after work and at no extra pay**





Economic Policies

**Stick your copy of
this summary into
your books**

Better off

In some ways Germans were better off under Hitler:

- most German men were in work
- the 'Strength through Joy' organisation provided better leisure activities and holidays for workers
- the 'Beauty Through Work' department improved working conditions, e.g. canteens and sports facilities
- average weekly wages rose from 86 *marks* in 1932 to 109 *marks* in 1939
- the Volkswagen Scheme of 1938 gave workers the chance to buy cheap cars.

Worse off

In other ways Germans were worse off under Hitler:

- Trades Unions were abolished and workers had few rights
- few workers could afford the more expensive activities and holidays provided by 'Strength through Joy'
- most German men did not enjoy National Labour Service, which was poorly paid
- the cost of living went up in the 1930s – this cancelled out the rise in wages
- average hours of work went up from 43 hours per week in 1933 to 47 in 1939
- the Volkswagen scheme turned out to be a swindle.



Economic Policies

Interpretation 1

From *Life in Germany*, by Steve Waugh published in 2009. From 1936 to 1939 wages increased, but this was due to a longer working day rather than an increase in hourly wage rates. In addition, the cost of living rose in the 1930's, which meant that real wages (how much workers could buy) actually fell. There were also food shortages, because the government reduced agricultural production to keep up prices [to help farmers].

Interpretation 2

From *Nationalism, dictatorship and democracy in 20th Century Europe*, by Hall, Shuter, Brown and Williams, published in 2015.

For Germans who conformed to Nazi expectations, living standards went up. Unemployment dropped. Nazi statistics show that real wages rose... though only if a worker worked overtime. The 'Strength Through Joy' programme provided many extras. Some (benefits), such as loans [and] medical care... were real enough.

What is the main difference between these views?

Stick your structure Strip in and use it to answer this question

What can we learn from Donald Duck about Nazi economy and “Strength through joy?”

Watch the following cartoon making notes on clues or facts to help answer the above question



Summary

- Reducing unemployment was a priority for Hitler, for political and economic reasons.
- The Nazis used a variety of methods to reduce unemployment. These included the National Labour Service, the autobahn project and rearmament.
- As well as official unemployment levels, Nazi Germany also had 'invisible unemployment'.
- There were many changes to the standard of living of workers in Nazi Germany. These included changes to unemployment, wages, prices, and consumption of luxuries.
- The Labour Front, including Strength through Joy and the Beauty of Labour, also affected the standard of living of German workers.

Checkpoint

Strengthen

- S1** What happened to unemployment in Nazi Germany?
- S2** In what ways did the Nazis try to reduce unemployment?
- S3** Describe changes in wages, prices and sale of luxury goods in Nazi Germany.
- S4** What was the impact on the standard of living of German workers of the Labour Front, Strength through Joy and the Beauty of Labour?

Challenge

- C1** Give a reasoned opinion about how much unemployment fell in Nazi Germany.
- C2** Give a reasoned opinion about whether the standard of living of workers rose or fell in Nazi Germany.

Were people better off under the Nazis?

