

E x c e r p t  
from Transcript of  
MILITARY TRIBUNAL No. IV NUERNBERG  
Morning Session of 21 July 1947

(Direct Examination of witness Hjalmar SCHACHT by Dr. DIX)  
(p. 3990-3996)

Q: It says here among the circumstantial evidence of the  
Prosecution that, when in February 1933, - after the  
seizure of power - industry made that famous donation.  
9. FLICK donated a sum towards that fund, the amount of  
3991 which I don't remember exactly but which was more or  
less in accordance with his financial situation. You  
were present when that collection was made, so would  
you please tell the Tribunal something about the rea-  
son, the purpose, and the motive for that donation?  
Would you tell us something about the political effect  
of that donation?

A: Your Honor, I myself was asked to attend that confe-  
rence. GOERING sent out the invitations and we were  
asked to go to the house of the President of the  
Reichstag, and that was GOERING in those days.  
GOERING himself, with his adjutant, had made out the  
list of the people who were to be invited and as far  
as I saw, almost all the leading men of German indu-  
stry from all its branches were represented, and I  
did not hear that even one of them refused to accept  
the invitation. They all turned up. I must revert  
to one point on which I touched before. I must say  
that that happened at a time when HITLER was already  
Reich Chancellor. It was on the 30th of January that  
HITLER became Reich Chancellor and I believe that this  
conference was held about the 25th of February.

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Q: On 22 February.

A: It was the 22nd of February or the 25th of February - I don't remember exactly.

Now, the event occurred to which I referred before, that is to say, industry naturally was always out to go along with the rulers of the State. I may remind you that after the collapse in 1918 which followed after the First World War, Hugo STINNES, who certainly previously had belonged to the right, all of a sudden hit on the idea that now he would have to make a pact with the Social Democrats, because that would be the only possibility to continue business. And then, he made that famous agreement with the leaders of the trade unions, LEGIEN and HUE, when the Social Democrats and free trade unions together joined with industry to make possible the continuation of an orderly economic life in Germany.

p.3992      Industry found itself in exactly the same situation after HITLER had seized power. I am always using the word "seizure of power" because the Party introduced that. Naturally that is nonsense. HITLER was appointed Chancellor quite regularly in a legal manner, by the Reich President HINDENBURG, according to the provisions of the constitution, and here is the decisive thing. He was not head of a National Socialist cabinet but he headed a coalition cabinet consisting of the National Socialists and the Deutsch Nationale Volkspartei, the German National People's Party. One of the conditions on which the parties had agreed at the time, when on 30 January the cabinet was formed, was -- I heard about that only afterwards because I had played no part in the formation of the cabinet -- one of the conditions was that a new election was to be held in order to get the coalition approved by the electorate. That election was fixed for the 5th of March, and at the end of February that

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conference was held with the industrialists for the purpose of establishing an election fund. At that conference HITLER developed his political ideas before the industrialists and promised them exactly those very things in which they were interested; that is to say, maintenance of private property enterprises, avoidance of all future strikes and lockouts, that is to say, labor peace. Those were the things in which the industrialists were interested above all. They always merely regarded politics as a means to maintain their enterprises for naturally it is of the greatest importance for every industrialist to be able to keep and employ his workmen in peace. At that conference, after HITLER's address, KRUEP von BOHLEN, the old gentleman who unfortunately on account of illness can no longer appear here, got up and although only a few weeks before he had expressed his definite opposition to the National Socialist movement, at this conference, he said, "Well, if you promise us a policy of this kind, then our interests are protected and we will support you." Then it was decided to establish an election fund, not for the National Socialist Party, but for the two coalition parties; that is to say, for the parties of which the cabinet consisted.

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Q: They were three parties, weren't they, Dr. SCHACHE?

A: One moment. During the discussion a representative of the German People's Party, Deutsche Volkspartei, rose and said, "My party, the Deutsche Volkspartei - the German People's Party - will join in this coalition during the election, and therefore I make a motion that the German People's Party, too, should have a

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share in this fund." And the decision was made accordingly.

Therefore, collections for the fund were made for the three parties; the German Nationals, (Deutsch Nationale), the German People's Party, (Deutsche Volkspartei), and the National Socialist Party. Naturally, the distribution or the allocation of that fund could be made only according to the existing circumstances; that is to say, on the basis of the seats which they had occupied in the Reichstag as it had been up to then. Otherwise it would have made no sense. But there was a hope in the case of the German National Party and with the German People's Party that at the election they would succeed in getting back to them part of the National Socialist voters who before had left them and had gone over to HITLER. That hope turned out to be a delusion, but they could not know that at the time. I had, at any rate, been their hope. The interesting thing about that election is this; whereas in November, when Reichstag elections had been held, too, HITLER lost twenty seats to the Communists, now as Chancellor he recaptured those twenty seats from the Communists and the Communists lost those twenty seats. That shows how the radical elements, in the distress of the times, wavered all the time between the right and the left, between the extremes.

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It is a fact, therefore, that the industrialists did collect that fund at the time for the three parties. It was decided to collect the funds by the various groups among themselves without HITLER and without myself -- I played no part in that because I was no industrialist; at that time I was a private banker -- by the industrialists among themselves, deciding that the iron industry would give so-and-so much, that the textile industry would give so-and-so much, that the electrical industry

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would give so-and-so much, and so forth. Within those

groups the industrialists among themselves came to an agreement as for the amount which would have to be donated by every firm, and naturally that was not done according to the political wishes of the various industrialists; it was done according to the size of their enterprises, according to the number of their workmen or according to the size of their output. And if I may now come to the case of the FLICK enterprise, his enterprise was, so to speak, forced to join a certain group, and the amount which FLICK donated - I don't even know that amount - that had been fixed internally, I believe, without his being able to have any essential influence on the matter.

Q: Now, Dr. SCHLICHT, the way you have described it to us, that the entire industry collected a fund for that important political purpose, that is to say, to strengthen the bourgeois side of the coalition, in opposition to the radical Nazis, now that you have done that, please do not be offended, but I would like your comment. I would say that the industrialists didn't behave very nobly by giving three millions for the entire industry. Would you call that an enormous contribution?

A: I think that is a very normal donation. I would not say that it was a very striking donation, for to pay for an entire Reichstag election with three million Reichsmark, I wouldn't say that that was an adequate amount. I heard that for other elections in earlier

3995 P. days much greater sums were expended.

Q: That is what I mean. Both of us know the National Socialist rulers and their relationship to other people's money and other people's properties. Are you personally of the view that HITLER during the election at the end of March, if he wanted to make

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sure that in this election he would come out victorious, had to depend on a voluntary donation for his particular party purposes, or do you believe that the Nazis after the seizure of power would not have been able to lay their hands on such amounts in some way or other if they had needed those amounts?

P. 3953 CONTINUATION OF THE DIRECT EXAMINATION OF THE  
WITNESS DR. SCHACHT BY DR. DIX:

A: Your Honor, I was the treasurer of that fund; that is to say, the donations came to me and I issued them according to instructions. I had no decisions of my own to make about the expenditure. I merely received and paid out the money. When the election was over, there remained in that fund six hundred thousand marks; that is to say, only 2,4 million marks were expended. I don't know how much of that money went to the other two parties, but in any case they must have received a certain amount.

Perhaps HITLER's party had at its disposal about two millions at the most. Naturally he could have obtained that money quite easily privately; that is to say, he could have obtained it from individual firms or persons. Formerly the parties did not use to call a conference of people but approached individuals, and naturally what happened was - if I may mention some names - that firms like HILCKNER and the old man THYSSEN, August THYSSEN, they always donated money to the Center Party because they were Roman Catholics. Other people donated for the German Nationals, others for the German People's Party.

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The electrical industry gave much to the Democratic Party, and during the years after the First World War I would assume that the Social Democrats, too, obtained money from one or the other big firm, when that agreement between STINNES and the trade unions had been concluded. The amount of the donation is no difficulty and was of no importance for HITLER.

Q: According to your experience, are you of the view that that amount in itself stood in any direct relationship to the result of the election of March 1933? Would you say that it had a decisive or essential influence on the fact that during that March election the National Socialist Party had the result of which we know?

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A: I would say that for every election campaign a certain amount of propaganda is necessary to awaken some interest in the election, but in those days of misery, when HITLER in July 1932 had already obtained a vote from fourteen million voters and where now he had obtained power, it was not to be expected that those voters would have left him. It was only a case of those drifters who were constantly wavering between the right and the left, and those drifters probably would always have followed the rulers, those who held power as it happened in this case. That is to say, they would have followed HITLER in any case because they expected him to do something.

Q: He did promise them a great deal.

A: Well, one can say so.

Q: To the masses, too?

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A: To everybody.

Q: Also to those who labored and were burdened?

A: Yes.

Q: And to the millions of unemployed?

A: Yes. Well, that was the promise which he did keep.  
He did give work to all of them. As to whether he  
did it himself or whether others did it, that is  
another question.

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