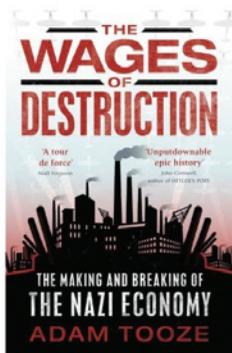


# Hitler's grotesque economics

Sinclair Davidson reviews

## *The Wages of Destruction: The Making and Breaking of the Nazi Economy*

by Adam Tooze  
(Allen Lane, 2007, 799 pages)



In the acclaimed television series *Band of Brothers* the Webster character abuses a column of German prisoners of war, 'Say hello to Ford, and General fuckin' Motors. You stupid fascist pigs. Look at you. You have horses. What were you thinking?' In *The Wages of Destruction: The Making and Breaking of the Nazi Economy*, a recent and controversial book Adam Tooze, senior lecturer in economic history at Cambridge, sets out what the Germans were thinking. He has provided an exhaustive account of the economics of the Third Reich.

In particular he sets out the economic constraints facing the Germans in the prosecution of the war.

War history normally consists of battlefield or political maneuvering—this history however concerns itself more with balance of payments, over-valued currencies and coal supplies. This is a perspective that many general readers or the average arm-chair expert on WWII will be likely to appreciate.

The controversial aspect of the analysis is that the Nazi's were not simply madmen. They were highly rational and acted consistently given their warped world-view and the economic and political constraints they faced.

This makes their 'grand plan' all the more grotesque. It is well-known that Nazi Germany invaded Russia in order to expand its own territory and to provide Germany with 'living space.' Tooze explains how the Nazi's went to war in order to

murder millions and millions of people. The Holocaust was not simply a case of murdering a hated minority; it was the starting point of a planned mass murder on a far greater scale.

The war had caused substantial economic problems in Europe. The food supply was severely disrupted. It was only the mass murder of eastern Jews and Ukrainians that allowed for sufficient food supplies in 1942. Tooze explains the trade-off associated with the need for slave labour, the need to murder and the food supply. It is a horrific story of incentives, economic constraints, perverted worldviews and amoral pragmatism.

This 'Hunger Plan' is well worth a book by itself. Tooze, however, is comprehensive. He touches on many other aspects of the war economy. The balance of payments was a problem for Germany, ultimately solved by non-market means. As Gustav Schlotterer told German businessmen in July 1940:

Our tendency is to use sleight of hand, guile and possibly violence to get the European states to sell their goods to Germany, but to leave their credits, when they build up, in Berlin.

At least he was honest. Tooze has taken a disliking to Albert Speer, and spends a great deal of time and effort documenting how dishonest he was. In particular, Tooze expresses surprise that Speer was not executed after Nuremberg.

Tooze describes Speer as a power hungry man who inflated his own abilities and expanded his bureaucratic empire. Ultimately Speer is portrayed as a self-serving bureaucrat and a spin-doctor. It is difficult to know what to make of Tooze's portrayal of Speer. Being a spin-doctor is not a crime against humanity. Speer may have been morally complicit in many of the crimes of Nazi Germany, but Tooze's new evidence is not enough to doubt the judgement at Nuremberg—which chose to merely imprison, rather than execute, Speer.

Ultimately Germany lost the war because they could not match the resources of the Americans, British, and Soviet economies. Had the Allies done more to destroy the German economy, the war could have ended earlier—more bombing of the Ruhr Valley and less bombing of Berlin. Some high ranking German officers, such as General Georg Thomas also knew the balance of resources was unfavourable.

Tooze has little time for the argument that the German war economy was inefficient and German planning incompetent. As he indicates the Germans fought the world to a standstill. So why then did the war break out when it did? The usual argument is that Hitler miscalculated. Tooze's argument is that there was nothing to gain by waiting—the outbreak of war was a calculated risk.

Tooze has made an important contribution. Some aspects are likely to be controversial. Understanding the economic constraints facing the Germans during the war, and the incentives the Nazi's perceived provides a greater insight into those terrible events.

It will be difficult for future historians to write about WWII without paying serious attention to this well argued, well documented narrative.

Some readers will find the arguments dense and bewildering but the book is well worth the time and effort.



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