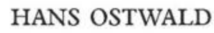

A Moral History of the Inflation

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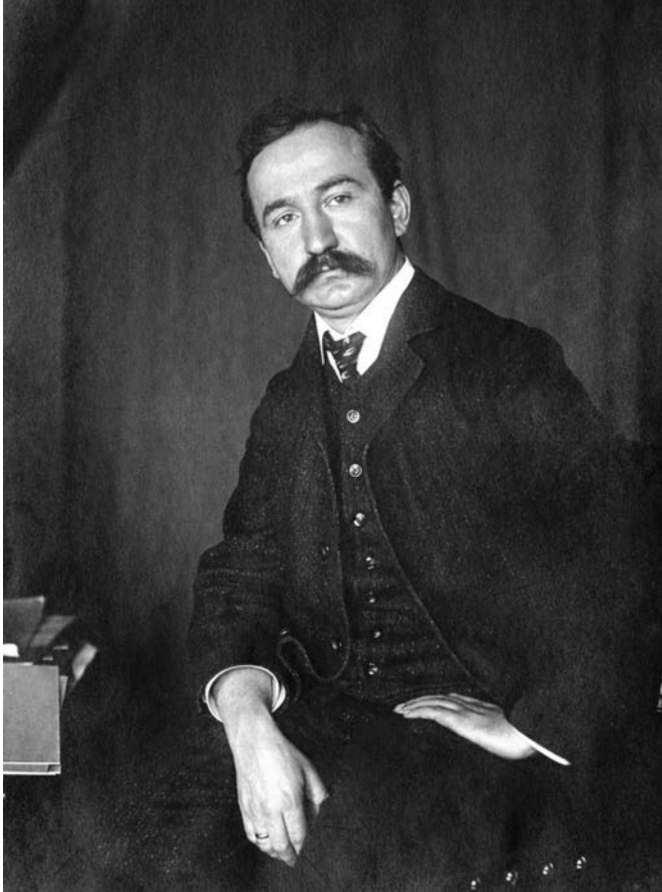

Hans Ostwald (1873–1940)

HANS OSTWALD

A MORAL HISTORY OF THE INFLATION

Germany During the Weimar Republic

Translated by Andrew Rickard

MONTREAL:
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Translator's Note

This book is a farrago of quotations. Ostwald draws on a wide variety of contemporary sources, including his own work, but his citations are often minimal and sometimes nonexistent. The reader is lucky to be given the name of the newspaper and the month in which an article appeared. I have simply translated this material as it was presented in the German edition, and made no attempt to hunt down all of the unnamed publications, exact dates, or page numbers.

Photographs taken on or before 31 December 1948 are in the public domain in Canada,[1] so this translation includes all of the pictures that appeared in the original *Sittengeschichte der Inflation: Ein Kulturdokument aus den Jahren des Marksturzes* (Berlin: Neufeld & Henius Verlag, 1931). The only image I omitted due to copyright restrictions was a painting named *Jazz* by Charley Garry (1891–1973) that was used as a frontispiece; I have replaced it with a portrait of the author.

All of the footnotes are mine.

— Andrew Rickard

[1] See David Vaver, *Intellectual Property Law: Copyrights, Patents, Trade-Marks* (Toronto: Irwin Law, 2011) at 145–47, and David Vaver, *Copyright Law* (Toronto: Irwin Law, 2000) at 104–07.

Introduction

WHOEVER THINKS BACK TO THE INFLATION YEARS CONJURES UP the memory of a wild, hellish carnival: plundering and riots, demonstrations and clashes, graft and illicit trade, agonizing hunger and wasteful gluttony, rapid impoverishment and sudden wealth, a debauched craze for dancing, the awful suffering of children, strip teases, currency scams, the hoarding of goods, a frenzy of pleasure — hedonism and a materialistic philosophy of life alongside a decline in religion and a period of flourishing occultism and clairvoyance — a lust for games, an addiction to gambling, a divorce epidemic, women's rights, precocious young people, Quaker food donations, student assistance, police raids, racketeering trials, jazz bands, and narcotics. Truly, a garish circus of life!

You could certainly add more catchwords, activities, events, and conditions to the ones listed above. What new thing did not emerge? What did not call attention to itself, loudly and shrilly?

It was a time of significant revaluation — in material as well as in spiritual things. He who had been rich and able to indulge in every worldly pleasure soon counted himself lucky if some well-meaning people offered him a bowl of warm soup. Lowly clerks became bank directors overnight, with seemingly inexhaustible funds at their command. In those days, foreigners who lived on small pensions at home could come to Germany and live like kings. Everything seemed to have been turned upside down.

The family also seemed to have suddenly disintegrated. The world was reeling in an erotic stupor. Many of the things that were once conducted behind closed doors were now done in

broad daylight. Women in particular grew accustomed to a completely different way of life. They were upfront with their demands, especially sexual ones. They asserted their right to live and be free in every way and manner. Romantic scandals came to light more often than in the past, and some of them were emblematic of the time. Nudity and nude culture was not just limited to certain areas, such as burlesque theatres or cabarets, but through trends in fashion it penetrated all layers of society; people discovered how beautiful the leg was, and they were happy to put it on display. Cosmetics were in demand everywhere. Things continued to evolve. The women had to fill many male positions during the war and they were not going to let themselves be dragged back into the kitchen; that also influenced relationships between the sexes. The flapper was the final result of these developments — a woman who made her own decisions, be she single, separated, or widowed.

Women also experienced a strange rejuvenation. Grandma wore a dress that was almost above the knee and danced with young men in halls, hotels, and cafés — wherever she could. Mom danced with friends, and nannies took advantage of the opportunity and danced as well — and all while the children were left at home, afraid.

Sexual customs and desires after the war were influenced by the instabilities of life, the drastic economic ups and downs, and the prevailing uncertainty. New knowledge and insight into eroticism and many other areas were gained during the period.

All the values and truths that had formed the backbone of society for centuries, and even a millennium, seemed to have broken down, but in fact they were only slightly transformed or renewed, and some were even strengthened.

This became obvious as the inflation drew to a close. The nightmare was coming to an end.

The German nation put itself right again. It created a new currency for itself — under its own power — and used it to rebuild its economy. This was only possible because Germany was a nation of workers. Only from and through work could it create values upon which to rebuild itself.

And then the nightmare ended.

Graft and illicit trade quickly disappeared. The plague that had infected the economy as well as the minds and souls of the German people died out. The stench of grotesque sexuality and the crimes and habits of inflation, they were swept away like a dust cloud by a purifying wind.

We observe that most of the German nation remained sound. They had always been hard-working and orderly, and they stayed this way. The ordinary, honest people — the postman, the train engineer, the seamstress, and the washerwoman — along with the other classes, they had continued to do their duty. Doctors had cared for the sick, scholars had expanded knowledge, and inventors had pursued and developed their ideas.

Certainly everyone was led into temptation during the inflation years, but most did not succumb to it. They overcame it.

And so, this healthy nation was soon able to resolve the question of inflation and most of the consequences of this demoralizing period. The fashions of the day, the crime, the dizziness, and the damage they had caused were all on the periphery, at the margins, on the surface!

It is true that some things were changed and expanded by new methods and developments, but the great, good essence remained.

So it is better to sum up the years that followed the great struggle of 1914–1918 in retrospect, to record the wild dance of what took place. There is one thing above all else that can be learned from it: The German people had some heady times and enjoyed themselves to the fullest, but they grew out of it, and they are done with it.

It is therefore to be hoped that the spectre of those times has vanished along with those difficult days — and that the German people can trust all those in power will do their utmost to prevent the nation from falling victim to such a fever again.

— Hans Ostwald

An Inflation in Crime

Robbers, Soldiers, and Murderers

ROBBERS AND SOLDIERS IS THE NAME OF A GAME IN WHICH SOME children pretend to be robbers and are chased by the others, who are supposed to be soldiers. But in the early days after the armistice, it seemed as if they had all become the same thing — as if the robbers had become soldiers and the soldiers went about as robbers.

In any case, on 10 November 1918, the *Arbeiter- und Soldatenrat* (Workers and Soldiers Council) had to put a stop to all requisitions. The problem was that members of different military units had been requisitioning items on their own initiative. And since people in soldiers' uniforms were getting into all kinds of mischief, the *Sicherheitssoldaten* (security forces) that had been appointed by the Workers and Soldiers Council were only permitted to search apartments and business places, or arrest people, when uniformed police officers or detectives were present.

In those days, groups of soldiers used to drive through the streets of all the large cities as if they were on racetracks, or as if they were hurrying to stop a robbery. In fact, some of these trucks full of armed soldiers were rushing off to commit robberies themselves. In the west of Berlin on 13 November 1918, at the corner of Pariser Straße and Fasanenstraße, soldiers drove up in a car and made off with forty crates that contained three and a half million cigars. Despite the protests of a police officer, they packed their loot into the vehicle "by authority of the Workers and Soldiers Council" and drove off.

> A rowdy crowd formed at the Schlesischen train station. Several soldiers had joined together with some women and their sons. Revolvers drawn, they charged at the men who were escorting a shipment of military safes that

> contained 60 million marks. These were marks that the German army had rescued during the retreat from Roumania. They wanted to “take charge of” the money, but they themselves were “taken in charge.” An accomplice had betrayed them, so they were arrested in the nick of time.

Other criminals imitated a cobbler named Wilhelm Voigt who had managed to “confiscate” several thousand marks from a municipal treasury because he showed up wearing an old officer’s uniform and claimed to be on official business — he became known as Captain Köpenick. This report describes a similar crime:

> Between Saturday and Sunday, at 2:45 in the morning, a car pulled up in front of the 4th Railway Regiment’s barracks. Two officers and a junior paymaster emerged, and the latter proceeded to the guardhouse and demanded the regimental cash box from the soldier on duty. The soldier was unwilling to hand over said cash box. At this point a man who called himself Lieutenant von Börner appeared, went up to the guard’s sergeant and explained that a Spartacist uprising was expected that night, during which the barracks was probably going to be attacked. Minister of Defence Noske had therefore ordered all barracks to transfer their cash boxes to the ministry for safekeeping. The lieutenant gave the sergeant a typed letter which read: “Since a period of significant rioting is expected in the near future, I order that the 4th Railway Regiment’s cash boxes be taken into safekeeping, and the money to brought to the Ministry of Defence. The officer’s orders are to be followed. Signed, Noske.”
>
> The sergeant invited the “officers” to follow him to the regimental pay-room. Since the room was locked the sergeant (who, it later turned out, was in cahoots with the thieves) broke in using a hammer and chisel, and the crooks hauled off four cash boxes. To discourage pursuit, the uniformed thieves returned to the guardroom, where the “lieutenant” ordered the sergeant to escort him to the Ministry, and receive a receipt for the cash boxes. Three guardsmen loaded the cash boxes into the car, which then drove off in the direction of the district

> military headquarters. Before leaving, the sergeant appointed another guardsman to take over his duties and said he would be back in less than an hour.
>
> One soldier, however, thought the situation was suspicious, and he notified the duty officer. When the sergeant failed to return, they sent for the regiment's duty officer, whose name was written down in the guard book. It turned out, however, that the name was false, and there was no regimental duty officer to be found. The actual duty officer was only located at 7:30 the next morning.
>
> Around 5 o'clock, a worker discovered the boxes about 100 meters away from the Tempelhofer Weg, a street in the Britz district of Berlin.

The war had made people more submissive when confronted by someone in uniform. Some people also found the sight of one repugnant. One hardly ever saw men wearing plain suits, with buttons that were not made of brass, but it was on their orders that countless men had died. One woman allowed her apartment to be plundered by soldiers without saying a word. When asked why, she said: "But they were wearing uniforms!"

Various criminal elements carried out these kinds of schemes in all of the large German cities during the first few days and weeks after the armistice. The cities were, like the country as a whole, in precarious circumstances. It was still unclear what would become of Germany. Every day, hundreds of thousands of soldiers were returning over the borders — men who for years had not had any kind of positive, creative work, and whose lives had been filled with hardship and misery.

There were some men amongst them who had never done any good, and others who had forgotten how. It was therefore no wonder that large groups came together as they did in Cologne in the beginning of December 1918 and ransacked the army depots. Hundreds of men arrived with carts and were unintimidated by the handful of sentries.

Over the following days gangs, some of them 300 men strong, descended on private businesses; clothing stores and goldsmiths were looted.

In time, the robbers stopped using uniforms, but not their weapons. They attacked post office cars, such as those in the Wuhlheide neighbourhood of Berlin, but their favourite targets were the convoys that used to carry workers' wages into the industrial areas of the city.

> In Upper Silesia, 30 men attacked one of Giesches Erben's convoys. The five policemen who were guarding the convoy returned fire, killing one of the bandits and seriously wounding several others. A clerk was shot in the stomach, and died as a result. The bandits were forced to flee without the money, but the hold up cost several people their lives.

In Bochum, a similar gang of thieves managed to make off with a million marks, but they did not have the money for long. They could not find a suitable hiding place, so they carried it around with them in cases, taking funds from the stash as required; this gave them away, and they were surprised and arrested.

But not all criminals were apprehended so easily. The officers who dealt with these thieves often had to put their lives at risk; people had grown accustomed to handling weapons during the war. A typical clash took place at a bar in the west side of Berlin in the beginning of September 1919:

> Some time ago a furniture dealer in Culmstraße named Ferrer was attacked by an armed gang headed by Fritz Ellisen and Walter Burgaß. After a heated street battle, the thieves were overpowered and taken into custody. In a special court martial, Ellisen and Burgaß were sentenced to ten years each, but they escaped from the city jail shortly before they were to be transferred to prison. The authorities conducted an exhaustive search for the men and, at about 3 o'clock last night, Detective Superintendent Lehnerdt received word from the chief of the serious crimes squad that Ellisen was at the *Kolibri* bar. The superintendent accompanied several officers to Motzstraße, where he was able to prevent the porter from alerting the guests. When he and the officers entered the rooms, they found Ellisen in the midst of a dance. There were about a hundred other people present in the same room, including quite a few prostitutes, pimps, and similar individuals. A wrestling match erupted between the criminals

> and the superintendent, and the escapees could not be overpowered. The crowd turned and threatened the officers. Suddenly Ellisen broke free and seized hold of a chair in order to hit the superintendent. However, before he could do so, the superintendent wounded him with a gunshot to the left side of his body. The criminal then leapt through the back door and into the kitchen, from where he attempted to fire back at the superintendent. At this point the superintendent shot him a second time. Ellisen then retreated to the courtyard and tried to escape by the back stairs, but a third shot brought him down. The wounded man was taken to hospital by taxi.

All kinds of armed men looted public buildings, but this was much less frequent than is generally assumed. The sailors who occupied the Berlin Palace for a while might have made off with a few valuables, but a trial in 1919 revealed that the man who orchestrated several thefts at the imperial residence used to work there:

> The 56-year-old man, who had worked as a servant in the palace for 27 years, had carried out numerous thefts in the royal apartments. More than a hundred valuable items were found and seized in his home. The accused was found to have gold and silver snuff boxes that belonged to Frederick the Great, six oil paintings, several bronze statues, Turkish and Japanese works of art, silver dishes, medals, Persian carpets, and many other items.

That said, looting and stealing from castles and public buildings was less frequent than people suppose. Almost all of the buildings were declared government property, and today the valuable furniture, picture collections, and other works of art delight foreigners everywhere.

The crooks were interested in more tangible things. In the first few months after the November Revolution, they entered the offices of the bread commission, revolvers at the ready, and forced them to hand over large quantities of bread and food coupons. For years after the war most foodstuffs — especially bread, fat, and meat — were only available to Germans in small and specified quantities. This was *Rationierung*, or the rationing system.

Later it became too risky for thieves to break into offices during the day, so they obtained piles of food coupons for themselves by breaking in at night. There was an unofficial market for ration coupons in the streets around Alexanderplatz and in many of the nightclubs in Berlin, Hamburg, and the other large cities. It cost more for one bread coupon than it did for the loaf of bread itself.

In the end, entire series of bread ration coupons had to be declared void in order to prevent legitimate coupon holders from being adversely affected.

The starving population did not scruple to commit other crimes. It was also fairly common for rail shipments of food to be stolen. This happened quite a few times at the Rummelsberg-Lichtenberg freight yard in Berlin. Here is one report from September 1919:

> On Friday morning at the Rummelsberg rail yard, a train arrived that was supposed to carry 200 hundredweight of butter to Magdeburg. In order to prevent it from being stolen, a local police officer had been assigned to remain beside the goods day and night. On Saturday afternoon a man who was wearing a railway cap (but who was otherwise dressed in civilian clothes) arrived and told the police escort that he had been ordered to bring him to the person in charge of the train station. The officer was not the least bit suspicious, and made his way to the stationmaster, who assured him that nobody had asked to speak with him, and that the train bound for Magdeburg would depart in the afternoon. This short absence was enough for a gang of crooks to seize the wagon loaded with valuable goods. The railway car was never found. A railway official who was working near the scene believed that, after the policeman had left, a freight train engine arrived and hitched up to three wagons, including the one with the butter shipment, and then drove off. Since goods were being shunted around the station constantly, the event did not arouse suspicion. Obviously the thieves were working with at least one railroad driver, and they took the carload of butter to another station where it was unloaded and shifted somewhere else by their accomplices.

This is just one example of the many railway car thefts and the wrongful conduct that had broken out like an epidemic among the German officials who had once been so honest. But this will be discussed in greater detail later on.

In any case, the lack of food compelled hungry people to break laws. We are not talking about food hoarding or the wretched people who bought a pound of butter or a few potatoes in a back alley, but actual theft. Some small-time food hoarders did get a share of the spoils, though, since many a half pound of butter or sugar came from these kinds of robberies. When gourmets tucked into pot roasts in the hotels and small restaurants where "everything was on offer," their consciences were not troubled by the fact it came from the black market.

Mind you, what they took for roast beef was often a piece of some old cart horse. If they were lucky, it was a race horse. In 1923, when the sale of horse flesh was permitted but there were still meat shortages, many thoroughbred horses were stolen and sold off to slaughter. Animals that had been worth several thousands of marks in peacetime were sold for a few marks and sent to the butcher.

Naturally thieves went straight after food, and not just a few of them. Entire gangs used to roam the countryside looking for foodstuffs that were in high demand.

The *Berliner Morgenpost* sent a correspondent into the country to investigate reports that individual farms and several villages were defenceless before the roving bands of thieves. The enquiry seemed to confirm the most blatant accounts. The gangs were not discouraged by guards, and employed their revolvers and hand grenades when necessary. They opened stables and took away wagons, horses, and harnesses. They loaded up everything that was not nailed down and drove off, hauling the smaller livestock behind them. Only in rare circumstances was it possible to apprehend the gangs, since the rural policemen were too heavily outnumbered by the bandits to do anything. In fear of this constant threat, some older farmers fled to the city.

> One evening in Dallgow (an area located in the Potsdam administrative district) in early November 1920, a band of six or seven people raided Karl Tasche's farm. The

> robbers severely abused both the farmer, who was lame, as well as his wife. The farmhouse was ransacked completely. Although the fire brigade was summoned immediately, the thieves were able to escape. They were clothed partly in army uniforms and partly in civilian dress, and they were armed.
>
> There were also marauders in East Friesia. At about 11 o'clock on the Saturday before Easter in 1919, a crowd of between 150 to 200 young people gathered in the village of Pogum, located near the town of Weener. Their ages ranged from 17 to 30, and they were all armed with heavy clubs. Several of them were also carrying firearms. At the first farmstead they reached, the leader of the group — a giant of a man who had certainly never suffered from hunger — demanded 6 to 8 sides of bacon and 30 pounds of butter. The farmer explained that he could not provide this amount, since it was more than the entire supply he had on hand to feed both his family and his workers until late autumn. At that point the hoard stormed inside the house and took all of the bacon and ham that was available. They also removed the butter-making supplies that had been provided by the government, and suggested that the farmer could make butter without it from now on. They did the same at other farms. When farmers refused to hand over their supplies willingly, the food was taken from them by force. The farmers' vehicles were requisitioned and used to carry off the loot.

The thieves were ruthless in the cities as well. Before the war, criminals rarely used weapons. After the war it was the opposite. Criminals would break in with a revolver, shouting "Hands up!" Or at the very least they would shoot back to defend themselves from their pursuers. In March 1920, thieves attacked a woman in Berlin and took 24,000 marks from her. When the woman cried for help, they ran off and sprinkled some of the stolen money behind them; most of their pursuers stopped to collect the bills and were then shot by the escaping criminals. They only had 8,000 marks with them when they were finally arrested.

The inflation era gave rise to several new types of crime, cat burglars in particular — the gentlemen thieves. The criminal