

## Nazi economic, social and racial policy

### The economy of Nazi Germany

The German economy was in a terrible state following the harsh financial penalties imposed by the Treaty of Versailles and the following Depression.

The Nazis' economic policy had three aims - to reduce unemployment, to build up their army again, and to create an economy that could survive without any outside help. They called this ideal of self-sufficiency 'autarky'.

In 1933 there were six million unemployed people in Germany. The unemployed were put to work building hospitals, schools, houses and Autobahns.

The Nazi's social policies meant that all Jews and most married women had been fired, creating jobs for the non-Jewish men.

In 1935 they introduced The Reich Labour Service where all men were forced to work for no pay for six months.

Rearmament created jobs in munitions factories and shortened the unemployment lines by forcing men to join the military.

'The New Plan', which ran from 1934 to 1936, controlled imports to stop the country spending too much, making it more self-sufficient.

At home 'The New Plan' invested heavily in industry to increase production. However, what industry produced was not controlled which meant production was often unfocused and was of no benefit to either rearmament or autarky.

By the end of 1936 the economy was growing, but not fast enough for Hitler.

In 1937 Hitler put Hermann Göring in charge of implementing 'The Four-Year Plan'. So that the country could survive and keep its army strong during a possible wartime blockade, production of oil, rubber, textiles, fuel and steel were increased.

They increased production of raw materials and arms by imposing longer working hours, and introducing forced labour.

So did the plan actually work? By 1939 unemployment had dropped to half a million, although this figure didn't include the now high unemployment among women or Jews.

Rearmament had certainly worked. The German military was ready for a long and bloody war. But the German economy wasn't self-sufficient.

Göring's home-produced iron ore was more expensive and poorer quality than the stuff they previously imported.