



Volume 7. Nazi Germany, 1933-1945
Cabinet Discussion on Budget Priorities (February 8, 1933)

After being named Reich Chancellor on January 30, 1933, Adolf Hitler (1889-1945) was determined to put the political ideas he had formulated in 1924 in *Mein Kampf* into practice. His most important goals were the racial “upbreeding” of the German people [*Volk*] and the conquest of “living space” [*Lebensraum*] in Eastern Europe, the latter of which he viewed as an urgent necessity. Since Germany was weak both economically and militarily, Hitler concentrated at first on revising the Versailles Treaty and promoting economic recovery and the rearmament that was connected with it. Parliamentarianism and democracy as established during the Weimar Republic soon proved stumbling blocks, however, so Hitler abolished them during the first few months of his rule and replaced them with unrestricted measures that would ensure the definitive restoration of Germany’s capacity for self-defense. These measures included the “Reichstag Fire Decree” and the “Enabling Act.”

The minutes of the cabinet meeting of February 8, 1933, suggest that Hitler planned to subordinate all domestic and economic policy measures to his military preparations. By this time, he had already dissolved the Reichstag and issued an emergency decree limiting both freedom of the press and assembly.

Extract from the Minutes of the Conference of Ministers, Held at the Reich Chancellery, on February 8, 1933

The Reich Minister of Transport [Freiherr von Eltz-Rübenach] [. . .] proposed that 2.5 million reichsmarks be appropriated in the budget of the Ministry of Transport for 1933 as a first installment for the construction of a reservoir on the Malapane [River] near Turawa [in Upper Silesia].

The Reich Minister of Finance replied that it would be very difficult for the Reich Cabinet to decide at this time whether the approval of these funds would be justified from the point of view of the total budget.

[. . .]

The Reich Chancellor stated that in judging the request by the Minister of Transport, another decisive consideration had to be taken into account. Germany was now negotiating with foreign countries about her military equality of rights. The recognition of a theoretical equality of rights

was sure to follow in the very near future. But Germany could not content herself with that. This theoretical recognition must be followed by practical equality of rights, i.e., by German rearmament. The world, especially France, was entirely prepared for German rearmament and regarded it as a matter of course. The next five years in Germany had to be devoted to rendering the German people capable of bearing arms once again [*Wiederwehrhaftmachung*]. Every publicly sponsored measure to create employment had to be considered from the point of view of whether it was necessary with respect to rendering the German people capable of bearing arms for military service. This had to be the dominant thought, always and everywhere.

The Reich Minister of Labor supported these statements of the Reich Chancellor, but said that besides the purely military tasks there was also other economically valuable work that ought not to be neglected.

The Reich Minister of Transport pointed out that the development of German waterways was also a military necessity. In case of an emergency, the entire German traffic system had to be in order, and this included the operation of the waterways.

The Reich Commissioner for Air felt he had to emphasize on the other hand that the improvement of the German highway system was even more important.

The Reichswehr Minister expressed the point of view that in the first place the immediate needs of the Army had to be considered. The German Army was disarmed to such an extent that the foremost necessary was to provide the material foundation for armaments. Only after the emergency armament had been completed would it be possible to tackle larger tasks.

The Reich Chancellor again stressed that for the next 4-5 years the main principle must be: everything for the armed forces. Germany's position in the world was decisively dependent upon the position of the German armed forces. The position of the German economy in the world was also dependent on that.

The Reich Cabinet decided to have the total budget for 1933 submitted first, then to examine what could be done especially for the armed forces, and finally to see what funds were left for the development of the waterways, especially for the building of a reservoir in Upper Silesia, now under discussion.

Source of English translation: Extract from the Minutes of the Conference of Ministers, Held at the Reich Chancellery, on February 8, 1933. In United States Department of State, *Documents on German Foreign Policy: From the Archives of the German Foreign Ministry*. Washington, DC: United States Government Printing Office, 1957-1964. Series C (1933-1937), *The Third Reich: First Phase*, Volume 1: January 30 – October 14, 1933. Document Number 16, pp. 35-37. (The

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