Hi everybody,

Appended below is the abstract of a review of new book (which I haven’t yet seen) about the Nazi economy. Studying the Nazi economy is of considerable interest for a number of reasons, including the fact that Germany (as well as Sweden) applied Keynesian deficit financing much more powerfully and much more successfully during the 1930s than did the other major capitalist countries, which allowed them to suspend (though not truly “end”) the Great Depression there even before the outbreak of World War II.

This abstract of the review doesn’t mention Keynesianism. But one interesting thing it does talk about is how Hitler was inspired to launch his war to the east for Lebensraum because of the successful experience of the capitalists in the United States with their similar campaign of genocidal annihilation against Native Americans and the resulting “opening up” of ever greater tracts of agricultural land on the western frontier.

Perhaps the best student of this genocide by white capitalist America was none other than Adolf Hitler!

He did not, however, adequately appreciate one huge difference in the two situations: The Native Americans had no equivalent to the Soviet Union and the Red Army! If it hadn’t been for that, Hitler’s “General Plan Ost”, or at least the military conquest aspect of it, might have actually worked!

Scott

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Did Economics Cause World War II?

Robert J. Gordon
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----- Abstract ----- 

Historians have long recognized the role of economic resources and organization in determining the outcome of World War II: the Nazi economy lacked the economic resources and organization to oppose
Germany’s agricultural weakness is summarized by its low land-labor ratio, but Poland and the Ukraine had even less land per person. Thus simply acquiring the land to the east could not solve Germany’s problem of low agricultural productivity without removing the native farming populations. Far better than other histories of the Third Reich, Tooze reveals the shocking details of General Plan Ost, the ubermoerholocaust which would have removed, largely through murder, as many as 45 million people from eastern agricultural land. Tooze, like the Nazis before him, fails to emphasize that the solution to Germany’s agricultural problem was not acquiring more land for the existing German farm population, but rather by raising the land-labor ratio by making the existing German land more efficient, mechanizing agriculture and encouraging rural-to-urban migration within Germany.

[End]

[Letter from David …, Dec. 18, 2008:]

> Hi Scott,
> Of course the "Keynesianism" of Hitler was differently applied as well
> than it was for the US under the "New Deal". It wasn't really until 1938
> that military spending in the US really started to get going...and only
> very fitfully at that, and without a grand plan except limited
> confrontation with Japanese Imperialism. As we all know, it didn't work
> out well for the US initially because US imperialism completely
> underestimated the military advance in many things about the Japanese
> Imperial Army (of which the Navy was subordinate to).
> 
> Nazi Germany invested heavily with the ONE goal of expansion Eastward. In
> fact they did everything right, including better military intelligence
> (German Wehrmacht officers were trained by the Red Army too violate the
> Versailles Treaty, even after Hitler came to power and killed off the
> KDP) and equipment, but mostly in command and control. Col. David Glantz
has written some stunning military history on all of this focusing on the
Red Army during the whole period of before and after Operation Barbarrosa.
>
> There is no doubt the planned economy of the USSR is what gave it the
edge over the German, *eventually* but not after essentially being steam
rolled by the Wehrmacht for over a year. In fact, some military
historians (not Glantz who has not commented on this) would argue that
had Hitler not been so intent on capturing Moscow, they could of won the
initial ground war up to and including, eventually, taking Moscow.
>
> One the key 'factors' was the difference between Hitler and Stalin, both
of whom ruled, effectively, in absolute manner over their respective
militaries. The difference is one of, and I can only say it this way,
was 'intelligence'. Stalin, after the first few months, realized that is
General Staff could not run the war against the Nazis if he kept
interfering, that they were simply better at it and had to be the ones
to really run the military side of the war. So he basically "left them
the fuck alone" so another historian I know put it. Hitler did just the
opposite. Nothing is 'forgone' in war and politics and small seemingly
insignificant decisions can have huge ramifications. Stalin allowed the
decimated Red Army leadership to rebuild their officer corps, rebuild
their reserves, and organize a machine that Glantz argues would *as
good as* the Wehrmacht's command and control structure by
the end of 1944. Glantz, even though he
is a US Army Officer, came under a lot of fire for presenting such a
'revisionist' POV but most US military historians have now come to
realize this.
>
> Just my two kopeks on this.
>
> David

[Scott’s Response of David … on Dec. 18, 2008:]

Hi David,

I agree with most of what you say here. But I wasn’t really addressing the reasons why the Red Army was eventually able to defeat the Nazis (after Stalin’s disastrous screw-up in not recognizing the imminent German attack). The thing that most interests me about the new book by Tooze is the claim that Hitler’s grand strategy of finding Lebensraum to the East was inspired by the success of the long American “Lebensraum” push to the West. I hadn’t realized that before, but it does make perfect sense.
I also like the fact that this shows the connection between previous American genocide and at least some of Hitler’s genocide. There is a strong tendency in bourgeois historiography to think of Hitler as an inexplicable monster and an aberration when in reality he is better viewed as a preeminent and quintessential representative of capitalist-imperialist thinking and action.

With regard to the much more serious application of Keynesian deficit financing by Germany (initially in the form of public works programs, and only later in the form of explicit military Keynesianism), as compared with the inept and inadequate application of the same idea in the New Deal even in 1937-38, see my review of Peter Temin’s book on the Depression at: http://www.massline.org/PolitEcon/ScottH/False_Lessons.htm

With regard to Stalin’s military leadership as the war progressed, I don’t think it was nearly as “standoffish” as your friend suggests. Stalin was just not that sort of person! He insisted on directing everything personally. In any case, I don’t think the main factor in determining which side won the war was the issue of which side had the smarter military leadership. Ultimately it did come down to which side had the greater economic power. Military mistakes can almost always be overcome eventually if you have the qualitatively stronger productive power, which the Allied powers certainly did (and ever more so as the war progressed).

Scott

[Letter from Ron …, Dec. 18, 2008:]

> Don't forget the greatest weapon used on Native Americans was Disease.
> Hitler did not have that advantage.
>
> Ron

[Scott’s Response on Dec. 19, 2008:]

Hi Ron,

That’s a good point, and one emphasized in the book our group is current reading. [What Is America?, by Ronald Wright (2008).]

I have no doubt that the American genocide against the Native Americans would have been even more openly genocidal and outrageous if they had not been massively aided by the diseases from Europe that (for the most part) they did not purposefully introduce.

And I'm sure Hitler would have been delighted if some natural plague had happen to develop which
would wipe out only the Slavs and the Jews! He could then have pretended to be much more humane and
decent than he actually was.

Scott