

# Hitler's Fortune



CRIS WHETTON

# HITLER'S FORTUNE



# HITLER'S FORTUNE

by

Cris Whetton



Pen & Sword  
**MILITARY**

First published in Great Britain in 2004 by  
Pen & Sword Military  
an imprint of Pen & Sword Books  
47 Church Street,  
Barnsley,  
South Yorkshire,  
S70 2AS

Copyright © 2004 by Cris Whetton

Cris Whetton asserts the moral right to be identified  
as the author of this work

ISBN I 84415 023 2

The right of Cris Whetton to be identified as Author of this Work  
has been asserted by him in accordance with the Copyright,  
Designs and Patents Act 1988.

Every effort has been made by the author to trace and secure copyright  
for material used in this book.  
Enquiries relating to this should be sent to the Publisher.

Typeset in 11/13pt Centaur by  
Phoenix Typesetting, Auldgirth, Dumfriesshire

Printed in England by  
CPI UK

For a complete list of Pen & Sword titles please contact  
PEN & SWORD BOOKS LIMITED  
47 Church Street, Barnsley, South Yorkshire, S70 2AS, England  
E-mail: [enquiries@pen-and-sword.co.uk](mailto:enquiries@pen-and-sword.co.uk)  
Website: [www.pen-and-sword.co.uk](http://www.pen-and-sword.co.uk)

# CONTENTS

	Preface	vi
	Notes	vii
	Acknowledgements	x
I	Introduction	I
2	Father to the Man	9
3	Beginnings	19
4	Hitler's Press	38
5	Munich to Berlin	62
6	Hitler's Women	88
7	Hitler the Writer	109
8	The Golden Goose	124
9	Big Business	139
10	The Tangled Web	166
11	The Years of Plenty	194
12	Business-Like Dwarfs	209
13	The <i>Adolf Hitler Spende</i>	225
14	The <i>Berghof</i>	239
15	Hitler's Art Collection	262
16	The Last Days	283
17	The Inheritors	298
18	<i>Eine Abrechnung</i>	315
A1	The Hitler Family	323
A2	The <i>Thule Gesellschaft</i>	339
	References	343
	Index	351

## PREFACE

This book began in 1996, following the German authorities' intervention to prevent the publication of a new Swedish edition of Hitler's book *Mein Kampf*. Knowing that I had read widely on certain aspects of the Second World War, a Swedish-Finnish friend brought this event to my attention and asked whether I knew who owned the copyright to Hitler's work. Investigations in my own library revealed very little, but excited my interest. The more I dug into the subject, the more contradictions I found and the more interested I became. Seven years later, as this work was delivered to the publisher, still much remains unresolved. The chase, however, has been rewarding on a personal level; I hope it is as rewarding to the reader.

Finally, the author wishes to make one thing clear: he is not a neo-nazi apologist. However, an historian must be honest: where Hitler behaved honestly, I have noted the fact; where he stole, or had others steal on his orders, I have noted that; where he was cheated by others, I have recorded it. I consider this to be accuracy, rather than apology, and where Hitler's possessions were looted by others at the end of the war, that too has been recorded.

Tampere, July 2003  
Cris Whetton

## NOTES

### SOURCES

Where possible, I have tried to use original written material as sources. This includes contemporary documents, accounts written by people who participated in these events and, on a few rare occasions, interviews with survivors. The latter, almost sixty years after the end of the Second World War, are becoming increasingly rare. In some cases, I have been forced to rely on material collected by others and for which I cannot, or have not, verified the source. This could be for the following reasons: the information is of minor importance and the cost of verifying it is disproportionate to its value; or because I have been refused access to the sources or because the original source is lost, proved incorrect, or has died. In all of the above cases, appropriate comment has been added to the footnotes.

### TERMINOLOGY

In general, all the terms used in this book have their conventional meanings. However, for reasons of space and clarity I have chosen to use several capitalised phrases, such as Big Business, Patrons etc. These are defined on first occurrence in the text.

One word which deserves some clarification is the German word *Völkisch* and the English equivalent 'folkic' which has been used by some writers and is here preserved in direct quotations. Perhaps the best definition of the term is 'nationalistic with racist overtones'.

### CONVERSIONS

All the amounts concerning Hitler's Fortune are given in *Reichsmarks* (RM), unless otherwise noted. However, such numbers are essentially meaningless to the average reader and somehow these values must be converted to contemporary values; this is not easy. No attempt has been made to convert amounts prior to 1933 for two reasons: firstly, because the bulk of Hitler's fortune was amassed

after that time and secondly because for much of 1920-33 the *Reichsmark* was unstable. After 1933, amounts have been converted using the 'shopping basket' method.

*The shopping basket method*

The shopping basket method uses the costs of a basket of common groceries then and the cost of an equivalent basket today to establish a conversion from *Reichsmarks* to Euros and Dollars. The basket used is:

Item	RM <sup>1</sup>	Euro <sup>2</sup>	\$
Bread, 1kg loaf	0.36	0.50	3.50
White flour, 1kg	0.44	0.76	0.79
Butter, 1kg	3.20	14.86	8.12
Sugar, 1kg	0.76	1.50	1.54
Beef, 1kg	1.62	10.43	7.68
Lamb, 1kg	1.87	11.60	7.24
Pork, 1kg	1.60	5.52	8.78
Milk, 1 litre	0.24	0.75	1.67
Eggs, 12	1.44	1.32	1.05
	11.53	47.24	40.37
		4.10	3.50

These prices lead to the following approximate conversion factors: 4 €/RM; 3.5 \$/RM. These have been used in the text.

Concerning the values quoted in Chapter 2 in Austrian *kronen*, the following figures provide a frame of reference<sup>3</sup> (overleaf):

<sup>1</sup> 1938 prices from SCHO89, p. 16.

<sup>2</sup> Based on Finnish supermarket prices, July 2001.

<sup>3</sup> All taken from MASE73, p. 43.

	<b>Annual income</b>
Assistant teacher, secondary school, Vienna	984
Provincial lawyer, 1 year experience	840
Teacher, less than five years' experience	792
Post office official	720

## REFERENCES

Major reference works, which occur throughout the text, are given a code consisting of the first four letters of the author's name and the date of publication, e.g. HALE64. Details of these are collected in the section entitled 'References'. References which only occur a few times are given in full in the relevant footnote.

## SPELLING

Throughout the text I have attempted to keep consistent German spelling, except in quotations where the original form is used. Thus, 'Göring', rather than 'Goering'. One exception is the use of 'Munich' rather than 'München'; this has been used simply because it is so common. I have also used the German 'ß' rather than 'ss', where appropriate.

## ACKNOWLEDGEMENTS

I am eternally grateful for the assistance of the following (in alphabetical order).

Hannu and Cristina Ahonen, for reading the manuscript, helping with research into the Finnish aspects of this work, and for substantial quantities of wine, Grappa and Calvados; *Bayrisches Hauptstaatsarchiv*; William Carmody; Charles DeCicco; the US Federal Bureau of Investigation (FBI); Jarrett R. Fifield; Ben Frank, who read the early drafts and compiled the index; Russ Folsom, for his encyclopaedic knowledge of personalities in the Third Reich; Ryland Gibbs-Harris; John Gray of the Historical and Records Section of the Cabinet Office, London; Tom Hickox; Sinikka Hietala; Bob Ilett; Philippe Jacob; Cheryl Jaffee, National Library of Canada; Pertti Julin; Greg Kelley; Helena Kortelainen for some translations; Ilmari Lahti, for sharing his knowledge of the von Seidlitz family; Tim Lanzendorfer, without whom many of the original German documents would probably not have been found; Steve Lehrer, for permission to use his photograph of the Hitler family home in Leonding; Jack McKillop; Old Bushmills distillery, for sustenance in moments of despair; Pentti Parvio; the staff of the Public Records Office, Kew, UK, for whom no praise is too high; John Riegsecker; Matti Rosvall, for reading some of the chapters, making many helpful suggestions, transliterating faded Gothic script, helping with translations, and for sustained moral support; Timothy Ryback; Jochen von Seidlitz, for sharing his knowledge of the von Seidlitz family; The *Staatsarchiv München*, notably Dr. Bachmann; Tampere Public Library and all its staff, for superb service; Tuomo Virkkunen; Kari Uuttu, for reading some parts of the manuscript and suggesting clarifications; Hannu Vetola, of *Postimerkkipalvelu*, Tampere, for the loan of stamps; and finally WWIItalk@yahoogroups.com – and all who sail in her.

Lastly, but far from least, Eija who has done everything: from making coffee, through tracking down books, to standing over me with a whip while I struggled with the hard parts.

The maps in this work were prepared by the author, based on originals courtesy of The General Libraries, The University of Texas at Austin, USA.

## Chapter One

# INTRODUCTION

*If you really want to make a million, the quickest way is to start your own religion.*  
Anonymous.

On 24 April 1945, one day before Lancaster bombers of the RAF made a serious dent in his real estate holdings and six days before his suicide in Berlin, Adolf Hitler was probably the richest individual in Europe<sup>1</sup>, with a fortune worth between €1.35 and €43.5 billion at 2003 prices. This book sets out to answer three questions:

**Where did Hitler's personal fortune come from; how much was it; and where did it go?**

On Tuesday, 8 August, 1950, the following item appeared on page seven of the *Washington Evening Star*:

*Hitler's Bankroll Found!*

*Legal action is now under way for disposing of a secret \$42 million bank account maintained since 1939 in the United Kingdom by Adolf Hitler.<sup>2</sup>*

Not surprisingly, this raised eyebrows in Washington and London and letters flowed between the relevant Treasuries. According to Vinton W. Mitchell, Office of the Treasury Representative, US Embassy, London:

*The Department of State inquired of the paper concerning this item and was informed that it was obtained by that newspaper from one of its filler services. There was no further information than this and to the Department's knowledge the item appeared in no other newspaper either in Washington or in New York.*

*. . . If the story has any substance to it, the Department is particularly interested in being advised as to the name or names in which the account referred to in the item was maintained in England so that a check can be made of such names with respect to accounts in the United States.<sup>3</sup>*

S. E. Wigmore, a British Treasury official, sent a memo to his colleague F. C. Wells at the Administration of Enemy Property Department:

*. . . We are not disposed to treat this matter very seriously but I should welcome your comments before we reply to the Americans which we want to do in the immediate future.<sup>4</sup>*

The following day, F. C. Wells replied:

*. . . I have canvassed likely sources here but no one in A.E.P. [Administration of Enemy Property] Department has any knowledge of the matter. It is true, I believe, that voice has been given from time to time in this country – and even I believe in the House of Commons – to suggestions of the kind – or parallel suggestions about Goering – but only in the vaguest terms of rumour.*

*It can at once be said with assurance that no such account in Hitler's name exists [emphasis added by author]. And I would not like to assume that the resources of the Treasury would be inadequate to the discovery long before this in the U.K. of any likely account of the magnitude in question in any other name, existing, as this would presumably have had to exist, since the beginning of the war in 1939.*<sup>5</sup>

*For your personal information [Author's comment: i.e. not to be revealed to the Americans] the only germ of fact which might conceivably underlie this report from the pen of some imaginative American journalist is that (as indeed you may already know) a writ in the High Court has been issued against the Administrator of Hungarian Property in respect of a portion (about £1¼ million) of the Thyssen Gold; and legal proceedings against the German Administrator in relation to the balance of about £1¼ millions of Thyssen Gold will conceivably before long supervene.*

*Anything else, so far as our knowledge goes, is pure fiction.*

*But of course we are always open to receive information and suggestions for specific inquiry from any source.*<sup>6</sup>

Based on this, Wigmore replied to Mitchell:

*You wrote to me on 20th October about a report which appeared in the Washington Evening Star concerning an alleged \$42 million bank account in this country owned by Adolf Hitler.*

*Your letter raised our hopes considerably, and we all set out in an effort to find this cash. Alas, we have not been successful!*

*Not only would our Administration of Enemy Property Department be interested in getting this cash . . . but we, of the Treasury, might be just as interested in getting hold of this dollar sum. . . .*<sup>7</sup>

Wigmore presumably meant that the account, not the country, was owned by Adolf Hitler. But there the correspondence on this matter ends, leaving open the question: **did Hitler have a bank account in the UK?** To which this book answers: **very probably, but not in his name.**

This is a book about Adolf Hitler's personal fortune. It is about what Hitler owned and could legally have left to his heirs. That is the criterion: if it could be bequeathed, it is part of his personal fortune; if not, not. Where that fortune came from, what its extent was, and how it was finally disposed of has never been investigated in detail. But one may well ask: Why bother about his personal fortune? Why indeed. Part of the reason is curiosity, the desire to know about a subject which has hardly been addressed by other writers. This book attempts to provide some answers and also challenges some accepted 'facts', notably:

- Hitler personally received large sums of money from German 'Big Business' – he did not.

- Henry Ford subsidised Hitler – he did not.
- The Shell oil company subsidised Hitler – they did, but only by accident.
- Hitler did not own the *Eber Verlag*, the dominant publishing company in Nazi Germany – new evidence suggests that he did.

Adolf Hitler liked money. However, he did not like working for it, and his general attitude seems to have been that the world owed him a substantial fee in return for the privilege of its enjoying his existence. There is nothing unique or revolutionary about such an attitude; what *is* extraordinary is that Hitler managed to use it to amass such an enormous fortune. He did it, as he managed his political career, with a mixture of deceit, bluff, and arrogance.

Some authors have suggested that ‘loot and plunder’ were the primary motives behind Hitler’s politics.<sup>8</sup> This is improbable: looting and plundering on a grand scale require skills in organisation and planning that Hitler just did not have. Hitler did very little to amass his fortune, beyond letting it be known to his followers that he expected one; once that had been made clear, the money flowed in.

Hitler always presented himself as a simple soldier, a man of the people. Only two persons close to him saw through the myth: Otto Wagener, a self-made businessman, and Franz Xaver Schwarz, the quintessential bookkeeper. The majority of those close to Hitler – Speer, Lüdecke, Hanfstaengl, Dietrich – shared this ‘simple soldier’ view of their *Führer*. As Dietrich wrote in his self-serving post-war memoir:

*There can be no doubt that Hitler had no selfish desires for private riches or superficial comforts. In his whole mode of life he remained amazingly modest and undemanding.*<sup>9</sup>

Heiden was one of the first to suggest the reality behind the image, though even he missed some essential features:

*All his life Hitler never had conducted a household, never had a budget; for him money is something you give away or borrow, but never earn; in his youth his receipts were tiny, in his maturity they were immense; but he never established any relation between them and his work, for he worked, not to earn money, but to secure his public position, to win the applause and admiration – shared, to be sure, with a glass of beer – of his audience.*<sup>10</sup>

The reference to beer is not an error; Hitler certainly drank the occasional glass of beer before his imprisonment in 1923 and later drank a special low-alcohol brew at public appearances.

*There was always pomp around him, and it was one of his master accomplishments that he was able to conceal his own comfortable person in a grey legend of frugality and even asceticism.*<sup>11</sup>

And further:

*Hitler, who indulged himself in everything, was fortunate enough not to be plagued with conspicuous desires. His inclination to conceal his private life helped him to enhance the legend of his monastic frugality, giving it a quality of the pitiful, saintly, and awe-inspiring.*<sup>12</sup>

One might take issue with Heiden as to whether Hitler's desire for grandiose buildings, opera, and paintings was or was not 'conspicuous'. As Toland says:

[Hitler] was publicised as construction worker, artist and student; as a man of the people who sat next to his chauffeur and ate simple meals. He refused to accept any honorary doctorates and would address workers in plants with the intimate plural form *Ihr*, boasting that he too was without estates or stocks – but neglecting to note that *Mein Kampf* had made him a millionaire.<sup>13</sup>

In fact, it was neither *Mein Kampf* nor the royalties exacted for the use of his portrait, especially on postage stamps, that made Hitler a millionaire, though they certainly helped. Rather, it was the *Eber Verlag*, the Nazi publishing company, and the *Adolf Hitler Spende*, the fund to which German industry willingly contributed that gave him the income necessary to amass a valuable art collection and to purchase and run his extensive mountain estate, the *Berghof*.

Hitler even boasted that he was the only major European statesman who did not have a bank account, but anyone who received a personal letter from him in the nineteen-twenties knew where Hitler's bank account was. The number of his Munich checking account was printed on his notepaper, presumably as a convenience to those eager to send him money. There is also evidence, revealed here for the first time, for at least one foreign bank account in Hitler's name – in the Netherlands – and that this was known to the British government in March of 1939. Possibly because of a simple spelling mistake, but probably because they were busy at the time with more militarily important matters, the Secret Intelligence Service (SIS or MI6) does not seem to have followed this up. Another account has been found in London, under the name of one of his proxies.

### Where did it come from?

Between 1919 and his assuming power in 1933, Hitler personally received money from sources as diverse as the German Army and a major shareholder in Finnish paper mills. For a variety of reasons, Hitler was very attractive to women and many women contributed to his personal financial needs. Hitler had some very powerful patrons and, as Kershaw notes:

... Hitler would have remained a political nonentity without the patronage and support he obtained from influential circles in Bavaria.<sup>14</sup>

He would also have remained much poorer. During the late 1920s and early 1930s, Hitler was in trouble with the tax authorities and certainly made false statements about his income. (His 1925-32 letters to the tax authorities, headed 'From the Chancellery of Adolf Hitler', take the attitude that a person of his importance should be granted tax concessions not normally allowed to lesser mortals.) By the time Hitler became Chancellor of Germany in 1933, his arrears

of taxes and penalties ran to millions of marks. On his accession to power, these were cancelled and it was decided that the *Führer* should be exempt from all taxes. A grateful Hitler announced that he would give his salary to charity – and did so, but only for only one year.

Hitler and Max Amann, the wealthy publisher of Nazi material, drew enormous sums from the profits of the *Eber Verlag*. This money financed Hitler's personal art collection and the decoration of the *Berghof*. After coming to power, the *Adolf Hitler Spende*, a fund set up by German 'Big Business' to support the political activities of the Nazi party, was hijacked by Hitler and Bormann to fund the construction of the *Berghof*. After 1934, Hitler received a royalty on the use of his image, including postage stamps. This, and royalties from the books and post-cards produced by Hoffmann, also went to fund his art collection, though Hitler, the self-styled art expert, was often cheated by dealers.

### How much was it?

Only one person seems to have made any serious attempt to estimate Hitler's wealth and that was a journalist covering the Nuremberg Trials who estimated that Hitler's known expenditure during his 12-year dictatorship was at least RM 305 million.<sup>15</sup> Drawing on neglected 'back door' sources and using simple statistical techniques, I have been able to estimate the extent of Hitler's personal fortune. In 2003 terms, his real estate holdings were between 244 and 566 million Reichsmarks at the end of 1944 – between €1 and €2.2 billion – his income from the *Eber Verlag* was between 2 and 68 million Reichsmarks in 1944 – between €4 and €272 million – his income from the *Adolf Hitler Spende* was between 23 and 99 million Reichsmarks in 1944 – between €92 and €400 million.

### Where did it go?

At least four men controlled Hitler's income on his behalf: Amann; Heinrich Hoffmann, Hitler's photographer; Martin Bormann, Hitler's personal secretary; and Julius Schaub, Hitler's personal servant. The first three of these men made millions for their *Führer* (and, in the case of Amann and Hoffmann, for themselves); what became of this money has never been satisfactorily resolved. Previous attempts to investigate Hitler's Fortune have not paid sufficient attention to these characters. Hitler certainly had a secret Swiss bank account, controlled by Max Amann. The contents of this account and its subsequent disposition are not yet fully known.

Who inherited what? Hitler's descendants – collateral or self-styled – are still arguing over the remnants of his estate. Who are they? This book presents the most comprehensive investigation of Hitler's heirs that has so far been published. Despite the efforts of the Bavarian authorities to gain control of foreign

copyrights, Hitler's works are still being published and still sell. Who is getting the royalties?

Hitler spent a fortune on his personal art collection; its final disposition remains uncertain because few historians have taken the trouble to distinguish between pictures collected by Hitler personally and destined for the proposed museum in Linz, Austria after his death, and pictures acquired by the *Sonderaktion Linz* for the immediate use of the museum. The former were paid for out of Hitler's own pocket, the latter out of secret state funds.

The German authorities are less than open about the question of Hitler's Fortune and, as time goes on, documentary evidence is coming under tighter and tighter control. The author of this work is not a 'conspiracy theorist' – he tends to subscribe to the 'cock-up theory' of history – but the German attitude is, to say the least, disturbing.

## Hitler and Money

What does this study tell us about Hitler the man? As a youth, Hitler took more than his share of his father's inheritance and squandered it, and he fraudulently received an orphan's pension to pay for an education that he never took. His attitude to work – and its reward, money – show a fundamental laziness; money, in his view, was due to him for the simple reason that he was Adolf Hitler, Artist and *Führer*.

Much of the responsibility for the lack of knowledge about Hitler's financial affairs lies with Hitler himself – he was notoriously secretive about his private life – and with his two lieutenants, Bormann and Amann.<sup>16</sup> This latter pair vied for control over Hitler's personal financial affairs, with neither ever claiming final victory. Significantly, the one person who knew least about Hitler's personal finances – and who complained bitterly about the situation – was the treasurer of the Nazi party, Franz Xaver Schwarz. Turner suggests that Hitler wanted his affairs kept separate from those of the party because:

*... he was obviously an unscrupulous tax evader who sought all possible means to minimize the amount of income he reported on his yearly returns. As Party Treasurer Schwarz explained to Otto Wagener at the time, Hitler feared that the republican tax officials would pry into the account books of the party and so did not want his name to appear there.<sup>17</sup>*

This is plausible before 1933, but not afterwards since Hitler, as Chancellor, was declared exempt from taxes. More probably, Hitler did not want the party to know just how much he was getting, though an astute accountant such as Schwarz could make an educated guess.

It is interesting to note that Hitler could be quite generous, providing handouts and jobs (at state expense, of course) to old comrades and picking up the occasional bill, such as those for Unity Mitford's medical and other expenses

after her 1939 suicide attempt. He was also a generous tipper, as Hanfstaengl recalls:

*He was certainly beginning to give himself airs in financial matters at the time, and at the Hotel Hauffe, where we were staying, when I thought I was being particularly generous in giving the maid-servant a 20 per cent tip of about three marks, I saw him give her ten marks. In my travels with him he always gave three or four times the amount that was necessary, and claimed that it had a very good effect, as the staff showed the notes around in the kitchen and sometimes even got him to autograph them.<sup>18</sup>*

He could also be very mean and petty, especially to those whom he owed for past help. Again, Hanfstaengl writes, referring to 1935 or 1936:

*Frau Bechstein, a fellow-sponsor of Hitler a dozen years before, who had received from him a miserable bunch of flowers on her birthday, went up to him at a reception and called him “a shabby sort of Chancellor” to his face. I take my hat off to her.<sup>19</sup>*

## Structure

Hitler's finances are a complex subject which exists not only in time but also in 'space'. This makes it difficult to present the material as a simple narrative, without losing the impact of detailed treatments of particular topics. Consequently, some notes on the structure of this work are appropriate. Chapter 2: *Father to the Man*, describes Hitler's early life and his early attitude to money. A chronological account of the growth of Hitler's Fortune is provided by Chapters 3: *Beginnings*, which covers 1920-23; 5: *Munich to Berlin*, which covers 1924-1932; 11: *The Years of Plenty*, which covers 1933-45; and 16: *The Last Days*, which covers Hitler's suicide and the months following. The finances of Hitler and the Nazi party form a series of interlocking networks stretching around Germany, across Europe, and even to the United States. These are described in Chapters 8: *The Golden Goose*; 9: *The Tangled Web*; and 10: *German Big Business*. Hitler's income came from three principal sources: publishing, speaking and writing, and special funds. These are examined in detail in Chapters 4: *Hitler's Press*; 7: *Hitler the Writer*, and 13: *The Adolf Hitler Spende*. Management of the fortune is described in Chapter 12: *Business-like Dwarfs*. Chapter 6, *Hitler's Women*, examines the women who gave money to Hitler and offers new information on Frau Gertrud von Seidlitz, a woman who laid the foundations for a large part of his personal fortune. Apart from tawdry gifts to a few women and trips to the opera, Hitler spent his money on two things: real estate and art. Hitler's real estate is described in Chapter 14: *The Berghof*. Hitler's personal art collection which, as his wills clearly show, were destined for the Linz Collection after his death, but were his personal possessions during his lifetime, is described in Chapter 15: *Hitler's Art Collection*. What happened to the money is examined in Chapters 17: *The Inheritors* and 18: *Eine Abrechnung*.

## Notes

- 1 Thyssen (THYS4I, p. 204) makes the same claim for a much earlier date.
- 2 Text taken from a letter dated October 20, 1950, from Vinton W. Mitchell, Office of the Treasury Representative, US Embassy, London, to his counterpart at the British Treasury, Mr. S.E. Wigmore. File T236/6136 in the Public Record Office (PRO), Kew, UK. The Washington Evening Star was subsequently absorbed by the Washington Post.
- 3 *ibid.*
- 4 Memo dated November 1, 1950. File T236/6136 in the Public Record Office (PRO), Kew, UK.
- 5 F.C. Wells' prose style recalls that of Sir Humphrey Appleby, one of the central characters in the British satirical comedy 'Yes, Minister', which aired on BBC TV in the 1970s.
- 6 Letter Reference F.I.I482, dated November 2, 1950. File T236/6136 in the Public Record Office (PRO), Kew, UK.
- 7 Letter dated November 16, 1950. File T236/6136 in the Public Record Office (PRO), Kew, UK.
- 8 Notably Pool, POOL97, p. ix.
- 9 DIET57, p. 13.
- 10 HEID44, p. 211.
- 11 HEID44, p. 223.
- 12 HEID44, p. 561.
- 13 TOLA76, p. 406; POOL97, p. 139. Neither gives a source for these assertions.
- 14 KERS98, p. 133.
- 15 LANG79, p. 90. von Lang identifies the journalist as Karl Anders, but I have been unable to find any trace of him.
- 16 KERS98, p. xxv and *passim*; TURN85B, pp. 152-153. See also GORD72, pp. 59-60 for a discussion on Hitler's financial secretiveness, though I cannot agree with Gordon's assertion that all funds to the NSDAP passed through Hitler's hands.
- 17 TURN85B, p. 153.
- 18 HANF57, p. 154.
- 19 HANF57, p. 275.

## Chapter Two

# FATHER TO THE MAN

*The child is father to the man.*

Nineteenth century, attributed to Wordsworth.

Most historians begin a book on Hitler with a description of his childhood and excellent general accounts are given by authors such as Hamann, Kershaw, Maser and Toland.<sup>1</sup> Being concerned with Hitler's financial affairs, this chapter examines only one aspect of Hitler's early life: his attitude to money. His ancestors and collateral descendants, who are important to later questions of inheritance, are covered in Appendix I.

Hitler generally described his early life as one of poverty, such as in a letter of 29 November 1921, written to the archivist of the NSDAP— the Nazi party — who had asked for a memoir of his early life:

*I was orphaned with no father or mother at seventeen and left without any financial support. My total cash at the time of the trip to Vienna<sup>2</sup> was about 80 kronen. I was therefore forced immediately to earn my bread as a common labourer. I went, as a not yet eighteen year old, as a worker's helper on construction jobs and had in the course of two years experienced almost all types of work of the common daily wage earner. . . . After indescribable effort, I succeeded to educate myself so well as a painter that I, through this activity from my twentieth year on, was able to make out in this work even if at first scantily. I became an architectural draftsman and architectural painter and was practically completely independent by my twenty-first year. In 1912 I went in this capacity to Munich.<sup>3</sup>*

While this is not the truth, it is not quite the pack of lies that some authors have suggested. While no one has ever been able to uncover a shred of evidence that Hitler worked as 'a worker's helper on construction jobs', it seems fairly certain that he once shovelled snow from the pavement in front of the Vienna Opera House and offered himself as a porter at Vienna's Westbahnhof. At neither task was he notably successful. Hitler was never an 'architectural draftsman' in any formal sense, though he was a fair artist. Since his needs were modest, he may have been 'practically completely independent' by his twenty-first year, though not entirely through money he had earned.

For political reasons, Hitler tried to paint a picture of an impoverished young

man, struggling against the odds to make his way in the world. Even Heiden seems to have accepted Hitler's account and it was not until 1956 that Jetzinger challenged such statements, claiming that Hitler was moderately well-off.<sup>4</sup> Jetzinger's thesis has been repeated by many subsequent authors, bolstered by the later claims of the German historian Werner Maser.<sup>5</sup> In 1999, Brigitte Hamann challenged these long-held views.<sup>6</sup> Consequently, this dispute needs to be examined for, although it has little direct effect on the amount of Hitler's subsequent fortune, it is some of the most important evidence available as to Hitler's ability to manage money.

According to Maser, Hitler's mother's illness did not absorb the 'little' money that her husband had left and Hitler hid the fact that his mother left a substantial sum. When, in June 1905, Klara, Hitler's mother, sold the rather large family house in Leonding, she received 7,480 *kronen*; the court assessed Adolf's and his sister Paula's share at 652 *kronen* each, leaving Klara with 6,176 *kronen* – perhaps slightly less, allowing for legal expenses.<sup>7</sup> Hamann, however, claims that Klara Hitler received 10,000 *kronen* for the house which, after deduction of various expenses, including Adolf's and Paula's share and mortgage deductions, left her with about 5,500 *kronen*.<sup>8</sup>

Whoever is correct, counting Klara's widow's pension of 100 *kronen* per month and the 40 *kronen* per month she received in state aid towards the education of Adolf and Paula, this would have given her an annual income (depending upon whether or not the interest on her capital was compounded and over what periods) of between 1,952 and 1,984 *kronen*. Since this is over 50% more than the annual salary of an assistant teacher in a Vienna secondary school, it should have been adequate to support herself and two children; consequently, there seems little likelihood that she needed to touch her capital.

In addition, Klara might have been receiving interest on capital which she is said to have inherited from her aunt, Walburga Rommeder (see Appendix I.) This latter bequeathed her estate to her sister, Johanna Pölzl, with the proviso that if Johanna predeceased her – which she did – the estate was to be divided between Johanna's children, Klara, Johanna and Theresia. The exact amount of Walburga's estate is not known, but since Johanna left 3,800 *kronen* when she died in 1911, it seems likely that Adolf and Paula would each have received half of a similar amount via Klara. Klara, too, should have left a substantial sum to Paula and Adolf and this is unlikely to have been less than 2,000 *kronen*. However, the only source for this story is Maser and the documentary evidence – said to be an undated will – remains in his possession and has never been published in facsimile.

Against Maser's claims must be set those of Dr. Eduard Bloch, the Linz physician who cared for Klara in her final illness. According to Bloch, Klara and her children lived extremely modestly.<sup>9</sup> Hamann cites this as evidence that the family was poor, but makes no allowance for the fact that the family were peasant stock,

with all the attendant habits of frugality, especially when living in ‘the big city’, Linz. Jetzinger’s extensive analysis also supports the view that the Hitler family were quite well off.<sup>10</sup>

Let us assume that Maser is correct. Hitler received an orphan’s pension of 50 *kronen* a month until his twenty-fourth birthday. This was shared with his sister Paula and was supposed to help with his education. It was administered by his legal guardian, Josef Mayrhofer, Mayor of Leonding. Interest rates at the time were about 4%, so a balance sheet of Hitler’s income immediately after his mother’s death could be drawn up as in Table 2-I.

Thus, from April 1907 to early 1908, his income – unearned – was over 80 *kronen* a month, a sum which compares very favourably with the 82 *kronen* a month salary of an assistant teacher in a Vienna secondary school.<sup>11</sup> A prudent man might have made such funds last longer, but Hitler was far from prudent and by 1909 the funds had evaporated, spent on opera tickets, kid gloves, and ivory-handled canes. In January 1908, shortly after his mother’s burial, Hitler asked Mayrhofer for an accurate account of the money he was likely to inherit. On being told that it was 652 *kronen* (plus interest), and being asked what his plans were, he is said to have replied: *Herr Guardian, I’m going to Vienna*.<sup>12</sup> He also told his Aunt, Theresa Schmidt, that he would neither return nor write to her or his other family members until he had made something of himself.<sup>13</sup> Shortage of money caused by his extravagant spending and inability to manage his affairs forced him to modify this promise fairly quickly, though Hitler would not officially – officially as far as Hitler and the NSDAP were concerned – return to his *Heimat* until after the *Anschluß* in 1938.

Hitler made his first try for admission to the Vienna Academy of Fine Arts in October 1907, but was rejected. Shaken, but undeterred, he began to take lessons from Rudolf Panholzer, a sculptor and an experienced teacher. At the beginning of 1908, a woman from whom Klara had rented a house took a friendly interest in the young Hitler and arranged for him an introduction to

---

*Table 2-1: Hitler’s income: 1907-08*

Source	Min.	Max.
Orphan’s pension	300	300
Income from father’s legacy	696	696
Income from mother’s legacy	0	80
Income from Walburga’s legacy	0	76
Total	996	1152
Monthly	83	96

Prof. Alfred Roller, a well-known stage designer at the Vienna Handicrafts School (now the Academy of Applied Arts). Hitler failed to meet Roller.<sup>14</sup> There is also evidence that some time in 1908, probably during August, Hitler received a loan (the document is explicit on this point) of 924 *kronen* from his aunt Johanna.<sup>15</sup> There is no evidence that this was ever repaid. In October 1908, he again applied for admission to the Academy; this time, he was not even allowed to take the tests.

He was now definitely discouraged: twice rejected by the Vienna Academy of Fine Arts, and lacking the technical qualifications to train as an architect, the world had failed to provide him with the living he felt he deserved. By the autumn of 1909, Hitler's various inheritances were exhausted, and the 25 *kronen* a month he was still receiving as his share of the orphan's pension were insufficient to maintain the standard of living that he felt he merited. Hitler went rapidly downhill.

In November 1909, Hitler was forced, through lack of money, to give up his room and spent the winter of 1909-10 living with drop-outs in the *Asyl für Obdachlose* (Shelter for Homeless Persons) in Meidling, an inner-city district of Vienna.<sup>16</sup> During that winter, which was exceptionally cold, he received 50 *kronen* – equivalent to two months of his orphan's pension – probably from his Aunt Johanna, and treated himself to a second-hand overcoat.<sup>17</sup> With this money, he also bought artists materials and began painting again, moving on 9 February 1910 to the *Männerheim* (Men's Home), on Meldmanstraße, in the north of Vienna. (The *Männerheim* was not, as it is sometimes portrayed, a home for drop-outs; rather it was a cheap, but eminently respectable, hostel for men in reduced circumstances. It still exists.) Here, Hitler entered into a loose business partnership with Reinhold Hanisch: Hitler would paint, Hanisch would take care of sales and marketing, and the profits would be shared. According to Hanisch's account – the only first-hand account that exists for this period – Hitler was too lazy to produce more than one picture a day, which they sold for about 5 *kronen*.<sup>18</sup> This period has also been documented by Hitler himself (most unreliably), and discussed at length by most authors.<sup>19</sup>

One might expect the experience of abject poverty in the winter of 1909-1910 to have induced some inclination towards thrift on Hitler's part; it did not. If Hanisch is to be believed, Hitler – and it seems true to his character – would only work as much as was necessary to maintain a minimal standard of living. Any windfalls bringing in extra cash, such as the sale of two paintings, would be immediately squandered.

On 21 June 1910, Hitler left the *Männerheim*, re-registering five days later. We do not know where Hitler spent these five days. Hamann suggests, on slim evidence, that Hitler may have gone to visit his aunt Johanna. Certainly, if Hanisch is to be believed, Hitler painted less and less after his mysterious five-day disappearance, suggesting that he may have had another source of income.<sup>20</sup>

Inevitably, the relationship with Hanisch deteriorated, finally collapsing over

the sale of a picture Hitler had painted, apparently larger than his usual postcard size, of the parliament building in Vienna. Hitler accused Hanisch of withholding 50 *kronen*, allegedly received for the picture, plus a further 9 *kronen*, allegedly for a watercolour.<sup>21</sup> The police became involved and Hanisch received a few days in gaol, not for defrauding Hitler, but for using the false name of 'Fritz Walter'. Hitler's complaint against Hanisch has survived in the archives of the Vienna police, one of the few relevant documents to do so, since the files were purged on Hitler's orders following the *Anschluß* in 1938. It reads:

Royal and Imperial District Police Commissariat  
Brigittenau, August 5, 1910

Adolf Hitler, artist-painter, born in Braunau, 20/4, 1889. Permanent address, Linz. Catholic, single. Now resident XX Meldemann Strasse 27, declares:

*It is not correct that I advised Hanisch to register as Walter, Fritz. I knew him only as Fritz Walter. Since he was destitute I gave him the pictures I painted to sell. He regularly received fifty percent of the proceeds from me. For about two weeks Hanisch has not returned to the Home for Men, and stole from me the picture of parliament, valued at fifty kronen, and a water-colour, valued at nine kronen. The only document of his that I ever saw was the working booklet in question in the name of Fritz Walter. I know Hanisch from the lodging-house in Meidling where I once met him.*

(Signed) ADOLF HITLER<sup>22</sup>

The document is important not so much for the case against Hanisch but for the fact that it provides an authentic Hitler signature, useful in establishing the authenticity of later documents and paintings. At the trial, on 11 August, Hitler changed his testimony and admitted that he had received the nine *kronen* for the watercolour. Around this time, Hitler made a third attempt to gain a place at the Academy of Fine Arts; again, he was unsuccessful.<sup>23</sup>

Hitler returned to life at the *Männerheim*, but without Hanisch he was unable to sell any of the few paintings he produced and his financial state again became desperate. According to some accounts, he again applied to his aunt Johanna Pölzl for aid, possibly even travelling to her home in Spital to appeal in person.<sup>24</sup> According to Toland, they had been estranged for several years (which does not correlate with her having given him 50 *kronen* the previous winter) but Johanna was dying and may have felt that she had treated Adolf rather harshly. Accordingly, on 1 December 1910, she withdrew her life savings, about 3,800 *kronen*, and probably gave a large part of this to her nephew. According to Jetzinger, there is no evidence that the Schmidt family received anything. She died the following March, possibly without leaving a will.<sup>25</sup> When Hitler's half-sister Angela Raubal learned that he had received the lion's share of Johanna's estate, she was incensed and applied to the court in Linz for his half of the orphan's pension.<sup>26</sup> She had a good case: she was recently widowed and supporting not only her own two children, but Hitler's younger sister Paula. Furthermore, Adolf had been collecting the money under false pretences, since it was supposed to

support him in his education. Hitler appeared in court and announced that, since he could now support himself, he was quite agreeable to the whole pension going to Angela. He also admitted that he had received 'significant amounts from his aunt Johanna Pözl'.<sup>27</sup> He had earlier written to their guardian, Herr Mayrhofer, saying that he renounced all claim to the money. Accordingly, in May 1911, shortly after Hitler's twenty-second birthday, the court authorised Mayrhofer, who later commented to his daughter that Adolf had behaved very decently in the affair, to pay the full sum to Angela.<sup>28</sup>

Back in the *Männerheim*, Hitler's life continued as before: he painted a little, mostly advertising posters, and sold steadily. By 1912 he was modestly successful, selling most of his output to Samuel Morgenstern, a frame maker, Jacob Altenberg and other minor dealers, though this prosperity – if such it was – did not reflect itself in his clothing. An eyewitness describes him as wearing a knee-length 'bicycle coat' of indeterminate colour, an old, grey, soft hat with the ribbon missing, hair down to his shoulders, and an unruly beard.<sup>29</sup> The witness adds that Hitler owned no shirt, his coat was worn through at the elbows, and the soles of his shoes were patched with paper. Hamann estimates Hitler's income at this time at 20-40 *kronen* per month.<sup>30</sup> Such a sum would have been impossible to live on, considering that the monthly rent at the *Männerheim* was about 12 *kronen* a month. It is difficult to believe that, if Hamann's estimate is correct, Hitler did not have another source of income and the most likely source is his aunt Johanna.

By now the question of military service was beginning to worry Hitler. So far, he had managed to avoid conscription, but it was only a matter of time before the authorities caught up with him, though he made no attempt to conceal his whereabouts. Accordingly, Hitler made plans to leave Austria for Munich. All he lacked was the necessary money. On his twenty-fourth birthday, 20 April, 1913, Hitler became eligible to receive his outstanding share of his father's inheritance (which had been earning interest in the bank since 1 February 1904) which amounted to about 820 *kronen*. On 16 May, the District Court in Linz granted him the money, sending the cash on by mail, and Hitler immediately left Austria, arriving in Munich on 26 May. Before leaving, he carefully notified the police that he was leaving the *Männerheim*, but gave no indication of where he was bound. Once in Munich, he registered as a 'stateless person' – falsely, since he had not yet formally renounced his Austrian citizenship – and describing himself as a 'writer'. The Austrian authorities finally tracked him down and, on the afternoon of 18 January 1914, a Sunday, came the prophetic knock on the door. Opening it, he was confronted by two policemen; arrested, he was taken next day by the police to the Austro-Hungarian consulate. The consul-general, persuaded by Hitler's 'obvious sincerity', had him write a letter to the Austrian authorities to explain why he had not registered for military service. Hitler did so, painting a picture of abject penury:

. . . *And as far as appertains unto my sin or omission in the autumn of 1909, this was an infinitely bitter period for me. I was a young inexperienced man without any financial support and too proud to accept it from no matter whom, let alone ask for it. Without monetary help, cast out on my own resources, the few kronen often only heller obtained through my work barely sufficed to give me somewhere to sleep. For two years I had no other friend<sup>31</sup> but care and want, no other companion but everlasting insatiable hunger. . . .*

The letter continued:

*I earn my living as a self-employed artist, but I do so only in order to continue my education, being otherwise quite without means (my father was a civil servant). I can only devote a very small part of my time to earning as I am still learning to be an architectural painter. So my income is very modest and only just enough to meet my expenses. In proof of this, I enclose my tax certificate which I should be grateful if you would return to me without delay. My income is estimated on the high side at 1,200 marks which should not be taken to mean that my monthly income is exactly 100 marks.<sup>32</sup>*

This, as has been noted above, is far from the truth. The letter, which covered three and a half pages, was accompanied by a note from the consul-general:

*Hitler [sic] . . . was suffering from a complaint which renders him unfit for military service and at the same time removes all motive for evading it . . . He seems very deserving of considerate treatment.*

The consul-general seems to have been a gullible man. Hitler made a brief trip to Linz, was medically examined and declared unfit for military service.

Hitler returned to Munich, where he continued to live in some comfort; certainly, he later described this period as ‘the happiest and most contented’ of his life.<sup>33</sup> He rented a room on Schleißheimerstraße, in Munich’s artists quarter of Schwabing, from a tailor, Josef Popp. The room, which cost only 20 marks a month, was pleasantly furnished and had a private entrance from the street. Popp was a kindly, well-travelled man and made sure his tenant was well dressed, so as not to reflect badly on his own establishment, which dealt in dresses *à la mode de Paris*. Hitler was also befriended by a local baker, Herr Heilmann, who had a shop nearby at Gabelsbergerstraße 66, and sold him slightly stale cakes and buns for a few pfennig. In a 1952 interview, Heilmann recalled that he had bought two paintings from Hitler, whose works sold regularly for about 10 to 20 marks each.<sup>34</sup> NSDAP archives record other sales: a Dr. Schirmer, who bought a small oil painting and commissioned Hitler to make watercolour copies of two postcards of alpine scenes; and a Herr Würsler, who bought a small oil painting for 25 marks.<sup>35</sup> Doubtless there were many others.

All this came to an end on 28 June 1914 when a Serb terrorist, Gavrilo Princip, assassinated Archduke Franz Ferdinand and Sophie, hismorganatic wife, thereby precipitating World War I. On 3 August, the day Germany declared war on France, Hitler – still an Austrian citizen – petitioned King Ludwig III of Bavaria

for permission to enlist in his army. He was accepted, and on 16 August he was inducted into the 1st Bavarian Infantry Regiment.

Hitler's wartime service is of little relevance to a history of his financial affairs, but one thing is most significant: the friendships which he made in the trenches. Of these, Max Amann is the most important and the Hitler-Amann collaboration was of enormous profit to both parties (see Chapters 4 and 12). His other friendships from this period show a side of Adolf Hitler that many would like to ignore: his generosity. Most of those with whom he served in the trenches later benefited from Hitler's rise to power: Amann, as noted above; *Leutnant* Fritz Wiedemann, who later became Hitler's adjutant from 1935 to 1939; Ernst Schmidt, and others. The major exception was *Leutnant* Hugo Gutmann who recommended Hitler for the Iron Cross First Class; Gutmann was Jewish.

On the morning of 14 October 1918, near Comines, in the Ypres sector, Hitler's active service ended when he was temporarily blinded by gas.

## Notes

- 1 HAMA99, *passim*; MASE73, pp. 1-69; KERS98, pp. 3-105; TOLA76, pp. 3-76.
- 2 This statement is confusing. Hitler's mother died on 21 December 1907, when Hitler, who was born on 20 April 1889, was eighteen. Hitler was 'not yet eighteen' at the time of his first trip to Vienna in 1906, but he was clearly eighteen when he became an orphan and almost nineteen when he moved to Vienna, some time between 14 and 17 February, 1908. It is thus impossible to decide which trip to Vienna – 1906 or 1908 – Hitler is referring to. Since Hitler was supported by his mother during the 1906 visit, references to work suggest the 1908 move.
- 3 WAIT77, p. 193. Waite quotes HAP, folder 17a, reel I. The translation is Waite's.
- 4 JETZ58, *passim*.
- 5 MASE73, p. 41 and following pages.
- 6 HAMA99, pp. 3-59.
- 7 MASE73, p. 42; JETZ58, pp. 81-83.
- 8 HAMA99, p. 21. JETZ58, pp. 50, 82-3. Jetzinger notes that the house had an existing mortgage of 2,520 *kronen* which Alois assumed when he bought the property and did not discharge because the mortgage made the house more readily saleable.
- 9 Bloch, Eduard (as told to J.D. Radcliff). *My Patient, Hitler*. *Colliers Magazine*, 15 and 22 March, 1941.
- 10 JETZ58, pp. 79-81.
- 11 Jetzinger (JETZ58, p. 113) arrives at the same minimum figure as the author.
- 12 JETZ58, pp. 101-22. Hitler had already visited Vienna for two weeks in May 1906.
- 13 HEID44, p. 50.
- 14 MASE73, pp. 43-5. SPOT03, p. 223, citing Fraunfeld, A.E., *Der Weg zur Bühne*, 1943, p. 290.

- 15 JETZ58, p. 129, merely shows that Hitler visited his aunt Johanna, who was then living with Theresia Schmidt in Spital, in August 1908.
- 16 Hamann (HAMA99, p. 141) casts grave doubts on the NSDAP official position that Hitler occupied furnished rooms at II Simon Denk Gasse.
- 17 KERS98, p. 53; TOLA76, p. 42 have Hitler, prompted by his some-time friend Reinhold Hanisch, writing to his aunt to ask for the money. See also Hamann (HAMA99, p. 156) who seems to accept this part of Hanisch's story. However, this seems at odds with Toland's later assertion (p. 47) that Hitler and his aunt were estranged. Heiden (HEID44, p. 52), who may not have had access to the Hanisch material, seems to confirm the story, but makes no mention of any estrangement. JETZ58, pp. 134-5 tells a similar story.
- 18 Hanisch, Reinhold. *I was Hitler's Buddy*. A three part series, published in *The New Republic*, 5, 12, 19 April, 1939, pp. 239-42, 270-72, 297-300. Also in HAP, reel 3, file 64. The article in *The New Republic* was published two years after Hanisch's death.
- 19 E.g. Kubizek, August. *Adolf Hitler. Mein Jugendfreund*, Graz (1953), 5th edition 1989; *Mein Kampf, passim*; BULL62, Ch. I; TOLA76, Ch. 2, *The School of My Life*; MASE73, Ch. 3, *Artist and Architect*; KERS98, Ch. 2, *Drop-out*; HAMA99, Ch.6, *As a Painter in the Men's Hostel*.
- 20 Several authors have cast doubts on Hanisch's memoirs and those of Josef Greiner; e.g. SPOT03, p. xviii.
- 21 These are somewhat higher than the 3-4 *kronen* (about €10-12 in 2003) that he normally received.
- 22 Taken from HEID44, p. 62.
- 23 SPOT03, p. 129.
- 24 WAIT77, pp. 195-6; TOLA76, p. 47. However, Kershaw (KERS98, p. 57) disputes the story and Hamann (HAMA99, p. 174) offers no evidence to support it.
- 25 Waite (WAIT77, p. 196) citing Jetzinger, says that the will was probated in the District Court of Linz. However, JETZ58 merely notes that no will was found in documents available in 1952. Toland (TOLA76, p. 47) says she died intestate.
- 26 Jetzinger (JETZ58, p. 138) claims that it was the Linz authorities who initiated the case.
- 27 JETZ58, pp. 139-42.
- 28 TOLA76, p. 48.
- 29 Paraphrased from HAMA99, p. 379, itself based on the well known account of one of Hitler's colleagues in the *Männerheim*, 'Anonymous from Brünn'.
- 30 HAMA99, p. 380. Hoffmann, however, relates a story (HOFF55, pp. 168-9) of Hitler receiving 500 *kronen* for a watercolour of the interior of Vienna's Capucin church, but there is nothing to substantiate the story, which may well be a typical bit of Hitler boasting.
- 31 The translation here is from Waite (WAIT77, p. 70) but similar text is quoted by many authors. The original German uses the word '*Freundin*', or female friend, and some authors have been tempted to render this by the more poetic 'mistress'.
- 32 MASE73, p. 71. KERS98, p. 84 implies that Hitler was questioned by the

authorities in Linz for non-payment of taxes. However, Maser (MASE73, p. 53) makes it quite clear that this figure of 1,200 marks (equivalent to about €800 in 2003) a year comes from his tax returns. Since Hitler was living in Munich, it is odd that the Linz authorities should have been interested in his taxes.

33 Hitler, *Mein Kampf*.

34 *Münchener Revue*, 46, November 15, 1952.

35 HAP, folder 30, reel 2; folder 3I, reel 2.

## Chapter Three

# BEGINNINGS

*Get money; still get money, boy,  
No matter by what means.*

Ben Jonson (1572-1637)

*Every Man in his Humour*. Act ii. Sc. 3.

On 19 November 1918, eight days after the armistice, Hitler left the military hospital at Pasewalk, near Berlin, where he had been recovering from being gassed. Two days later, he arrived in Munich, home of his regiment. At that time, his Munich savings account totalled 15 *marks* 30 *pfennigs*.<sup>1</sup> Five years later he was in prison, awaiting trial for leading an attempted coup, his political career apparently over. In the meantime, he had established a network of friends and admirers who, in addition to funding the Nazi party, supported him financially. He had also laid the foundations for a business empire that would later bring him – and his buddy, Max Amann – hundreds of millions of *Reichsmarks*. How did he do it?

When the First World War ended, Hitler's eyes had been damaged by gassing, at least to the extent of becoming more sensitive to light, and he would have been eligible for discharge from the army and a disability pension. He did not apply for release. At least one author sees this as evidence that Hitler exaggerated the effects of his gassing and knew that medical records would not support his claim.<sup>2</sup> More probable is that he passionately wanted to stay in the army, the only stable home he had enjoyed in the past ten years. Possession of the Iron Cross, First Class, probably helped him remain in the army despite his injury.

1919 was a strange time in Germany. The Munich to which Hitler returned was in turmoil: the Bavarian monarch had abdicated and an uneasy left-wing coalition government formed under the leadership of Kurt Eisner, a Jewish socialist and pacifist. It did not last long. On 21 February, Eisner was assassinated by *Graf* (Count) Anton von Arco-Valley, a former army officer whose Jewish ancestry had led to his being refused admission to right-wing circles. Anarchists and 'Red Guards' took over the former royal palace, a 'dictatorship of the proletariat' was declared, and a 'Red Army' raised. Where Eisner fell, the Communists placed his picture on the wall, guarded by one of their members, and passers-by

were forced to salute the icon.<sup>3</sup> Members of the right-wing *Thule Gesellschaft* (see Appendix 2) splattered the area with a bag of flour, soaked with the secretions of two bitches in heat. Within hours the scene became a bedlam of excited dogs and the picture was quietly removed.

On 13 April, the *Kampfbund*, a paramilitary organisation with close ties to the *Thule Gesellschaft*, staged a coup which was rapidly overwhelmed by a left-wing counter-coup. That rebellion was put down by regular soldiers from Prussia and Württemberg, under the command of Colonel Ritter von Epp and assisted by paramilitary Bavarian *Freikorps* units. The period is well documented, and a good account is given by Kershaw; suffice it to say that that period passed into popular memory as the *Schreckensherrschaft* (rule of horror), a state imposed by 'Jewish-Bolshevik elements, acting on orders from Moscow'.<sup>4</sup> What, then, of Adolf Hitler in this time?

On 20 February, Hitler and his wartime comrade Ernst Schmidt were assigned to guard duty at the main railway station in Munich, where they stayed for about two weeks. Hitler and Schmidt had found a 'cushy billet': they received about 40 marks a month, plus food and accommodation, and earned an additional 3 marks per day testing gas masks – a curious choice for Hitler, whose horror of gas as a weapon would remain throughout the Second World War.<sup>5</sup>

On 3 April, a routine order for the 2nd Demobilisation Company refers to Hitler as the company's *Vertrauensmann* – literally Man of Confidence – and he may have held this position since 15 February.<sup>6</sup> Since his duties included propaganda and political education of the troops, and the providers of the propaganda and politics were the revolutionary SPD (*Sozialdemokratische Partei Deutschlands*), Hitler was acting for the extreme left. In this, Hitler was not alone: Josef 'Sepp' Dietrich, Julius Schreck, Hermann Esser, and Gottfried Feder – all later ardent Nazis – also served the Communist regime in one way or another. Subsequently, Dietrich supervised the executions in the 1934 Blood Purge and commanded a *Waffen SS* division in the field. Schreck, Hitler's near double, became his chauffeur and founded the *Stoßtrupp Adolf Hitler* (forerunner of the SS). Esser rose in the ranks of the NSDAP and, as Bavarian Economics Minister, became an expert on rape and pillage – especially the former. Feder became the Nazis' 'economic expert', though his theories were crackpot in the extreme. Following the proclamation of the Communist *Räterepublik* on 14 April, Hitler was re-elected as Deputy Battalion Representative by his colleagues, suggesting that they had confidence in his revolutionary sympathies. This, and other evidence of left-wing sympathies, was suppressed by Hitler in later accounts, where he claimed that he acted against the leftists and was marked down for arrest. He was arrested, though not by the leftists, but by the right-wing *Freikorps* and was only released on the intervention of his officers.<sup>7</sup>

On 2 May, the regular army began an investigation into the uprising; one of those who testified was Adolf Hitler. As one of his friends later stated:

*When he was ordered before the examining commission, his indictments cast a merciless clarity on the unspeakable disgrace of the military treason practised by the Jewish dictatorship of Munich's soviet period.*<sup>8</sup>

The consequences, though hardly due to Hitler's testimony alone, were predictable: hundreds were summarily executed.

On 11 May, following the crushing of the *Räterepublik*, the *Bayerische Reichswehr Gruppenkommand Nr. 4* (Gruko) was created, under the command of *Generalmajor* von Möhl, with orders to re-educate the troops in a nationalist, anti-Bolshevik fashion. In early June, as part of this effort, Captain Karl Mayr was ordered to organise training courses for persuasive speakers who would remain in the army and indoctrinate the troops. Mayr had far more power and influence than his low rank of Captain might suggest and he was given considerable funds to finance agents and informants, patriotic parties, and publications. These funds came from the *Reichswehr* headquarters in Munich and Berlin, and from private sources.<sup>9</sup> Hitler came to Mayr's attention on several occasions and records suggest that he was recruited into Mayr's organisation in late May or early June.<sup>10</sup> By August, Hitler was one of 26 instructors specially selected to conduct a five-day course at the *Reichswehr* camp at Lechfeld, near Augsburg, most of whose inmates had been prisoners of war in Russia and who had pro-Bolshevik sympathies. The course ended on 25 August and a row blew up about 500 *marks* which the commandant of Lechfeld, Rudolf Beyschlag, had failed to pay to the instructors.<sup>11</sup> The spokesman for the instructors was Adolf Hitler. By the beginning of September, Hitler appears to have been held in high esteem by Mayr and in a letter dated 10 September, Mayr addressed Hitler with the salutation *Sehr verehrter Herr Hitler*, a formal 'Dear Sir' address used by equals and hardly to be expected from a Captain to a Lance Corporal.<sup>12</sup>

On Friday, 12 September, Hitler, acting under orders to monitor political groups, attended his first meeting of the *Deutsche Arbeiterpartei* (DAP – German Workers' Party) in the *Leiber* room of the *Sterneckerbrau* beerhall, Munich. The origins of the DAP are obscure, but most historians agree that it was founded by the *Thule Gesellschaft*, as a subordinate club more appropriate to the masses than its 'intellectual' parent. Whatever its origins, it was more of a club than a political party. As Hitler later said:

*In the year 1919 when I met the handful of men who held their little meetings under the name of German Workers' Party, there was neither a business office nor any employee. There was no paper with letterhead; in fact, even rubber stamps were lacking. The entire property of this seven men's club consisted of a briefcase, in which the incoming and outgoing mail were kept, and a cigar box which served as cash-box. This portable party office in the form of a brief-case travelled under the arms of party comrade Harrer, our "president", into every conceivable beer hall and café in which the party committee – which at that time was the party itself – met.*<sup>13</sup>

Harrer was also a member of the *Thule Gesellschaft*. Acting under orders from Mayr – and not, as he later claimed, after many days of agonised soul-searching – Hitler

joined the DAP with instructions to ensure its growth.<sup>14</sup> For this he was provided with 20 gold *marks* (*marks* backed by gold and thus protected against inflation) a week and was permitted to stay in the army, against standing orders which forbade serving soldiers from belonging to political parties. In addition to drawing his army pay – about 40 *marks* a month, probably more by this time – Hitler received speaker's fees from the party, which he was apparently allowed to keep, thus establishing what would become one of his important early sources of income. How much of the 20 gold *marks* a week found its way into Hitler's pockets is not known, but some of it certainly came back as speaker's fees.

Hitler's connection with the newspaper the *Völkischer Beobachter* (then the *Münchener Beobachter*) may have begun with the placing of an advertisement (paid for after some protest by his fellow DAP members) for a meeting to be held on 16 October in Munich's *Hofbräukeller*.<sup>15</sup> This meeting, one of the first to be publicly advertised, drew 111 attendees and raised 300 *Reichsmarks* (RM) when the hat was passed around for a collection.<sup>16</sup> By the end of 1919, Hitler was speaking to several DAP meetings a week, attracting audiences of up to 400 and being paid accordingly. Since an audience of about 100 brought in a collection of about RM 300, an audience of 400 might bring in a proportionate figure of RM 1,200. Just what proportion Hitler received as 'speaker's fees' is not known, but 20-30 *marks* a week seems a reasonable guess and would be a significant addition to his army pay of about 10 *marks* a week, which he continued to draw until 31 March, 1920.

Towards the end of the autumn of 1919, Hitler met Alfred Rosenberg. Rosenberg, with his Russian-speaking Baltic German background, immediately became the party's expert on 'Jewish Bolshevism' and was later editor of the *Völkischer Beobachter*.

For Hitler's personal finances, the most significant event of 1920 was his acquisition of the *Eber Verlag*, a publishing company, and with it a newspaper, the *Völkischer Beobachter*. Almost equally important was the beginning of his friendship with Dietrich Eckart.

Some 20 years older than Hitler, Eckart had an established relationship in right-wing circles, especially with the *Thule Gesellschaft*. It was Eckart who provided the struggling Hitler with some of the introductions to Munich society which were later to be such important sources of finance. It was Eckart who first took Hitler in hand, smartened up his appearance, and gave him the elementary social skills that he would soon need in polite society. Eckart, though hardly wealthy, was comfortably off, thanks to royalties from some of his translations, particularly of *Peer Gynt*, and often paid for Hitler's meals and minor expenses. Of the party's finances in general and Eckart in particular, Hitler later said:

*The party was financed almost exclusively by my meetings. The membership dues stood in no relation to the money brought in by my speeches. To be sure, the party did have one big backer at that time; our unforgettable Dietrich Eckart.*<sup>17</sup>

Kurt Lüdecke (see Chapter 8) suggests that Eckart contributed to Hitler's personal expenses.<sup>18</sup> Otto Dietrich, however, portrays Eckart more as a conduit for funds for the party than a source:

*It was he who obtained financial support for Hitler in the early days when he was building up his party. Eckart was acquainted with a group of wealthy men to whom he had appealed for subsidies for his newspaper; he introduced Hitler to these men. They were the first backers who, out of general patriotic considerations, lent aid to Hitler.*<sup>19</sup>

Hoffmann, too, implies that Eckart's support was for the Nazi party, rather than for Hitler personally, though at that time he was probably not in a position to know.<sup>20</sup> To speak, as Hitler did, of Eckart being a 'big backer' is to exaggerate his importance and to obscure the other sources of funding at this time: the Army, minor German industrialists, wealthy families such as the Bechsteins and the Bruckmanns, anti-Bolsheviks, White Russians, idealistic playboy wheeler-dealers such as Lüdecke and romantic ones such as Scheubner-Richter (see Appendix 2). The latter not only provided Hitler with access to wealthy patrons in Munich society, but also offered somewhat murky links to White Russian émigrés with money to spend on anti-Bolshevik causes. According to Pool, an official report claimed that he raised 'enormous sums of money' for the NSDAP; this is possible, but has not been substantiated.<sup>21</sup>

On 24 February 1920, the DAP rented the hall at Munich's famous *Hofbräuhaus* for the first time. Thanks to astute advertising, a capacity crowd of over 2,000 packed the hall. It was here that Hitler publicly announced the new party manifesto; a bold move, for he was not yet leader of the party. (Anton Drexler had recently taken over from Harrer as president.) There was some heckling, probably from Communists, but order was soon restored by a squad of armed soldiers that Hitler, still an employee of the political bureau of the Munich District Army Command, had brought along. A week later, the DAP changed its name to the *National Sozialistische Deutsche Arbeiter Partei* (National Socialist German Workers Party or NSDAP), the name under which it was to become notorious and bring a new word to the lexicon of obscenity: Nazi.

Towards the end of the abortive right-wing *Kapp Putsch* in Berlin, which lasted from 12 to 18 March, Hitler and Eckart made the hazardous journey to Berlin as representatives of Bavarian monarchists who were planning their own coup. They stayed for several days in Berlin, meeting General Ludendorff, members of the ultra-right *Stalhelm*, and the Bechstein family who were later to play a prominent part in financing both Hitler and the NSDAP. Hitler also met Ernst von Borsig, head of the famous locomotive manufacturing company.<sup>22</sup> However, despite assertions at Hitler's 1924 trial, Borsig's contributions should not be overestimated. Borsig considered himself an enlightened employer who sought ways to bring management and workers closer together. The NSDAP intrigued him, with its idea of 'patriotic workers' and its anti-Communism, and he certainly

contributed to it; however, he also contributed to just about every other political party that was not on the extreme left. There is no evidence that Borsig knowingly contributed to Hitler's personal finances.

Hitler and Eckart returned to Munich on 31 March 1920, the day Hitler formally left the army with a ready-made career as a political agitator and with Mayr's continued patronage and influence in Munich circles. Hitler received his demobilisation pay of 50 *marks* and moved into a small room in a house at Thierschstraße 41<sup>23</sup>, in a middle-class district near the Isar River. The room – hardly bigger than a closet and sublet from one of the other tenants, a Frau Reichert – was just a few doors from the offices of the *Eber Verlag*, publisher of the *Völkischer Beobachter* and destined to play a major role in Hitler's subsequent political and financial career.<sup>24</sup>

On 24 September, Mayr wrote to Wolfgang Kapp, now exiled to Sweden after his failed *putsch* in March:

*The national workers' party must provide the basis for the strong assault-force we are hoping for . . . I've set up very capable young people. A Herr Hitler, for example, has become a motive force, a popular speaker of the first rank. In the Munich branch we have over 2,000 members, compared with under 100 in summer 1919.*<sup>25</sup>

If correctly dated, the letter suggests that Hitler was still working for Mayr at that date, and presumably being paid. Mayr, apparently, continued to provide funds towards the staging of these mass meetings.<sup>26</sup> As 1920 went on, Mayr began to lose his influence with Hitler, being supplanted by Captain Ernst Röhm, adjutant and political adviser to Colonel von Epp.

Röhm, a homosexual bully and a brave fighting soldier, had excellent connections within the army and with the many paramilitary and patriotic organisations which made up the Bavarian extreme right. Röhm soon began to act as a link between Hitler and the NSDAP and these larger organisations, particularly in the area of funding. He also continued the financial assistance begun by Mayr, paying for various items directly and indirectly from Army funds. Pool gives a convincing – if unoriginal – account of one of Röhm's stratagems, which are also hinted at by Lüdecke:

*Two privately-owned corporations were created, one dependent on the other. The basic corporation, the very existence of which was top secret, was the Feldzeugmeisterei, directed by Ernst Röhm. The other, the dependent corporation, was the Faber Motor Vehicle Rental Service, operated openly as a business by Major Wilhelm Faber, who was under Röhm's command. Röhm had the initial approval of his military superiors in setting up these corporations because they were an ideal cover for concealing extra armaments and vehicles forbidden by the Versailles Treaty. The corporations also served the purpose of making this illegal equipment available to the clandestine reserve Army – the Free Corps units. The Nazi S.A. as one of the many Free Corps regiments was entitled to occasionally use some of this equipment and receive a few small subsidies from Röhm's corporations.*<sup>27</sup>

In mid-1920, the NSDAP was still struggling financially, with subscriptions not yet covering the costs of meetings. Additional funding came from a variety of sources: from Lehmann, publisher of many of the German Navy's books; from the *Reichswehr*, via Mayr and later Röhm; and from Eckart.<sup>28</sup> Funds were also obtained from Dr. Gottfried Grandel, an industrial chemist from Augsburg, of whom more later.

In December 1920, Hitler acquired the debt-ridden *Eber Verlag*, and its newspaper, the *Völkischer Beobachter* (approximately: Folk-race Observer), which had earlier been a vehicle for the *Thule Gesellschaft*. The *Eber Verlag* was to play a most important part in Hitler's financial affairs, as described in Chapter 4.

One minor encounter occurred in 1920, which was later to have a significant impact on Hitler's political career, as well as his finances: Heinrich Hoffmann, later to become Hitler's personal photographer, art adviser, and significant source of income, had his first glimpse of his future master. He was not impressed:

*On one occasion I attended a district meeting of the local Citizens' Army. Among other speakers was one Adolf Hitler. I saw no reason for wasting a [photographic] plate on this nonentity . . .*<sup>29</sup>

Throughout 1921, Hitler expanded his sources of personal finance to include minor industrialists and, something which was to be of great importance to him, rich older women. However, in the long term his most important act was to place Max Amann (see Chapter 12) at the head of the *Eber Verlag*. It was the beginning of a mutually profitable collaboration.

On 2 February, Hitler spoke at Munich's *Zirkus Krone*, a circus arena that could hold 6,000 people. The arena cost little to rent – the manager was a party member – and was packed to capacity. If Hitler was getting a percentage of the admission price and any collection that was taken, he must have been very pleased.<sup>30</sup>

Gustav Ritter von Kahr, Minister President of Bavaria, invited a delegation from the NSDAP to talks on 14 May, hoping to enlist their aid in gaining the support of 'national forces' in the region. The meeting was not a great success, nor was their long-term relationship: Kahr was murdered in the purge of June 1934. Three days later, in an attempt to smooth the way for collaboration between Hitler and Kahr, Rudolf Heß wrote to Kahr, praising Hitler's spirit of self-sacrifice and maintaining that he received no salary from the NSDAP but lived only on the fees that he received for his speeches and journalism.<sup>31</sup>

By mid-1921, Hitler was bringing in most of the party's funds from a variety of sources: collections at meetings, contributions from wealthy individuals, and secret accounts within the German Army. At no time did he draw a salary from the party; to have done so would have prejudiced his intention to take over the NSDAP. This did not mean that he received no money from the NSDAP; he did, but in the form of generous 'expenses' for speaking at meetings. However, Hitler made very few speeches to organisations other than the NSDAP at this time and 'expenses', plus gifts and journalism, must have been his main source of

income. As an example of Hitler's journalism, between January and June he wrote 39 articles for the *Völkischer Beobachter*, for which he was paid, and from September onwards, he regularly contributed to the NSDAP's internal news-sheet, for which he was also probably paid.

In June-July, Hitler went on another fund-raising expedition to Berlin, accompanied as always by Eckart. Through Eckart's contacts, and others opened up by Max Maurenbrecher, editor of the newspaper *Deutsche Zeitung*, Hitler attempted to tap Pan-German supporters for funds to support the *Völkischer Beobachter*.<sup>32</sup> In this he was not very successful. While in Berlin, Hitler stayed with the Bechsteins (see Chapter 6) where, among others, he met the anti-Communist Count Yorck von Wartenburg who offered him financial support if he would move his headquarters to Berlin. Hitler, well aware that most of his support was in the south and equally aware of competition in the north from the Strasser brothers, declined the offer. It was probably at the Bechsteins that Hitler first met Dr. Emil Gansser, a former employee of *Siemens und Halske*. Gansser, who moved in wealthy, right-wing Protestant circles and would later play an important part in Hitler's finances, took Hitler to speak at Berlin's National Club, where he made a favourable impression. It was through Gansser that Hitler met Admiral Schröder, former commander of the German marines, who was one of the first high-ranking officers to join the NSDAP. Schröder is said to have channelled funds from the Navy, via J.F. Lehmann – a publisher with close links to the Navy and to the *Thule Gesellschaft* – to Hitler and the NSDAP.<sup>33</sup>

The trip to Berlin had to be cut short when certain members of the NSDAP rebelled against Hitler's leadership. On 11 July, in an attempt to force the party to appoint him leader, with dictatorial powers, Hitler announced his resignation from the party. Three days later, speaking before the party's general membership committee, he said:

*I make these demands not because I am power hungry, but because recent events have more than convinced me that without an iron leadership the party . . . will within a short time cease to be what it was supposed to be: a national socialist German Workers' Party and not a western association.*<sup>34</sup>

Hitler gave the committee eight days to respond to his demands. The situation was further complicated by a leaflet, published by left-wing<sup>35</sup> members of the party's ruling committee and entitled *Adolf Hitler – Verräter?* (Adolf Hitler – Traitor?). It was made public in a special edition of the left-wing *Münchener Post* of 3 August 1921, and levelled several accusations against Hitler, including:

*If any member [of the party] asks him how he lives and what was his former profession, he always becomes angry and excited. Up to now no answer has been supplied to these questions.*<sup>36</sup>

The pamphlet also questioned Hitler's relationships with women. Finally, on 29 July, after much drama, Hitler was confirmed as chairman of the party, replacing Drexler, who was given the post of 'honorary chairman' and now began the slide