

The Oligarchs Who Came to Regret Supporting Hitler

They helped him in pursuit of profit. Many ended up in concentration camps.

By [Timothy W. Ryback](#) February 6, 2025, 7 AM ET



Adolf Hitler, after a speech to the Reichstag at the Kroll Opera House in 1933. Directly behind him stands the wealthy industrialist and media mogul Alfred Hugenberg, who enabled Hitler's rise. (Sueddeutsche Zeitung Photo / Alamy)

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He was among the richest men in the world. He made his first fortune in heavy industry. He made his second as a media mogul. And in January 1933, in exchange for a political favor, Alfred Hugenberg provided the electoral

capital that made possible Adolf Hitler's appointment as chancellor. Before Hugenberg sealed his pact with Hitler, a close associate had warned Hugenberg that this was a deal he would come to regret: "One night you will find yourself running through the ministry gardens in your underwear trying to escape arrest."

In my recent book, *Takeover: Hitler's Final Rise to Power*, I chronicled the fraught relationship between the tyrant and the titan, but my story ended in January 1933, so I did not detail the subsequent impact on Hugenberg's fortunes, let alone the catastrophic consequences that lay ahead for other corporate leaders, their companies, and their country.

In the '20s and early '30s, the Hitler "brand" was anathema to capitalists and corporate elites. His National Socialist German Worker's Party was belligerently *nationalistisch* but also unapologetically *sozialistisch*—a true *Arbeiter Partei*, or "working man's party." Its 25-point political platform explicitly targeted bankers and financiers, calling for "breaking the bondage of interest," as well as industrialists who profited from wartime production. Profits were to be confiscated by the state without compensation, and corporate executives charged with treason. Platform Point 13 was explicit: "We demand the nationalization of all existing corporate entities."

Through the 1920s, businessmen preferred to place their political bets with conservative, centrist, business-friendly politicians, such as those in the Center Party or the Bavarian People's Party or the right-wing but decidedly pro-business German Nationalists. Out of necessity, then, the National Socialists had to derive most of their financing via membership fees, storm troopers standing on street corners begging for contributions, and admission charges to Hitler rallies. Among the exceptions to this were socialites—Viktoria von Dirksen, Helene Bechstein, Elsa Bruckmann—who were smitten with Hitler. But the most significant exception was Fritz Thyssen.

Thyssen, heir to one of Germany's leading industrial fortunes, had been an

early financier of the Nazi movement. He first met Hitler in the autumn of 1923 after attending a beer-hall rally. "It was then that I realised his oratorical gifts and his ability to lead the masses," Thyssen recalled in his 1941 memoir, *I Paid Hitler*. "What impressed me most, however, was the order that reigned in his meetings, the almost military discipline of his followers." Thyssen provided the party, by his own estimate, approximately 1 million reichsmarks—more than \$5 million today—and also helped finance the acquisition and refurbishment of a Munich palace as the Nazi Party headquarters. Most important, Thyssen arranged for Hitler to speak to his fellow industrialists in Düsseldorf on January 27, 1932.

Hitler sits next to Hermann Göring at the Düsseldorf Industrieclub, while Fritz Thyssen, a wealthy industrialist who was one of Hitler's early financial backers, speaks at the microphone, January 27, 1932. (Ullstein bild / Getty)

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"The speech made a deep impression on the assembled industrialists,"

Thyssen said, "and in consequence of this a number of large contributions flowed from the resources of heavy industry into the treasuries of the National Socialist party." This financing, estimated at a still-cautious 2 million marks annually, was channeled through a trusted intermediary: Alfred Hugenberg.

Hugenberg had served as a director of Krupp A.G., the large steelmaker and arms manufacturer, during the Great War, and had subsequently founded the Telegraph Union, a conglomerate of 1,400 associated newspapers intended to provide a conservative bulwark against the liberal, pro-democracy press. Hugenberg also bought controlling shares in the country's largest movie studio, enabling him to have film and the press work together to advance his right-wing, antidemocratic agenda. A reporter for *Vossische Zeitung*, a leading centrist daily newspaper, observed that Hugenberg was "the great disseminator of National Socialist ideas to an entire nation through newspapers, books, magazines and films."

To this end, Hugenberg practiced what he called *Katastrophenpolitik*, "the politics of catastrophe," by which he sought to polarize public opinion and the political parties with incendiary news stories, some of them *Fabrikationen*—entirely fabricated articles intended to cause confusion and outrage. According to one such story, the government was enslaving German teenagers and selling them to its allies in order to service its war debt. Hugenberg calculated that by hollowing out the political center, political consensus would become impossible and the democratic system would collapse. As a right-wing delegate to the Reichstag, Hugenberg proposed a "freedom law" that called for the liberation of the German people from the shackles of democracy and from the onerous provisions of the Versailles Treaty. The law called for the treaty signatories to be tried and hanged for treason, along with government officials involved with implementing the treaty provisions. The French ambassador in Berlin called Hugenberg "one of the most evil geniuses of Germany."

Though both Hitler and Hugenberg were fiercely anti-Communist, antidemocratic, anti-immigrant, and anti-Semitic, their attempts at political partnership failed spectacularly and repeatedly. The problem lay not in ideological differences but in the similarity of their temperaments and their competing political aspirations. Like Hitler, Hugenberg was inflexible, stubborn, and self-righteous. When challenged, he doubled down. Hugenberg had spoken of a "third Reich" as early as 1919, well before Hitler was a force on the political scene, and he envisioned himself as the future *Reichsverweser*, or "regent of the Reich." His followers greeted him with "Heil Hugenberg!" Joseph Goebbels noted that Hitler invariably emerged from his meetings with Hugenberg red-faced and "mad as shit."

[Read: How Hitler's enablers undid democracy in Germany.](#)

But by late January 1933, the two men's fates were inextricably entangled. Hugenberg, who had leveraged his wealth into political power, had become the leader of the German National People's Party, which had the votes in the Reichstag that Hitler needed to be appointed chancellor. Hitler had the potential to elevate Hugenberg to political power. As one Hitler associate explained the Hitler-Hugenberg dynamic: "Hugenberg had everything but the masses; Hitler had everything but the money."

After cantankerous negotiation, a deal was reached: Hugenberg would deliver Hitler the chancellorship, in exchange for Hugenberg being given a cabinet post as head of a *Superministerium* that subsumed the ministries of economics, agriculture, and nutrition. Once in the cabinet, Hugenberg didn't hesitate to meddle in foreign relations when it suited him. Reinhold Quaatz, a close Hugenberg associate, distilled Hugenberg's calculus as follows: "Hitler will sit in the saddle but Hugenberg holds the whip."

The New York Times expressed astonishment that Hugenberg, an "arch-capitalist" who stood "in strongest discord with economic doctrines of the Nazi movement," was suddenly in charge of the country's finances. Hitler's "socialist mask" had fallen, the Communist daily *Red Banner* proclaimed,

arguing that "Hugenberg is in charge, not Hitler!" The weekly journal *Die Weltbühne* dubbed the new government "Hitler, Hugenberg & Co."

As self-proclaimed "economic dictator," Hugenberg kept pace with Hitler in outraging political opponents and much of the public. He purged ministries. He dismantled workers' rights. He lowered the wages of his own employees by 10 percent. "The real battle against unemployment lies singularly and alone in reestablishing profitability in economic life," one of Hugenberg's newspapers editorialized, arguing that the goal of economic policy should be to rescue "the professions, and those most negatively affected: the merchant middle class." Hugenberg declared a temporary moratorium on foreclosures, canceled debts, and placed tariffs on several widely produced agricultural goods, violating trade agreements and inflating the cost of living. "It just won't do," Hitler objected in one cabinet meeting, "that the financial burdens of these rescue measures fall only on the poorest." Let them suffer awhile, Hugenberg argued. "Then it will be possible to even out the hardships." The economy fell into chaos. The press dubbed Hugenberg the *Konfusionsrat* —the "consultant of confusion."

Hugenberg didn't care about bad press. He was accustomed to being one of the most unpopular personalities in the country. *Vorwärts*, the socialist newspaper, depicted him as a puffed-up frog with spectacles. Hitler called him a *Wauwau*, or "woof woof." Even his close associates referred to him as "the Hamster." But Hugenberg lived by the golden rule: He who had the gold ruled. Earlier, when disagreements had arisen over the rightward turn of the German National Party, Hugenberg simply expelled the dissenters and financed the party's entire budget from his own resources. Hitler could aspire to be dictator of the Third Reich, but Hugenberg was already dictator of the economy.

In late June 1933, while Hitler was trying to assuage international concerns about the long-term intentions of his government, Hugenberg appeared in London at an international conference on economic development. To the

surprise of everyone, including the other German-delegation members present, Hugenberg laid out an ambitious plan for economic growth through territorial expansion. "The first step would consist of Germany reclaiming its colonies in Africa," Hugenberg explained. "The second would be that the 'people without space'" —*Volk ohne Raum*—"would open areas in which our productive race would create living space." The announcement made headlines around the world. "Reich Asks for Return of African Lands at London Parley," read one *New York Times* headline. Below that, a subhead continued: "Also seeks other territory, presumably in Europe."

[From the March 1932 issue: Hitler and Hitlerism: a man of destiny](#)

Konstantin von Neurath, Hitler's foreign minister, tried to walk back the Hugenberg statement, asserting that Hugenberg had expressed only a personal opinion, not government policy. Hugenberg dug in his heels, retorting that, as economic minister, when he said something, he was speaking for the entire government. Foreign policy was just an extension of economic policy. Confusion and embarrassment followed.

Back in Berlin, Neurath insisted in a cabinet meeting that "a single member cannot simply overlook the objections of the others" and that Hugenberg "either did not understand these objections, which were naturally clothed in polite form, or he did not want to understand them." Hitler sought to mediate, saying that "what had already happened was no longer of any interest." But Hugenberg wouldn't back down: He wanted the issue resolved and on his terms. "It was a matter between Hitler and me as to who was going to seize the initiative," Hugenberg later admitted. Hitler prevailed. On June 29, 1933, Hugenberg resigned his minister post.

By then Hitler no longer needed either Hugenberg's corporate contacts or his Reichstag delegates. The bankers and industrialists who had once shunned the crass, divisive, right-wing extremist had gradually come to embrace him as a bulwark against the pro-union Social Democrats and the virulently anti-capitalist Communists. Six months earlier, three weeks before

Hitler's appointment as chancellor, the banker Kurt Baron von Schröder had met with Hitler at Schröder's villa in a fashionable quarter of Cologne. The arrangements were cloak-and-dagger: Hitler made an unscheduled, early-morning exit from a train in Bonn, entered a hotel, ate a quick breakfast, then departed in a waiting car with curtained rear windows to be driven to the Schröder villa while a decoy vehicle drove in the opposite direction. Hitler walked out of the meeting with a 30 million reichsmark credit line that saved his political movement from bankruptcy.

Once Hitler was in power, there was no longer need for secrecy or subterfuge. On Monday, February 20, 1933, Hermann Göring, one of two Nazis ministers in the Hitler cabinet and the president of the Reichstag, hosted a fundraiser at his official residence for the Nazi Party in advance of upcoming elections. The event was presided over by Hjalmar Schacht, a respected banker and co-founder of a centrist political party who saw Hitler as the best bet against left-wing political forces and had lobbied President Paul von Hindenburg to appoint Hitler chancellor.

Among the two dozen industrialists, bankers, and businessmen in attendance, the most prominent was Gustav Krupp von Bohlen, known as "the cannon king" for his armament production. "I was astonished," Schacht recalled, "because I knew that this same Krupp von Bohlen had refused an invitation from Fritz Thyssen to attend an event with the Rhine-Westfalen industrialists four weeks earlier."

Gustav Krupp von Bohlen (*at left*) and Adolf Hitler during a visit to the Krupp Factory in Essen. Krupp, another wealthy Hitler backer, supplied armaments to the Third Reich. (DPA Picture Alliance / Alamy)

Perhaps equally surprising was the presence at this fundraiser of four directors from the board of the giant chemical and pharmaceutical conglomerate I.G. Farben, which had to that point been staunchly pro-democracy, pro-Weimar Republic, and anti-National Socialist. (The Nazis derided the company, which employed many Jewish scientists, as “an international capitalist Jewish company.”)

Hitler himself stunned party attendees by showing up as the unannounced guest of honor. Clad in a suit and tie rather than a brown storm trooper’s uniform, Hitler addressed the assembled corporate elite, warning of the dangers of communism and trumpeting his appointment as chancellor as a “great victory” that he saw as a mandate for radical change. He outlined his plans to restore the power of the military, assert totalitarian control over the

country, destroy the parliamentary system, and crush all political opponents by force. "Private enterprise cannot be maintained in the age of democracy," Hitler told them.

[Jeffrey Goldberg: Trump: 'I need the kind of generals that Hitler had'](#)

After Hitler departed, Schacht spoke of the need for additional campaign financing in advance of the upcoming elections. Hermann Göring added that the election, scheduled for March 5, "will surely be the last one for the next 10 years, probably even for the next 100 years." By day's end, the fundraiser had generated 3 million reichsmarks, the equivalent of \$15 million today.

The following three weeks [delivered a series of blows](#) to the Weimar Republic that resulted in its demise: the arson attack on the Reichstag on February 27, which saw the very symbol of parliamentarian democracy consumed in flame; the March 5 elections from which the Nazis emerged with a mandate for Hitler's reforms; and the passing of an "enabling law," on March 23, that established Hitler as unchallenged dictator. In a letter to Hitler, Gustav Krupp wrote, "The turn of political events is in line with the wishes which I myself and the board of directors have cherished for a long time."

German corporations, large and small, helped retool the Weimar Republic as the Third Reich. Ferdinand Porsche designed the [Volkswagen](#), a "car for the people." [Mercedes-Benz provided Hitler and his chief lieutenants with bulletproof sedans.](#) [Hugo Boss designed the black uniforms for the SS.](#) Krupp supplied armaments. [Miele produced munitions.](#) [Allianz provided insurance for concentration camps.](#) [J.A. Topf & Sons manufactured crematoria ovens.](#) A dismayed executive at Deutsche Bank, which was involved in the expropriation of Jewish businesses, sent a letter to the chairman of his supervisory board: "I fear we are embarking on an explicit, well-planned path toward the annihilation of all Jews in Germany."

For the industrialists who helped finance and supply the Hitler government,

an unexpected return on their investment was slave labor. By the early 1940s, the electronics giant Siemens AG was employing more than 80,000 slave laborers. (An official [Siemens](#) history explains that although the head of the firm, Carl Friedrich von Siemens, was “a staunch advocate of democracy” who “detested the Nazi dictatorship,” he was also “responsible for ensuring the company’s well-being and continued existence.”)

By October 1942, I.G. Farben and its subsidiaries were using slave laborers in 23 locations. The life expectancy of inmates at an I.G. Farben facility at Auschwitz was less than four months; [more than 25,000 people lost their lives on the construction site alone](#). As corporate practices adapted to evolving political realities, the company aligned its wide technological and human resources with government priorities. Jews were purged from the corporate ranks. The I.G. Farben pharmaceutical division, Bayer, supported Nazi medical experiments. A postwar affidavit alleges that Bayer paid 170 reichsmarks for 150 female Auschwitz prisoners. “The transport of 150 women arrived in good condition,” the affidavit reads. “However, we were unable to obtain conclusive results because they died during the experiments,” and “we would kindly request that you send us another group of women to the same number and at the same price.” Although recent investigations have questioned the veracity of this particular affidavit, Bayer’s involvement in medical experimentation on Auschwitz inmates is undisputed.

The I.G. Farben company Degussa owned a chemical subsidiary that produced a cyanide-based pesticide known as Zyklon B, used primarily for fumigating ships, warehouses, and trains—and, after 1942, as a homicidal agent at Nazi extermination facilities. Company logs confirm the delivery of an estimated 56 tons of Zyklon B from 1942 to 1944; more than 23.8 tons were sent to Auschwitz, where it served as the primary instrument of death for the more than 1 million Jewish people murdered there.

In August 1947, 24 senior I.G. Farben managers were placed on trial for their

role in Nazi aggression and atrocity. In his opening statement before the court, the prosecutor Telford Taylor said of these executives, "They were the magicians who made the fantasies of *Mein Kampf* come true. They were the guardians of the military and state secrets." The 15,638 pages of courtroom testimony, along with the 6,384 documents submitted as evidence—purchase orders, internal memos, board minutes—indicated that these Farben executives knew the exact number of airplane and truck tires, the running feet of tank tread, the amount of explosives, as well as the precise number of canisters of Zyklon B gas delivered to Auschwitz. The defense attorney for the chairman of I.G. Farben's supervisory board argued that his client was "no robber, no plunderer, no slave dealer," but rather just a 60-year-old senior executive doing what senior executives were paid to do—run the company with an eye to the bottom line. If he collaborated with the government, it was out of "a feeling of personal responsibility to the company." Twenty-three I.G. Farben directors were eventually charged with war crimes and crimes against humanity; 13 of them were convicted and sentenced to prison.

[From the February 1937 Issue: Hitler looks eastward](#)

At the International War Crimes Tribunal in Nuremberg in 1945, Gustav Krupp was indicted as a major war criminal alongside the likes of Göring and Hans Frank, but he was too ill to stand trial. Instead, his son was tried in 1947, in *The United States of America v. Alfried Krupp, et al.* The indictment charged the younger Krupp, alongside 11 Krupp corporate directors, with crimes against humanity and war crimes, for participating in "the murder, extermination, enslavement, deportation, imprisonment, torture, and use for slave labor of civilians." Alfried Krupp reportedly never expressed remorse, at one point telling a war-crimes trial observer, "We Krupps never cared much about political ideas. We only wanted a system that worked well and allowed us to work unhindered. Politics is not our business."

As for Alfred Hugenberg? Unlike other early private-sector Hitler enablers

such as Fritz Thyssen and Hjalmar Schacht—both of whom ended up in concentration camps after crossing Hitler—Hugenberg got off lightly. Hugenberg withdrew to his sprawling estate, Rohbraken, in the former feudal province of Lippe, where he lived as the local regent while his business empire was gradually whittled away.

The German Nationalist Party was disbanded as soon as Hugenberg stepped down from his cabinet post in June 1933. In December of that year, the Telegraph Union was taken over by the ministry of propaganda and absorbed into a newly created entity, the German News Office. In 1943, Hugenberg's publishing house, Scherl Verlag, was acquired by the Nazi publisher, Eher Verlag. By war's end, the defrocked cabinet minister and disenfranchised media mogul was diminished and dissipated but still defiant.

On September 28, 1946, Hugenberg was arrested by the British military police. He was detained for five months, and his assets were frozen. After a formal hearing, Hugenberg was deemed to be a "lesser evildoer"—officially, a "*Mitläufer*," the lowest order of complicity in the Nazi regime—on the grounds that he had left his cabinet post in the first months of the Hitler regime and had never been a member of the Nazi Party. With undiminished temerity, Hugenberg balked at even that lesser charge. Having been stripped of most of his business empire, Hugenberg saw himself as a victim of, not a participant in, the Nazi regime. He appealed the hearing's determination and won. He was declared "untainted," which allowed him to lay claim to his frozen assets. Unrepentant to his dying day, Hugenberg refused to publicly countenance any suggestion of guilt or responsibility for Hitler's excesses.

On the morning of Tuesday, January 31, 1933, less than 24 hours after enabling Hitler's appointment as chancellor, Hugenberg reportedly spoke with Carl Friedrich Goerdeler, a fellow conservative and the mayor of Leipzig. "I've just committed the greatest stupidity of my life," Hugenberg allegedly told Goerdeler. "I have allied myself with the greatest demagogue in the history of the world."