

Hans Ostwald, “A Moral History of the Inflation” (1931)

Abstract

Witnesses to the inflation such as Thomas Mann, Stefan Zweig, and Elias Canetti characterized it as a witches’ Sabbath. Likewise, the journalist and writer Hans Ostwald described it as a “hellish carnival.” For a time, however, the inflation did have certain advantageous effects (on German exports and the labor market, for instance); but the balance tipped dramatically to the negative side as the currency devaluation accelerated into hyperinflation from June/July 1922 onward and as the crisis reached its peak in 1923. Among large segments of the German population, hyperinflation, in particular, led to a profound loss of confidence in politics and the market economy. In the following piece, Ostwald attempts a nationalistic transfiguration of the Germans into a “people of work” who remained “healthy” at the core. His efforts attest to a popular need for overcompensation and self-assurance, a need that stemmed in no small part from the trauma associated with the period of inflation.

Source

A Moral History of the Inflation

Thinking back on the inflationary years an extravagant image of a hellish carnival appears before the eyes: plunderings and riots, demonstrations and confrontations, profiteering and smuggling, agonizing hunger and gluttonous feasts, sudden impoverishment and rapid enrichment, debauched, maniacal dancing, the horrific misery of children, naked dances, currency conjurers, hoarders of real value, amusement ecstasy—indulgence, materialist worldviews and religious decline, flourishing occultism and clairvoyance—gambling passion, speculation frenzy, an epidemic of divorce, women’s independence, the early maturity of youth, Quaker food, student aid, raids and profiteering trials, jazz bands, narcotics.

Truly a dazzlingly colorful county fair of life!

One could probably list more catchwords and facts, happenings and circumstances. What novelty failed to appear! What a loud, boisterous battle for attention!

It was a time of intense revaluation—in the economy and culture, in material as well as psychological things. Rich people who could have afforded all the pleasures in the world were suddenly glad to have someone hand them a bowl of warm soup. Overnight little apprentices became powerful bank directors and possessed seemingly inexhaustible funds. Foreigners, some the most impoverished of pensioners at home, could suddenly step out in Germany like princes.

Everything seemed reversed.

The family, too, seemed to be in rapid decline. An ecstasy of eroticism cast the world into chaos. Many things that otherwise took place in secret appeared openly in the bright light of the public stage. Above all it was the women who in many respects completely transformed themselves. They asserted their demands, particularly their sexual demands, much more clearly. In every conceivable way they intensified their claim to the rights of life and a full range of experience. Amorous scandals came much more strongly to light. Some of them served as symbols of the time. Nudism was no longer confined to specific circles and to theatrical revues and cabarets. It permeated fashion throughout society: the pretty leg was discovered and gladly put on display. Beauty aids were everywhere. Developments continued. If during the war women were forced to take over many male jobs, they did not allow themselves afterward

to be pushed quite all the way back into the home. That had its effect on relations between the sexes as well. And, as the last stage of development, there arose the female bachelor, the woman in charge of her own life, whether unmarried, divorced, or widowed.

To that was added our experience of the remarkable juvenescence of the woman's world. Grandmama, in a practically knee-length skirt and a bobbed hairdo, danced with young men in the clubs, hotels, and cafés—wherever the opportunity presented itself. And mama danced with friends. And youthful mademoiselles took the opportunity to dance along—and the children suffered their fears alone at home.

Postwar eroticism was nourished by the insecurities of life, by the rapid up and down of the economy. Nevertheless, the era produced new knowledge and developments in the erotic as well as in many other areas.

Despite the apparent collapse of all the values that had guided human life for centuries, indeed for millenia, they were transformed or newly defined only to a very small extent, with only some of them emended.

That became evident as the inflation came to an end.

The nightmare vanished.

The German people resurrected itself. It created a new currency—on its own. And with that it rebuilt its economy, which was possible only because they were a people of work. Only through attention to work, only through work could it create values that became the basis for a new life.

In a short time illicit trade and profiteering disappeared. This pestilence on the economy and on the entirety of the German people's intellectual and psychological life shriveled up and went away. And the whole noxious odor of exaggerated eroticism and of the crimes and conventions of the inflation flew away like clouds of dust in a purifying wind.

And we recognized that the broad masses of the German people were still intact. They had always been diligent and proper, and had remained so. The upright little man, the postman and the railroad engineer, the seamstress and the washerwoman, had always, just like other kinds of workers, fulfilled their duties. Doctors had treated the sick, scholars had advanced science, and inventors had developed and realized their ideas.

Everyone, no doubt, was visited frequently enough during the inflation by temptation. But the majority did not succumb; they overcame it.

And thus it was that such a healthy people could quickly rid themselves of the inflation and most of the consequences of that demoralizing time. The temporary symptoms, the crimes, the ecstasy, the damages, nearly all remained on the periphery, at the edges, on the surface!

Some things likely did change, were improved by new approaches and discoveries. But the great, good core remains.

[...]

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