



The 1924D "Drei" Mark (3 Mark) is 15g, .5000 silver .2411 oz ASW and mintage was 3,769,000 and can be referenced in the Krause catalogue as KM#43. The value at time of my acquiring this coin in 2006 ranged from \$20.00 U.S. for Fine to \$320 U.S. for BU. As you can see from the picture, my coin is in very good condition. The information that came with the coin, Krause Publications and Wikipedia explain the significance of this currency. My particular coin is currently worth \$50-\$90 U.S. (i.e. as of October 2008) and appears to be holding up to an Extra-Fine grade. This is one of a number of German coins that I have from the 1920's.

Germany adopted the Mark as its currency following unification in 1871. This first Mark came to be known as the Gold mark, which became Papiermark later and eventually suffered hyperinflation in 1923. A new Mark was introduced, called the Rentenmark (worth 1,000,000,000,000 Papiermark), swiftly replaced by the Reichsmark in 1924.

The inflation in the Weimar Republic was a period of hyperinflation in Germany (the Weimar Republic) during 1921-1923. The hyperinflation episode in the Weimar Republic in the 1920s was not the first hyperinflation, nor was it the only one in early 1920s Europe. However, as the most prominent case following the emergence of economics as a science, it drew interest in a way that previous instances had not. Many of the dramatic and unusual economic behaviors now associated with hyperinflation were first documented systematically in Germany: order-of-magnitude increases in prices and interest rates, redenomination of the currency, consumer flight from cash to hard assets, and the rapid expansion of industries that produced those assets.

During the first half of 1922 the mark stabilized at about 320 Marks per Dollar accompanied by international reparations conferences including one in June 1922 organized by U.S. investment banker J. P. Morgan, Jr. When these meetings produced no workable solution, the inflation changed to hyperinflation and the Mark fell to 8000 Marks per Dollar by December 1922. The cost of living index was 41 in June 1922 and 685 in December, an increase of more than 16 times. In January 1923 French and Belgian troops occupied the industrial region of Germany in the Ruhr valley to ensure that the reparations were paid in goods, such as coal from the Ruhr and other industrial zones of Germany, because the Mark was practically worthless. Although reparations accounted for about one third of the German deficit from 1920 to 1923, the government found reparations a convenient scapegoat. Other scapegoats included bankers and speculators (particularly foreign), both of which groups had, in fact, exacerbated the hyperinflation through the normal course of their profit-seeking. The inflation reached its peak by November 1923, but ended when a new currency (the Rentenmark) was introduced. The government stated that this new currency had a fixed value, secured by real estate, and this was accepted.



Although the inflation decreased with the introduction of the Rentenmark and the Weimar Republic continued for a decade afterwards, **hyperinflation is widely believed to have contributed to the Nazi takeover of Germany.** Adolf Hitler himself in his book, *Mein Kampf*, makes many references to the German debt and the negative consequences that brought about the "necessity" of National Socialism. The inflation also raised doubts about the competence of liberal institutions, especially amongst a middle class who had held cash savings and bonds. It also produced resentment of Germany's bankers and speculators, many of them Jewish, whom the government and press blamed for the inflation.

A medal commemorating Germany's 1923 hyperinflation. The engraving reads: "On 1st November 1923 1 pound of bread cost 3 billion, 1 pound of meat: 36 billion, 1 glass of beer: 4 billion."

The term Weimar Republic (Weimarer Republik, IPA: [ˈvaɪmərə ʁepuˈbliːk]) is used by historians to signify the democratic and republican period of Germany from 1919 to 1933.



Following World War I, the republic emerged from the German Revolution in November 1918. In 1919 a national assembly convened in the city of Weimar, where a new constitution for the German Reich was written, to be adopted on 11 August. This attempt to re-establish Germany as a liberal democracy failed with the ascent of Adolf Hitler and the Nazi Party in 1933. Although technically the 1919 Weimar constitution was not invalidated until after World War II, the legal measures taken by the Nazi government in February and March 1933, commonly known as *Gleichschaltung*, destroyed the mechanisms of a true democracy. **Therefore 1933 is usually seen as the end of the Weimar Republic and as the beginning of Hitler's "Third Reich"**. Picture on the left is titled: "Inflation 1923-24: a woman feeds her tiled stove with money".

**The name Weimar Republic was never used officially during its existence. Despite its political form, the new republic was still known as Deutsches Reich in German.** This phrase was commonly translated into

English as *German Empire*, although the German word *reich* has a broader range of connotations than the English *Empire*, so the name is most often translated to the *German Reich* in English. The common short form remains *Germany*. Pictured right>>>1923-issue 50 million mark banknote. Worth approximately \$1 US when printed, this sum would have been worth approximately \$12 million, nine years earlier. The note was practically worthless a few weeks later due to continued inflation.



## **Golden Era (1923–1929)**

Gustav Stresemann was *Reichskanzler* for 100 days in 1923 (Aug. 13th to Nov. 23rd DVP political party), and served as foreign minister from 1923-1929, a period of relative stability for the Weimar Republic when there were fewer uprisings and the beginnings of economic recovery.

As 16th chancellor of Germany, Stresemann had to restore law and order in certain towns in Germany such as Spandau and Krustin, where the 'Black Reichswehr' (a section of the freikorps) held a mutiny. Saxony and Thuringia allowed KPD members into their governments, and a new nationalist leader in Bavaria called for Bavarian independence and told his army to disobey orders from Berlin. Stresemann persuaded Ebert to issue Article 48 to resolve the situation and brought the Freikorps to settle the situation. However the use of violence against political activities led the SPD (Social Democratic Party) to remove themselves from his coalition which finally led to the ending of his chancellorship.

Stresemann's first move as foreign minister was to issue a new currency, the *Rentenmark*, to halt the extreme hyperinflation crippling German society and the economy. **It was successful because Stresemann refused to issue more currency, the cause of the inflationary spiral. In addition the currency was based on land, and restored confidence into the economy.** With this achieved, a permanent currency - the Reichsmark - was introduced in 1926. Hans Luther was also appointed as Finance minister who helped balance the budget by dismissing 700 000 public employees.

**In 1924 the Dawes Plan was created, an agreement between American banks and the German government, in which the American banks lend money to Germany, to help them pay reparations.** Other foreign achievements were the evacuation of the Ruhr in 1925, and the 1925 Treaty of Berlin. This reinforced the Treaty of Rapallo in 1922, and improved relations between the USSR and Germany. Also in this year,

Germany was admitted to the League of Nations, which gave her a good international stance and the ability to veto legislation after Stresemann's insistence on entering as a permanent member. They also made agreements over its western border, though nothing was fixed on the Eastern borders. However, this progress was funded by overseas loans, increasing the nation's debts, while overall trade decreased and unemployment rose. Stresemann's reforms did not relieve the underlying weaknesses of Weimar but gave the appearance of a stable democracy.

The 1920s saw a massive cultural revival in Germany. It was, arguably, the most innovative period of cultural change in Germany. Innovative street theatre brought plays to the public, the cabaret scene and promiscuity became very popular. Women were americanised, wearing makeup, short hair, smoking and breaking out of tradition. Music was created with a practical purpose, such as Schoenberg's 'atonality' and there was a new type of architecture taught at 'Bauhaus' schools. Art reflected the new ideas of the time with artists such as Grosz being fined for defaming the military and for blasphemy.

There was a lot of opposition to this Weimar culture shock, especially from conservatives. For instance, in 1930 Wilhelm Frick banned jazz performances and removed modern art from museums, as well as a new law being introduced to prevent teenagers from buying pulp fiction or pornography. Despite the progress during these years, Stresemann was criticized by opponents for his policy of "fulfilment", or compliance with the terms of the Versailles Treaty, and by the German people after the invasion of the Ruhr, in which he agreed to pay the reparations set by the treaty in order for the French troops to evacuate.

In 1929, Stresemann's death marked the end of the "Golden Era" of the Weimar Republic. He died at the age of 51, four years after receiving the 1926 Nobel Peace Prize.

