I beg your permission to describe to you the whole complex of the powerful events which have taken place in Germany during the last twelve years. I have seen everything that has happened and have been able frequently to observe everything on the basis of my official position.

As far as the personalities are concerned, the events will now be judged by the International Military Tribunal. The question whether this court has or has not rightful jurisdiction, is completely unimportant. These events have shaken the world to such an extent that the world is entitled to call the guilty to account. I am convinced that today a German court would arrive at no other decision than the International Military Tribunal. I myself am perfectly willing to submit myself to the sentence of the International Military Tribunal. It will judge according to the basic and legal principles which guide all decent people.

That I myself am one of the defendants is merely due to the fact that the world is incompletely informed concerning the role which I have played during the last twelve years. As no other person, however, I have the right to appear as a prosecutor in this trial, not as a defendant. I have led a decent and fair struggle, often at the risk of my life. I am able to accuse, since I am guilty of no criminal or immoral deed. In the beginning I have erred since just like many other men within and without Germany I have been cheated and lied to; as soon as I realized what the true situation was I did everything in my power to prevent a disaster, and have done everything in order to remove the criminals from power.

I have deeply suffered from the mistakes and injustices of the Treaty of Versailles, but I had always hoped that these mistakes might be gradually rectified by peaceful negotiations. I had always relinquished all claims on Alsace-Lorraine. I had hoped that the problem of the Polish corridor would be settled by agreement. I have always made the incorporation of Austria into Germany dependent on the wishes of the Austrian population. I have therefore deeply regretted it that the Allied Nations did not authorize a customs union between Austria and Germany in 1932. I would have preferred a customs union between Germany and the Sudeten Land, which should have included all of Czecho-
Slovakia. I considered international disarmaments one of the most important things for the preservation of peace.

The completely negative attitude of the Allies towards Germany brought success to the Hitler Movement. I had nothing to do with this movement since I confined my activities to my economic and financial tasks. In January and February 1941 I urged Chancellor Bruning to ask the National Socialists to enter the government so that they would have positive tasks which might absorb the demagogic elements of the movement. Bruning could not be persuaded to do this. When in 1932 the National Socialists had 230 Reichstag deputies I saw no other way but to give him, as leader of the largest party in the Reichstag, the chance to carry out his promises. One should not forget that there were at that time 6,000,000 unemployed, and the Communist movement was rising incessantly. In 1923 I had already faced the same situation which I had helped to solve by the stabilization of the German currency. The danger now was a similar one and my democratic attitude made me give Hitler a chance. I have never agitated for him and I never became a member of the party (see page 13).

Since I knew how important a healthy currency is in an economic rehabilitation, I reaccepted my former position as president of the Reichsbank. I am being accused of having financed German rearmament. I did this because I considered rearmament essential as a compensation for the non-disarmament of the other Powers. I considered a disarmed Germany a continual danger to the peace among armed nations and continually arming nations. If peace was to be maintained, Germany had to be on an equal footing with its neighbors. Either general disarmament, or German rearmament - that was the alternative in order to recreate the equilibrium.

I hoped that the presentation of such an alternative would result in international negotiations concerning a general disarmament. I have always preferred general disarmament to German rearmament. For this attitude I have no less a witness than the American Ambassador Joseph Davies, who in his book "Mission to Moscow" quotes a conversation with me concerning a disarmament proposal of President Roosevelt which I enthusiastically approved of without however being able to convince Hitler. This conversation took place in 1937 and shows that even then I still hoped that a general disarmament might be possible. Actually President Roosevelt was the only leading politician who saw the situation in its
true light. The Allies did nothing. They did nothing against Germany in a commercial way, for instance by sanctions, nor in a diplomatic way, be it by breaking off diplomatic relations or resuming armament negotiations. All they did was to present a weak note of protest. Great Britain even went so far as to formally authorize a rearmament of the German Navy by concluding a "Naval Agreement" with Hitler in 1935. I therefore had to come to the conclusion that the Allies preferred a German rearmament to their own disarmament.

Soon in the course of the German armament, I had difficulties with the Minister of War. In several lectures to higher officers of the Ministry of War and of the Defense Academy I pointed to the limits which were set to German rearmament by economy and finance. Repeatedly I told the Minister of War, together with General Thomas, the head of the Armament Office, who was in complete agreement with me, that the speed and extent of the armament program would have to be limited. The currency and the finances of the state had to remain healthy, foreign trade had to be maintained for the purchase of food supplies and raw materials for the expert industry. Rearmament was less important than these requirements.

Hitler and the party did not agree with this policy. The Four Year Plan set up by Hitler in the fall of 1936 was nothing but an attack against my reasonable economic policy when, after August 1934, I was partly responsible, in a provisional way, for the Ministry of Economics. The Four Year Plan had been prepared behind my back so that I was completely taken by surprise. As a result of the conflicts between Goering, the Head of the Four Year Plan, and myself, I offered my resignation from the Ministry of Economics in the fall of 1937 and succeeded in having it accepted.

Up to March 1937 I had given rearmament credits in the amount of nine billion (9,000 million) Reichsmark. These credits were given for a period of five years and were then to be repaid out of the Reich budget. The first payments were due in 1939. Since I realized that such repayment was doubtful in view of the unrestrained spending by the state, I told Hitler, in March 1937, that the Reichsbank was not able, and not willing, to provide further funds. This announcement led to a deep conflict. Since Hitler was unprepared to accept such sudden notice, I agreed to compromise. I promised another three billion marks for one more year, on the condition that I would leave.
of the Reichsbank the minute Hitler would ask for further funds. He complied with this compromise. After March 1938 the Reichsbank did not give another penny. Already towards the end of 1938 the Minister of Finance got into difficulties. He asked for renewed credits from the Reichsbank which were refused, and the Minister of Finance was forced to approach private banks. On January 2, 1939, Hitler asked me to print more bank notes for the expenditures of the state but the Praesidium of the Reichsbank unanimously refused to do this. I thereupon was dismissed by Hitler as president of the Reichsbank. Five of my colleagues left with me.

I have never been informed concerning the extent of the rearmament program — and this quite intentionally. In spite of this I gradually had the feeling that rearmament was going beyond desirable proportions. Hitler never spoke to me about any intention to wage war, but always talked about his love of peace, both in conversation with me and in his public speeches. But the exaggerated rate of rearmament made me suspicious and appeared dangerous to me.

I continued in my own sphere to further a peaceful understanding in foreign affairs. The steady collaboration with foreign banks of issue and the meetings at the Bank of International Settlement at Basel, gave me welcome opportunities to do so. Added to this were occasional visits to Paris, London, and other cities. I conducted credit negotiations with China and Russia. I became most hopeful, when in the summer of 1936, I succeeded in persuading Hitler to take up negotiations concerning the colonial question. I always hoped thereby to divert him from his mad ideas of expansion towards the East. The reason I did not take these ideas too tragically was the fact that Hitler had made such an expansion in the East dependent on England's help — as expressed in his book "Mein Kampf". I knew of course that such help would never be given. At this point Hitler authorized me to go to Paris, where I discussed the possibility of a return to Germany of some of the colonial mandates with the cabinet of Leon Blum. Fortunately Blum recognized that a colonial arrangement would be beneficial to the cause of peace, and promised to take the question up with London. London hesitated at first, but I learned in the beginning of 1937, that they were ready to take up negotiations. At this time the Spanish Almeria incident occurred, and Hitler dropped the whole matter.

I still did not realize that Hitler wanted war. The reason I became
more and more opposed to Hitler lay entirely in the moral sphere. His entire lack of any feeling of justice, his disregard of all laws, his toleration of party excesses against the church and the Jews, his depravation of German youth, the inhuman conduct of the Gestapo, the degradation of German officialdom, the shameless enrichment of party officials, all of this got worse from year to year. These were mistakes and crimes which could not be made up for by getting rid of unemployment, and by no successes in foreign affairs. One could not and should not rule the people like that.

Quite early I had expressed my opposition to these things to Hitler. Early in May 1935 I had handed him a memorandum in which I demanded the stopping of the attacks on the church, legal protection for the Jews, and liquidation of the Gestapo. In spite of the fact that Hitler had tried to pacify me by explaining these happenings as temporary revolutionary phenomena, I repeated my opinions publicly a few weeks later in Königsberg. The publication of this speech in which I had also stood up for free masonry, was banned by Goebbels. I had the speech printed in the printing room of the Reichsbank, and in this way, 250,000 copies were distributed all over Germany.

I had continuous fights with the majority of the Gauleiters, partly concerning questions of maltreatment of Jews, partly concerning encroachments on the authority of the state. All of these conflicts were concluded in my favor. Soon I was, as a former free mason and democrat, the best hated man in the party. Only because of my accomplishments did Hitler not separate himself from me.

However, my conscience began to bother me more and more, and I asked myself whether I should continue to collaborate with so amoral a man as not. I could have saved my own person but that would have been of no use to the country. I decided to stay on and to try everything in order to stop the evil instincts of Hitler and to counteract them. This required a great deal of pretense, but also gave many uninformed people a wrong impression of me - but it seemed more courageous and more honorable to me to take up the struggle than to resign. If there had been more men who would have put up the same kind of resistance, and who would have taken the same risks, the end would have been different. There were no such men. I saw that clearly during the Fritsch Incident.

General von Fritsch was the most honorable officer in the German Armed
Forces. His feeling of responsibility would never have permitted him to lead Germany into an aggressive war. He enjoyed supreme authority in the whole officers' corps. Early in February 1938, Hitler started the ugliest intrigue against this man—he accused him of homosexuality by means of a corrupted witness, and dismissed him from office. In spite of the fact that a court of honor, arranged for by General Beck, resulted in the proof of the complete innocence of Fritsch, he was not reappointed. Hitler took over the supreme command, and Beck voluntarily resigned after a few months.

The fact that Fritsch was not reappointed to his own office, was ominous. If ever, this was the time when the generals should have done something against Hitler. Since nothing happened, I personally got in touch with Brauchitsch, Funke, and Raeder. I told each one of them that the generals would lose all influence and honor if they did nothing against the dismissal of Fritsch.

I had no success with either one of the three.

I then decided to act on my own. During the course of the summer I found in the person of General von Witzleben an officer who thought the way I did. We planned a military coup d'etat for which Witzleben, as commanding officer of the Berlin Service Command, ordered troops and tanks. At the last moment some of the generals under Witzleben lost courage, influenced perhaps by the foreign political successes of Hitler, who at that time, thanks to the policies of the Allies, was at the peak of his popularity. The first attempt at revolution had failed; I had to go on fighting, under continual risk of my life.

In order that my dismissal from the Reichsbank be not be discussed too much, Hitler expressed the wish that I go abroad for some time. On March 11, 1939, I left for British India, via Switzerland, and returned early in August. I found the situation extremely serious. When concerning a conflict with Poland became more and more frequent, I tried at the end of August 1939, together with General Thomas, to get in touch with Generals Brauchitsch and Halder, in order to warn them at the last minute that war might break out. However, Admiral Canaris, who was to be the intermediary, dissuaded us from establishing this contact, since in his opinion, it would lead to our immediate arrest.

From the very beginning of the war I never stopped the hopelessness of winning this war. Foreign Minister von Ribbentrop sent me a warning through State Secretary v. Weizsaecker, I should stop making defeatist remarks
as I had done during a conversation with the Minister of Economics Funk. 
I thereupon wrote a letter to Funk in which I repeated my opinion that it was 
impossible to win the war, and sent copy of this letter to Weizaecker. When, 
after the United States had entered the war, Goebbels asked me to write an 
article for his magazine "Das Reich", to the effect that the war potential 
of the United States represented no danger for Germany, I refused to write 
the article, and told him that I could not do so since I was of the exactly 
-opposite opinion. In September 1941 I wrote a long letter to Hitler in which 
I urged him to change his foreign policy and to seek peace. Reich Minister 
Lammers wrote me in reply to tell me that Hitler had read my letter. At the 
end of November 1942, I wrote an extremely sharp letter to Goering which 
caused him to exclude me from the Prussian State Council, because of defeatism, 
and which caused Hitler to discharge me from my position as Minister without 
portfolio.

I was in continuous touch with all people who were against Hitler. In the 
time from 1940 to 1941 I tried once more to get military to act - General 
Hoeppner who was hanged after 20 July 1944. Some of the generals were ready to 
undertake an action against Hitler. They permitted delays because of the 
-attempts at concluding negotiations with the enemy powers in case of Hitler's 
liquidation. These attempts, which took a long time/ were conducted partially 
via the Vatican, and finally the Casablanca clause of "unconditional surrender", 
continued to paralyze the action of the generals, until finally on 
20 July 1944 the unplanned and poorly prepared attempt at assassination occurred, 
as a result of which I was imprisoned on 23 July 1944 as politically suspect.

If today, after everything is over, I want to arrive at an evaluation, it 
would be the following:

The unsuccessful revolution of 9 November 1923 had shown Hitler that the 
German people were too democratic to tolerate a coup d'état of subversive 
elements. He therefore propagated in conscious insincerity, the methods of 
"legality". The economic and social emergency as a result of the treaty of 
Versailles, and the incapability of the Social Democrats to master the situation, 
prepared the soil for Hitler's propaganda in competition with Communism. The 
religious attitude of the German people, its love of family, private property,
order and law, all of which Hitler had promised to protect, gave him priority over the Communists. The parties of the middle classes gave Hitler power, without assuring themselves an abuse of this power.

Once he had seized the power, Hitler conquered, with the help of ministers and officials of the previous government, the economic, social, and financial difficulties. At first he consciously misled these collaborators and then sought to make them incapable of any action by killing freedom of expression, by threatening, by power and corruption. The people were held in a state of complete ignorance and were terrorized by the party and by the Gestapo until they were completely paralyzed.

It is a tragedy that there were not one or two dozen men in responsible positions who openly resisted Hitler the way I did. It was especially sad to see such a lack of character in the members of the officers' corps, who thought that they owed allegiance to a lawless chancellor who had broken many oaths - even when they were asked to do things which were against law and conscience. For they will have to bear the consequences for their lack of a feeling of responsibility and for their lack of moral courage.

(Insert for page 2)

In January 1937 I, just as all the other civilian ministers, received the Golden Party Badge from Hitler. He declared that he was going to make the Golden Party Badge a sort of order. Adherence to the party or to the platform of the party was not connected therewith. Neither before nor afterwards have I ever entered into any obligation toward the party.