Hitler and the Volkswagen

Although Volkswagen plays down the connection (who wouldn't?), the company got its start during the Third Reich. Based on the Führer's desire to rebuild Germany into a rich nation where all families could own a car, the company turned out several very recognizable Volkswagen beetles.

Soon, though, World War II forced the factory to start producing war material instead—including lightweight, dependable cars (Kubelwagens) used for transport in North Africa and along the Russian Front.

Inspiration Strikes

According to the Hitler Museum, Adolf Hitler created the first design of the Volkswagen, sketching out a small car while he sat at a restaurant in Munich in 1932. If it is authentic, the sketch is quite prescient.

(Caveat: I don't know how reliable the Hitler Museum is. Other websites use this sketch and credit Hitler, but I do not see it in the library's books about Volkswagen's history, so I'm suspicious.)

Every agrees that Hitler tasked Ferdinand "Ferry" Porsche with the design of his car. You can even read about it at Porsche's website. At that time--1933--one in five Americans had a car, but only one in fifty Germans did.

Porsche had just opened his own automotive design company when he was invited to meet with the new Chancellor of Germany--quite an honor. Hitler told Porsche he wanted a car that would seat a family of four, go up to 100 kilometers per hour, and get at least 14 kilometers per liter of gasoline.

Porsche agreed that it could be done. He wasn't sure that he could produce the car for the 1,000 reichmarks apiece that Hitler wanted, though. That price would make it even cheaper than Ford's most economical car. In fact, over the next few years Porsche traveled to the US to tour car factories, including several of Henry Ford's plants.

Histomobile gives more detail about the earlier designs behind the VW.
Happy Germans Buy Their Cars

In the 1930s, Hitler had forced all Germans to enroll in the German Labor Front, and made them pay membership dues. 10% of those dues went to a branch of the front called "Strength Through Joy," or "Kraft durch Freude." The branch was in charge of recreation and sports. In Hitler's view, that covered motoring, so funds from Strength Through Joy (KdF) were funneled to build an automobile plant.

To raise more funds, Hitler came up with a prepayment plan. Employed Germans signed up for a car, and paid five reichmarks a week into an account. By the time the factory was operating, their car would be paid for--and they got two years' free insurance, gas, and maintenance as well! That was the idea, anyway.

Of course, none of those savers ever saw a car. 350,000 Germans paid $67 million for nonexistent cars by 1945. Believe it or not, the money was held in a special fund that still existed at the end of the war, but according to stories, the invading Russian army looted the account.

The Factory

Hitler wanted his "Volksauto" built. An ideal spot was found: 10,000 acres that belonged to Count Werner von der Schulenberg. The Reich simply took over the Count's property, including his Castle Wolfsburg. On May 26, 1938, 70,000 people celebrated the opening of Volkswagen City with the Fuehrer.

The few Volksautos built before 1941 actually came from a Daimler plant. The first KdF wagons, as the cars were called, did not roll off the assembly line until 1941. Only 630 were built before the factory switched over to producing war material. The plant was targeted by bombers from 1940 through 1944, and was two-thirds destroyed by the end of the war.

Of those early cars, one was given to Emperor Hirohito of Japan.
After the War

How did Volkswagen recover?

Many German companies switched to building bombs and weapons during the war. The Opel car company had done so, and its head, Heinrich Nordhoff, was very successful. After the war of course, that made him unpopular and he was fired as head of Opel.

The British put Nordhoff in charge of the old Volkswagen City, now renamed Wolfsburg. Much to everyone's surprise, Nordhoff made the company successful. He used the original blueprints to produce cars, and by 1948, 20,000 'beetles' were on the roads of postwar Europe.

And the rest is another story, to be told another time.