The Great Depression and its Effect on Hungarian Jews

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Abstract

The purpose of this paper is to examine the effects of the Great Depression on Jews in Hungary, with a specific focus on university students and lawyers—two fields in which the presence of Jews was highly contested. Instead of focusing on the Jewish economic elite, we discuss two groups that were targets of the most vehement attacks of the antisemitic middle class. Our aim is to present the direct and indirect consequences of the Great Depression on Jews, as well as its impact on the rise of political antisemitism. We also explore how far it can be understood as a catalyst of radicalization, as the Hungarian economy's deterioration led to the swift rise of the radical right-wing into power.

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Introduction

The 1929 economic crisis affected the entire society and made almost everyone more vulnerable. It would certainly be misleading and probably impossible to sharply divide any society into Jews and non-Jews based on their involvement in such a crisis. Therefore, the current paper focuses instead on how the crisis influenced Jewish life and the opportunities in Hungary. The paper presents specific segments of society in which Jews played a key role and, through these examples, investigates the connection between the economic depression and the radicalization of politics, and the rise of far-right ideologies and openly antisemitic parties alongside with Jewish reactions to and interpretations of the crisis and its consequences. The first anti-Jewish legislation of the era, a *numerus clausus*, was introduced in 1920 with the explicit goal of diminishing the number of Jewish students in higher education and indirectly among the intelligentsia in which Jews had been represented in much higher numbers than their general proportion in society. Therefore, we will focus on these groups, rather than the elites, which have been subjects of multiple studies in historical sociology and social history.[1] Through the case of university students and lawyers, we will present how the economic crisis further aggravated the circumstances of Jews. We will show that the Hungarian Jewish press closely followed the events leading up to and following Hitler's rise to power in Germany and that many authors identified the Great Depression as the primary cause of this disastrous process.

The Great Depression of 1929 struck Hungary in an already troubled economic situation. Certainly, the lost war and the consequences of the Versailles peace treaties produced challenging circumstances. At the same time, as Béla Tomka argues, the negative impact of the peace treaty on the Hungarian economy should not be exaggerated. Tomka underlines that economic growth was comparable to

[1] Such as Gábor Gyáni, "A Magyar polgári elitek értékrendszere és regionális változatai" (Values and Regional Varieties of the Hungarian Bourgeois Elites), *Tér és Társadalom* 24, no. 2 (2010): 5-16; Viktor Karády, *Allogén elitek a modern magyar nemzetállamban. Történelmi-Szociológiai Tanulmányok* (Allogen elites in the modern Hungarian nation state. Historical-Sociological studies) (Budapest: Wesley János Lelkészképző Főiskola, 2012); Viktor Karády and Péter Tibor Nagy, "Culturally Composite Elites, Regime Changes and Social Crises in Multi-Ethnic and Multi-Confessional Eastern Europe. (The Carpathian Basin and the Baltics in Comparison – cc. 1900–1950)," research project supported by the European Research Council with grant agreement Nr. 230518 between 2009 and 2011, accessed September 2, 2024, http://elites08.uni.hu/.

the prewar years. Therefore, the concept of the destructive impact of the peace treaty, as applied by contemporary politicians and scholars and generally widespread in Hungarian historiography, is not convincing.[2] Nevertheless, the exceptional difficulties post-war Hungary had to deal with should not be neglected, for instance, the case of 426.000 Hungarian refugees who moved from neighboring countries to Hungary.[3] This factor put additional pressure on the state to deal with the situation of an already problematic tumult of the intelligentsia, which aimed to get positions in the bureaucracy of a country severely reduced in size. Consequently, state bureaucracy became uniquely expensive, and a huge proportion of the population slipped into dependence on the state. The nature of state bureaucracy can be crucial during an economic crisis when states must reduce their expenses. Even between 1935 and 1937, expenditures for the administration of the central government were 31.4 percent in Hungary of all government spending, while they were between 15 and 18 percent in other countries of the region.[4]

As a regional condition, the entire area of East Central Europe was more affected by the crisis than Western countries. According to Iván T. Berend, there were three critical characteristics of the region that made it more vulnerable to potential economic turmoil. First, the agrarian crisis was more crucial for countries that were almost exclusively dependent on agrarian exports. Secondly, the credit crisis made these countries unable to repay their loans, and capital abroad became unavailable. Finally, the general backwardness of these economies made it extremely difficult to adapt and react to the new economic circumstances.[5]

In general, the political system of interwar Hungary and the inflexibility of its more and more state-controlled economy surely did not make it easier to provide sufficient answers to an economic crisis. In 1926 already, the contemporary

[2] Béla Tomka, "A trianoni béke gazdasági hatásai Magyarországon" (The Economic Impacts of the Trianon Peace-Treaty in Hungary), *Korunk* 31, no. 5 (2020): 73-84.

[3] István I. Mocsy, *The Effects of World War I. The Uprooted: Hungarian Refugees and Their Impact on Hungary's Domestic Politics 1918–1921* (New York: Brooklyn College Press, 1983), 10-12.

[4] Andrew C. Janos, *East Central Europe in the Modern World* (Stanford: Stanford University Press, 2000), 137.

[5] Iván T. Berend, "A világgazdasági válság (1929–1933) sajátos hatásai Közép- és Kelet-Európában" (The particular impacts of the economic crisis (1929–1933) on Central and Eastern Europe), *Történelmi Szemle* 25 (1982): 44-66.

economist László Ádám stressed that one of the worst consequences of the World War in Hungary was the disappearance of an independent economy and that the idea of the omnipotent state replaced the creativity of individuals.[6] To summarize the impact of the depression, Janos argues that the gross national product of Hungary diminished by 55.2 percent between 1929 and 1932.[7] György Kövér also argues in one of his recent works that the Great Depression in Hungary fits well into the trend that economic depressions in Hungary had always been preceded by a smaller crisis in the nineteenth century. The lost war and the consequences of the Trianon Peace Treaty can be considered an impetus for the economic crisis of the early 1930s.[8]

Jewish Life

According to the 1930 census, Jews of interwar Hungary accounted for 5.1 percent (444,567) of the total population. Their demographic structure was unique in that almost half of them (45 percent) were concentrated in the capital city, which was 23.2 percent of Budapest's total population.[9] Since 43.6 percent of Jews were engaged in trade and 31.2 percent in industry and crafts, they were very much associated with these sectors. At the same time, almost 60 percent of Christians were working in agriculture,[10] which, as mentioned above, was the first sector that was negatively affected by the crisis in 1928 already.[11] József Hasznos, president of the Community of Szolnok, observed one of the most striking consequences of the crisis. Since the economic situation worsened in the countryside, competition became more troublesome for local Jews who decided to move to major cities.

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[6] Péter Krisztián Zachar, *Gazdasági válságok, társadalmi feszültségek, modern válaszkísérletek Európában a két világháború között* (Economic crises, social tensions, modern answers in Europe between the Two World Wars) (Budapest: L'Harmattan, 2014), 49.
[7] Janos, *East Central Europe in the Modern World*, 137.
[8] György Kövér, *A növekedés terhe* (The Burden of Growth) (Budapest: Osiris, 2018), 19.
[9] Ezra Mendelsohn, *The Jews of East Central Europe between the World Wars* (Bloomington, IN: Indiana University Press, 1987), 99.
[10] Ibid., 101.
[11] Ágnes Pogány, "A nagy gazdasági világválság" (The Great Depression), in *Magyarország globális története 1869–2022* (Global History of Hungary 1869–2022), eds. Ferenc Laczó and Bálint Varga (Budapest: Corvina, 2022), 189-192.

Consequently, the situation in these cities became more difficult due to the rivalry between Jews in the economy, not to mention that the synagogues grew in numbers but not financially, which was yet another problem for the urban Jewish communities.[12]

The situation affected every segment of society; it had an impact on how people experienced their conditions, and, more importantly, on their relationship with government and politics. As József Vonyó stresses, from 1930 onwards, significant changes happened both on the right and the left. Through an example of Zala county, Vonyó convincingly shows that that while in 1930 there had only been a crisis of the governing party, a year later both the social democratic party and, as a novel phenomenon, far-right Nazi-type parties were established or re-established and became gradually more popular.[13]

Antisemitism and the Crisis

Even though an economic depression on its own explains neither the manifestation of antisemitism nor its rise, the impact of such a crisis cannot be neglected. Similarly to the 1873 crisis, an economic depression could function as a catalyst of political antisemitism, as Hannah Arendt[14] and Eva Reichmann[15] stressed. Competition and rivalry become more crucial during a crisis, and the fear of losing status becomes a more palpable experience, which can lead to the rise of hostility towards Jews.[16] It is crucial to underline that the contemporary expert, Count Imre Károlyi, emphatically stressed the seriousness of the crisis in 1931.

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[12] *Az Egyenlőség jubilumi száma* (Special Issue of Egyenlőség for its 50th anniversary), January 1930, 65-66.

[13] József Vonyó, *Jobboldali radikálisok Magyarországon, 1919–1944* (Right-Wing Radicals in Hungary, 1919–1944) (Pécs: Kronosz Kiadó, 2021), 287.

[14] Hannah Arendt, *The Origins of Totalitarianism* (San Diego-New York-London: Harvest Book, 1973), Chapter 1 “Antisemitism as an Outrage to Common Sense,” 11-53.

[15] Eva G. Reichmann, *Flucht in den Hass. Die Ursachen der Deutschen Judenkatastrophe* (Frankfurt: Europäische Verlagsanstalt, 1969).

[16] Helen Fein, “Explanations of the Origin and Evolution of Antisemitism” in *The Persisting Question. Social Perspectives and Social Contexts of Modern Antisemitism*, ed. Helen Fein (Berlin-New York: Walter de Gruyter, 1987), 3-23.

According to Károlyi, its intensity and possible consequences were incomparable to previous crises.[17]

Those with savings were able to make use of this opportunity to buy estates at a lower price. Certainly, *unfortunate social encounters* (that non-Jews only came into contact with Jews when they were in economic trouble, hence they perhaps unconsciously linked the two) happened during the crisis, especially when small landholders, unable to pay taxes, had to put up their land for auction, and both buyers and lawyers were, in many cases, Jews.[18] Nevertheless, in agreement with Jacob Katz,[19] we would instead consider an economic depression as a useful tool for antisemites to blame Jews through the symptoms of a crisis based on existing stereotypes and tensions. Generally, during a crisis, both on the left and the right, radical groups and their proposals of how to solve social problems become more attractive and popular.

András Kovács convincingly emphasizes that whether antisemitism becomes a political factor depends on the social elites.[20] It is obvious that István Bethlen, who had been prime minister between 1921 and 1931 and was considered a key person in consolidating Hungarian politics in the 1920s, resigned due to the economic crisis.[21] After the short-lived premiership of Gyula Károlyi, the former minister of national defense, Gyula Gömbös, became prime minister. We will present his role in more detail; for the time being it is enough to stress that with Gömbös, a new group of politicians came to power, who were much more radical than the previous generation. These people strongly supported antisemitic legislation (in 1925 already, Gömbös himself had helped to organize an international antisemitic conference in Budapest)[22] that, of course, affected the bureaucracy and the

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[17] György Kövér quotes Károlyi In Kövér, *A növekedés terhe*, 255.

[18] Krisztián Ungváry, *A Horthy-rendszer mérlege* (Evaluation of the Horthy-system) (Budapest-Pécs: Jelenkor, 2012), 53-54.

[19] Jacob Katz, *From Prejudice to Destruction: Anti-Semitism, 1700-1933* (Cambridge: Harvard University Press, 1980).

[20] András Kovács, *A modern antiszemitizmus* (Modern Antisemitism) (Budapest: Új Mandátum, 1999), 32.

[21] Nathaniel Katzburg, *Zsidópolitika Magyarországon 1919–1943* (Jew-Politics in Hungary, 1919–1943) (Budapest: Bábel Kiadó, 2002), 76.

[22] Mendelsohn, *The Jews of East Central Europe*, 113.

conditions of the liberal professions as well.[23] This is important to note for many reasons, most importantly because Jews represented a much higher share in the liberal professions than their overall proportion in society. Secondly, as Peter Pulzer highlights, from the late nineteenth century, antisemitism was an exclusively attractive ideology for the middle class and the intelligentsia.[24] This tendency fits nicely into the Hungarian environment, too, particularly in the interwar years. Far-right physicians, lawyers, and engineers were inclined to support or even initiate antisemitic legislation in high numbers. The misconception that educated people were immune to antisemitism or radical far-right ideology has been long refuted. Recently, László Karsai proved that in Budapest, 5.6 percent of Arrow-Cross Party (Hungarian Nazi party) members held a diploma, while the proportion of diploma holders in the capital city was 5 percent.[25] This means that Jews encountered antisemitism in educated, elite circles as well, especially after the economic crisis. Economic antisemitism, as contemporary Jews already experienced it, became increasingly widespread.[26] Articles by *Egyenlőség* (Equality) published long lists of people who converted to be able to get a proper job.[27]

The Example of the Lawyers

The economic crisis had a negative impact on liberal professions, but those who were employed by the state were more affected compared to those who maintained private offices. Since Jews had been generally represented in much higher numbers in the private sector of liberal professions, they were less vulnerable than their

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[23] Mária M. Kovács, *Liberal Professions & Illiberal Politics* (New York-Oxford: Oxford University Press, 1994), 82.

[24] Peter Pulzer, *The Rise of Political Anti-Semitism in Germany and Austria* (Cambridge, MA: Harvard University Press, 1964), Chapter 29 "The Sociology of the Anti-Semitic Movements," 272-281.

[25] Based on 28.000 membership cards of the Hungarian Arrow Cross Party. László Karsai, *Szálasi Ferenc: Politikai életrajz* (Ferenc Szálasi: A Political Biography) (Budapest: Balassi Kiadó, 2016), 157.

[26] Pál Sándor, "A zsidógyűlölet új formája: a gazdasági antiszemitizmus" (The New Form of Jew-hatred: economic antisemitism), *Egyenlőség*, September 19, 1930.

[27] *Egyenlőség*, December 7, 1929, and March 22, 1930.

Christian colleagues. Moreover, these colleagues, who were mainly Christian physicians and engineers employed by the state, could not maintain private offices.[28] Regarding the Hungarian environment, István Bibó stresses that we should not underestimate the influence of the middle classes on public opinion, particularly in the interwar years when the petty bourgeoisie successfully transmitted the values of the elites to the masses.[29] Certainly, the economic crisis was used to justify the initiation of antisemitic legislation.

The case of lawyers is a proper example of how Jews of liberal professions were concerned by the crisis and what sort of situation it created. In Budapest, both before and during the interwar period, Jews were represented in the Bar Association in much higher numbers than they were in Hungarian society. In interwar years, their proportion was between 50 and 60 percent.[30] For the far-right organization of lawyers called MÜNE (National Association of Hungarian Lawyers), established in 1927, this was a key factor as their main aim was to diminish the number of Jews in the profession. The association had hitherto been a negligible, moderately antisemitic group of lawyers, but in 1932, a process of radicalization started, and the association gradually became more popular and powerful.

Gyula Gömbös, a central figure of the antisemitic radical right-wing since 1919, became Minister of Defense in 1929 under the premiership of István Bethlen. In this period, Gömbös' communication was more moderate than before, and a part of the liberal elite took this at face value. In late August 1930, he received a delegation of different denominations, including a Jewish delegation, and according to the memoir of Jewish journalist Lajos Szabolcsi, declared that "I invite the Jewish Hungarians alongside to the Catholics and Protestants, [because] I believe we all live and fight for the great cause of the nation."[31] Szabolcsi depicts this occasion as a bright moment when dark clouds—represented by news about

[28] Ungváry, *A Horthy-rendszer mérlege*, 53.

[29] István Bibó, "A békeszerződés és a magyar demokrácia" (The Peace Treaty and Hungarian Democracy), in *Bibó István összegyűjtött írásai I* (Collected Writings by István Bibó Vol. I.), ed. Iván Zoltán Dénes (Budapest: Kalligram, 2016), 891-914; 893.

[30] Mária M. Kovács, *The Politics of the Legal Profession in Interwar Hungary* (New York: Institute on East Central Europe, Columbia University, 1987), 40.

[31] Lajos Szabolcsi, *Két emberöltő. Az Egyenlőség évtizedei (1881–1931)* (Two generations. The decades of Egyenlőség (1881–1931)) (Budapest: MTA Judaisztikai Kutatócsoport, 1993), 427.

the rise of the Nazis in Germany—had disappeared from above Hungary. It is noteworthy that he wrote his memoir in even darker times, between 1940 and 1942. According to him, the liberal part of the country celebrated and addressed thankful messages to Gömbös. Szabolcsi adds that within two weeks, Hitler's party gained 107 seats in the German Parliament, although the greatest pessimists had expected 50. And yet the Jewry of Pest continued to build and renovate its synagogues and other buildings. Samu Stern's presidency in the Israelite Congregation of Pest (Pesti Izraelita Hitközség known by its acronym PIH)[32] was characterized by new ideas and initiatives as if the perceived liberal (liberal in comparison to the early 1920s in Hungary and Germany of the early 1930s) era would last forever.[33]

Others, however, recognized Gömbös' friendlier attitude for what it was: camouflage. It does not seem to be a coincidence that Sándor Kálnoki Bedő, the former relatively moderate president of the MÜNE, resigned a few weeks after the inauguration of Gyula Gömbös as Prime Minister in 1932. Gömbös originally had a huge influence on creating the organization itself exactly when the numerus clausus law—which introduced a Jewish quota at universities—was jeopardized (according to antisemites) by an amendment in 1928 by the Bethlen government.[34] It is also telling that after the resignation of Kálnoki Bedő, Aladár Krüger[35] and Lajos Szabó (who had been the leader of Magyar Ügyvédek Nemzeti Pártja (National Party of Magyar Lawyers)) became more influential within MÜNE, who represented a much more radical, racial antisemitism among lawyers as it will be presented.

By 1935, Gömbös prepared a bill that included a paragraph that aimed to apply a numerus clausus to the Board of the Budapest Bar as well.[36] Gömbös intended to prevent the alleged pauperization of Christian lawyers, as was the leitmotif of the

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[32] Budapest is geographically divided by the Danube river into Buda and Pest and the two parts have historically separate identities—Óbuda on the Buda side has yet another one—not being united until 1873. Hence, they also had separate Jewish *kehillot*. Before the Holocaust, there were two separate *kehillot* on the right bank of the Danube: the congregations of Buda and Óbuda and one on left side in Pest.

[33] Szabolcsi, *Két emberöltő*, 428.

[34] Kovács, *Liberal Professions & Illiberal Politics*, 78.

[35] Aladár Krüger (1878-1952) was also a PM from 1926 in Egységes Párt (Unity Party); during the coup of the Arrow Cross Party, he was the first officer of the Upper House (Karsai, *Szálasi,* 481).

[36] Kovács, *Liberal Professions & Illiberal Politics*, 98.

far-right's narrative, particularly after the economic crisis, by discriminating Jewish lawyers, hence solving a socio-political question with denominational discriminative legislation.[37] Nevertheless, as Mária M. Kovács underlines, the economic circumstances of lawyers, even after the economic crisis, were relatively good, especially compared to physicians.[38] Therefore, the importance of Gömbös in the history and radicalization of MÜNE cannot be underestimated. Still, it would be misleading to claim that the association existed exclusively on his own volition. It rather seems they found allies in each other, and both Gömbös and MÜNE needed support to accomplish their aspirations.

By 1939, around 47% of Christian lawyers joined MÜNE. If we disregard baptized Jews (17.3% of lawyers in 1941) as potential MÜNE members who would and could not join the association, their proportion among Christians is as high as 57%.[39] In the election of the general assembly in October 1941, when Jewish lawyers were already deprived of the right to vote in the Bar, 559 lawyers voted for MÜNE while 531 for the rivaling Christian party, which aimed to oppose its radical colleagues.[40]

The radicalization of non-Jewish lawyers was not a unique phenomenon but fitted into the region's history. During the short-lived second republic of Czechoslovakia (between 30 September 1938 and 15 March 1939), "Aryan" barristers also tried to exclude their Jewish colleagues from the Bar.[41] The first attempt to initiate a numerus clausus in the Czechoslovak Bar happened only two weeks after the declaration of the second republic, in October 1938.[42] After the collapse of Czechoslovakia in March 1939, the newly formed Slovak state did not hesitate to introduce antisemitic legislation. Jews were excluded from professional associations such as the Bar. In Bratislava, 93 of 274 lawyers were immediately

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[37] Ungváry, *A Horthy-rendszer mérlege*, 414.

[38] Kovács, *Liberal Professions & Illiberal Politics*, 97.

[39] *Ügyvédi Határidőnapló az 1940. Szökőévre* (Calendar for lawyers for 1940) (Budapest: MÜNE, 1939).

[40] *Ügyvédi Kamarai Közlöny* (Gazette of the Lawyers' Bar), November 1, 1941.

[41] *Jakub Drápal, Defending the Nazis in Postwar Czechoslovakia – The Life of K. Resler, Defence Counsel Ex Officio of K.H Frank* (Prague: Karolinum Press, 2017), 67.

[42] Ibid., 69.

barred.[43] In Austria, the rule of law came to an end in 1931 already, and from 1933 onwards Bars had to fight for their autonomy against the state.[44]
Finally, after the 1938 Anschluss, Jews were not allowed to continue their profession as lawyers, doctors, and teachers. This was in line with exclusionary policies in Nazi Germany, where Jewish lawyers were gradually excluded from 1933 already, so before the 1935 Nuremberg laws, which finally barred them completely from these professions. Nevertheless, in the case of Hungary, the support MÜNE received from Gömbös (who probably would not have become prime minister without an economic crisis) had a key impact on its strengthening and the radicalization of Hungarian lawyers. On 22 March 1944, the Gestapo started to arrest Jewish lawyers and other mainly Jewish civilians of Budapest for blackmailing the Jewish population of Budapest by using these people as hostages.[45] The process went smoothly, not least because the Budapest Bar Association submitted a list of Jewish lawyers to the Gestapo, which most likely happened at the initiative of a lawyer, who was a member of MÜNE. It would be inappropriate to draw a clear line between the economic crisis and the arrest of Jewish lawyers by the Gestapo 15 years later. Still, the impact of the Great Depression on the radicalization of lawyers and other groups in Hungary cannot be underestimated either.

Hostility Against Jewish Students

Antisemitism at universities was a particularly sensitive topic in Hungary due to the country's nature as "pioneer" regarding the process of de-emancipating Jews

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[43] *Advokátske komory na Slovensku (1875–1950)* (Bar associations in Slovakia (1875–1950)), Slovensky Narodny Archiv, Bratislava.
[44] Ernst Jahoda, *Geschichte der österreichischen Advokatur 1918–1973* (Wien: Österreichischer Rechtsanwaltskammertag, 1978), 34.
[45] Ákos György Bálint, *Sziget a mérgezett tengerben* (An island in the poisoned sea) (Budapest: Budapesti Ügyvédi Kamara, 2013), 43; Jenő Lévai, *"...csak ember kezébe ne essem én..." Deportáció, Télach, Schutzpass – Napló, 1944–945* ("...please just spare me from humans..." Deportation, Télach, Schutzpass – Diary, 1944–1945) (Budapest: Múlt és Jövő), 19; Deportáltakat Gondozó Országos Bizottság (DEGOB, National Committee for Attending Deportees), Jegyzőkönyv (Minutes) 3627, accessed September 2, 2024, http://www.degob.hu/index.php?showjk=3627; Kovács, *Liberal Professions & Illiberal Politics,* 132.

by limiting their access to higher education with a Jewish quota since 1920.[46] As it has been argued elsewhere in detail, philanthropy and fundraising for the Jewish youth who emigrated to study abroad following the Jewish quota in Hungary became ultimately a cause around which a new Hungarian Jewish community of fate and identity was built—an identity extensively demanded after the shocks of the Trianon Treaty which territorially separated half of Hungarian Jewry from the core country and the numerus clausus which excluded Jews from the Hungarian nation by attributing the notion of "nationality" to the denominational label of "Israelites."[47]

The numerus clausus law (1920) stipulated that Jewish enrollment as first-year students should not exceed the Jewish proportion in the general population (6 percent). Since in the last academic year during the Great War (when all secondary school graduates were entitled to university enrollment) Jews constituted over one-third (34 percent) of university students,[48] the new quota meant a grave limitation of the formerly free and large-scale educational mobility of Hungarian Jewry. From 1920 onwards, two-thirds of Jewish applicants were turned down each year. One of the characteristic responses by Jewish youth was peregrination: migration to foreign universities. Fundraising efforts in their support often referred to them as "wandering students" and "numerus clausus exiles." This became a central issue of Hungarian Jewish public life in the interwar period.

Before the global economic crisis, the *Central Jewish Student Aid Committee* supported up to 700 students abroad; in 1929, they helped 500 students.[49] Between 1920 and 1937, an average of 1,310 Hungarians studied abroad, four fifths

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[46] For details see Mária M. Kovács, *The Beginnings of Anti-Jewish Legislation. The 1920 Numerus Clausus Law in Hungary* (Budapest-Vienna-New York: CEU Press, 2023) and for the interpretative framework of de-emancipation: Guy Miron, *The Waning of Emancipation: Jewish History, Memory, and the Rise of Fascism in Germany, France, and Hungary* (Detroit: Wayne University Press, 2011).

[47] Ágnes Katalin Kelemen, "The Role of Emigrating Students in Reshaping Hungarian Jewry in the Interwar Period," *Jewish Studies at the Central European University* 9 (2017-2019): 121-127.

[48] Mária M. Kovács, *Törvénytől sújtva: A numerus clausus Magyarországon, 1920–1945* (Smitten by law. The numerus clausus in Hungary, 1920–1945) (Budapest: Napvilág, 2012), 135.

[49] "Báró Kohner Willy felel a Névtelen Diák levelére" ("Count Willy Kohner Responds to the Letter by the Anonymous Student"), *Egyenlőség*, September 21, 1929.

of whom were Jewish. [50] This demonstrates that a considerable part of the numerus clausus émigrés were supported by the *Committee*; however, approximately 350 students per year studied abroad without it.

The years of the economic depression coincided with a short period when the Jewish quota was less strict at Hungarian universities (1928-1932) due to the amendment of the numerus clausus law under international pressure. For a long time, this amendment was referred to as the abolition of the numerus clausus in Hungarian historiography, but a monograph by Mária M. Kovács[51] proved clearly and in detail that this was far from the truth. Contemporaries—neither Jews nor antisemites—actually did not consider the amendment an abolition at all. In reality, the principle of discrimination was not revoked by the amendment,[52] merely the method of singling out Jews was changed: instead of a "racial group," the new proxy was the father's profession.[53] It was impossible to perfectly operationalize this new criterion which opened the road to arbitrary decisions about whom to admit and whom to exclude from admission to universities. Nevertheless, due to the occupational structure of Hungarian society it was predictable which occupations should be advantaged (civil servants) for the sake of privileging non-Jewish students, and the law indicated the professions keeping the professional statistics in mind.[54] Reports by the British diplomat Lucien Wolf explaining how the amended law continued to contribute to discrimination against the Jews notwithstanding, the *League* was uninterested in pursuing the issue any further. As one would expect, within Hungary, public intellectuals and politicians often clarified that the purpose of the amendment of the numerus clausus was to keep the Jewish quota without the implications that the explicit Jewish quota of the original law had for Hungary's international relations.

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[50] For the number of Hungarian students abroad in different academic years see Alajos Kovács, "Magyarországi zsidó hallgatók a hazai és külföldi főiskolákon" (Hungarian Jewish students at Hungarian and foreign colleges), *Magyar Statisztikai Szemle* 9 (1938): 897, and the volumes of the *Magyar Statisztikai Évkönyvek* (Hungarian Statistical Yearbooks9) between 1920 and 1938. Although these calculations by state authorities are probably imprecise, since they had to rely on data received from foreign universities over which they had no control.

[51] Kovács, *The Beginnings of Anti-Jewish Legislation.*

[52] Kovács, *Törvénytől sújtva*, 196-197.

[53] Ibid., 200-202.

[54] Nathaniel Katzburg, *Hungary and the Jews: Policy and Legislation, 1920–1943* (Ramat Gan: Bar-Ilan University Press, 1981), 77-78.

As a result of the new quota, the proportion of Jews among university students was higher (10-12 percent) between 1928 and 1932 than in 1928 when it was also somewhat above the quota (8,8 percent).[55] Yet, the intensity of Jewish students' emigration did not decrease for two main reasons. First of all, most faculties in Hungary still rejected over half (but some over four-fifths) of Jewish applicants. In addition, however hypocritical the amendment of the numerus clausus was, antisemitic student associations responded to it with an intensification of violence on campuses.[56] Even when Prime Minister István Bethlen announced the government's intention to amend the numerus clausus in October 1927, 174 wounded Jewish students were taken to hospital by ambulance in Budapest due to their injuries from antisemitic attacks of their fellow students.[57]

The impact of the crisis on the volume of Hungarian Jewish migration can only be demonstrated after 1932. Thus, it took a few years until the well-to-do families were no longer able to support their children's studies abroad, and fundraising for the sake of migrant students of poorer backgrounds was successfully maintained for a while. To be sure, this achievement took great effort. In 1930, Leo Fellner, the president of the Association of Jewish Students, anxiously emphasized that Jewish students all around Europe needed immediate financial help due to the gradually deteriorating conditions. He stressed that various support options for students, such as paying the enrollment fee in installments, were no longer an option.[58] Very likely, his distress signal had a significant effect as *Egyenlőség*, a very popular Jewish weekly magazine edited by Neolog intellectuals,[59] published the reply of a lawyer, Aladár Grünbaum, who sent a support of 100 Pengő,[60] most probably to underscore to its readers how important it was to support Jewish students abroad financially.

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[55] Kovács, *Törvénytől sújtva*, 205.

[56] Róbert Kerepeszki, "A numerus clausus 1928. évi módosításának hatása Debrecenben" (The impact of the 1928 amendment of the numerus clausus in Debrecen), *Múltunk* 50, no. 4 (2005): 42-75.

[57] Raphael Patai, *The Jews of Hungary: History, Culture, Psychology* (Detroit: Wayne State University Press, 1996), 506.

[58] *Egyenlőség*, May 31, 1930.

[59] See a more detailed description of this publication in the next section of this article.

[60] *Egyenlőség*, June 14, 1930.

However, the economic crisis brought not only financial difficulties but legal ones as well. In 1931 and 1932, the Hungarian National Bank repeatedly banned the transfer of foreign currency. The *Central Jewish Student Aid Committee* tried to capitalize on this and assume a new function as a lobbying body to pressure the National Bank, as now even well-to-do parents who funded the studies of their children abroad by themselves turned to the *Committee* for legal help.
A group of numerus clausus exiles from Vienna argued in a letter to the Hungarian Minister for Religion and Public Education that they should be exempted from the ban on foreign currency transfer because

> Since we did not come to study abroad for our own choice, but were forced to do so by the numerus clausus—which is especially detrimental for the poor and is still in operation—we find our wish that we should be able to receive enough currency for the purposes of our studies most justified.[61]

In the end, it was the president of the *Israelite Congregation of Pest*, Samu Stern, who achieved the lift of this ban in November 1932. The *Committee's* presidency nevertheless used this occasion to scold those wealthy parents who, in the previous twelve years, had ignored the *Central Jewish Student Aid Committee* and had not contributed to the effort of enabling poor Jewish youth to study abroad, but only took care of their own children. Emigration was not a problem to solve on the individual and family level, but it was a common cause of Hungarian Jewry as a whole, the *Committee*'s leaders claimed.[62]

Interpretations of the Crisis in the Jewish Press

This section is based on a systematic overview of the most popular Hungarian Jewish media of the period with regard to articles mentioning "crisis" in their title or text. We have reviewed publications representing the different intellectual and

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[61] *Bécsi magyar diákság állásfoglalása. Deviza és numerus clausus* (Resolution by Hungarian Students in Vienna. Foreign currency and numerus clausus), 1932, Hungarian National Archives, Ministry of Religion and Public Education, K-636/box 671/65-65-61.
[62] "Bujdosó fiaink" (Our Wandering Sons), *Egyenlőség*, November 19, 1932.

ideological streams of Jewry: the weekly *Egyenlőség* which was popular among assimilated Jews, the Zionist cultural journal *Múlt és Jövő* (Past and Future), the *Izraelita Magyar Irodalmi Társulat* (Yearbooks of the Israelite Hungarian Literary Society, known by its acronym IMIT), which focused on Jewish religious life and Jewish literature.

In 1930 the editors of *Egyenlőség*, a popular (possibly the most popular) Jewish journal, initiated a discussion about the effects of the economic crisis on Jewry. *Egyenlőség* was edited by Neolog Jewish intellectuals who represented the perspective of assimilated Jewry. Their discourse was underpinned by an assumption that only once everyone fully understood the great extent of the contribution of Jews to the Hungarian economy, culture, and society, would antisemitism decrease. Such an assumption was connected with optimism concerning enlightenment, modernity, and the power of education and the dissemination of correct information. The history of the journal itself seemed to confirm such an assumption. *Egyenlőség's* establishment was related to the Tiszaeszlár Affair, a blood libel accusation case of 1882, and the following court process, which motivated Miksa Szabolcsi, a Jewish journalist, to enlighten Hungarian public opinion about the innocence of the accused Jews in the particular case as well as the falsity of blood libel accusations in general. He had written for other newspapers, too, but after *Egyenlőség* lost much of its appeal and readership when the court case ended with the official recognition of the accused Jews' innocence, Szabolcsi took on the position of the responsible editor and provided *Egyenlőség* with a new function: a regular weekly to discuss political and cultural topics of Jewish interest with Jewish as well as non-Jewish intellectuals. The journal's name means "equality," one of the cherished values of enlightenment.

Egyenlőség was owned by the Szabolcsi family (since 1886) and edited by them until the very end of its publication (1938). After the death of Miksa Szabolcsi in 1915, his son, Lajos Szabolcsi, took over and remained editor-in-chief until he had to discontinue its publication due to the post-1938 new antisemitic laws. Thus, the Szabolcsis had great power over the content of *Egyenlőség*. The Zionist journalist and writer József Patai for instance left because of *Egyenlőség*'s assimilationist stance and went on to edit the Zionist cultural and political monthly *Múlt és Jövő* in 1912. Nevertheless, Miksa, as well as Lajos Szabolcsi, did provide space to authors

with different perspectives from their own, including famous (non-Jewish) poet Dezső Kosztolányi and Calvinist bishops Gábor Pap and Dezső Baltazár as well as Jewish politicians and everyday people such as Jewish university students.

In the introduction of *Egyenlőség*'s aforementioned discussion about the Great Depression, the argument put forward and later often repeated was that "besides the general crisis of world economy and the agrarian crisis of Hungary there is yet another crisis: the specific economic crisis of Hungarian Jewry.[63] In addition, the entire Hungarian middle class was ruined, according to the author.

This introductory article was followed by 16 contributions, mainly by presidents and rabbis of *kehillot*. According to Gyula Adler (president of the Chevra Kadisha of Pest), Jews lost the most in the crisis because their savings were in banks (mostly in stocks) in contrast to real estate. This common assumption is not confirmed historically: as early as 1910 almost a fifth (19,9 percent) of large estates were owned by Jews.[64] It may have been the case that most Jews who had savings had them in stocks, but in any case a significant number of Jews had invested in real estate for decades. Nevertheless, Adler proposed to Jewish parents on this basis that they send their children to artisan professions so as to put them in a good position to earn good salaries.

Zsigmond Deutsch, the president of the Jewish community of Pécs, argued that the unemployed Jewish masses should be encouraged to move back to the provinces. Béla Alapi, the director of a savings bank, declared that at the end of the day, Jewish economic collapse was caused by antisemitism, which destroyed commerce, on which the livelihood of so many Jews depended. Prominent rabbis of the countryside all emphasized the need to unite Hungarian Jews. On a similar note, Rabbi Benjamin Schwarcz warned that silent, economic antisemitism can be more dangerous than loud, aggressive antisemitism.[65] It is noteworthy, for instance, that at times even companies owned by Jews discriminated against Jews and kept an implicit Jewish quota in fear of antisemites attacking them for favouring Jews. Ernő Winkler, Chief Rabbi of Nagykanizsa, in another issue of

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[63] "Lehet-e még segíteni a magyar zsidóságon" (Is it still possible to help Hungarian Jewry?), *Egyenlőség*, April 12, 1930.

[64] Patai, *The Jews of Hungary,* 438.

[65] "Lehet-e még segíteni a magyar zsidóságon," *Egyenlőség*, April 12, 1930.

Egyenlőség two weeks later, underlines that Hungarian Jews had been in crisis already before the economic depression, a spiritual crisis.[66]
Three years later, Samu Stern, the president of PIH (which represented 40 percent of Hungarian Jews)[67] said in this community's yearly general assembly that "unfortunately, this grave crisis is still going on and afflicts our entire economic life, but even more the Jews."[68] A year later, in November 1934, the vice president of the PIH and, at the same time, member of parliament, Samu Glücksthal said at a public event that "the economic forces of Hungarian Jewry cannot unfold, willingness for entrepreneurship is gone, the painful consequences of unemployment and lack of income are felt everywhere, the whole country is suffering, but first and foremost is Hungarian Jewry." In light of this, the PIH leadership was proud of the kehillah's deficit-free budget and closing account in 1934 "when everyone is acting in a rush and drowning."[69]
Like elsewhere, many cultural and social initiatives in Hungary and among its Jews depended on charity and philanthropy practiced by the middle and upper classes. The Great Depression weakened the middle class to a great extent, and this led to a "crisis of philanthropy," as Mrs. Fabriczky, the co-chair of the Israelite women's association of Budapest's 7th district (the city's historical Jewish quarter is here) put it in the Jewish Yearbook of 1929-1930.[70] Some Jewish institutions introduced surprising austerity measures. The Jewish boys' orphanage in Budapest made boys do the job of overseeing their younger peers in order to save money that should have been spent on the salaries of employees. Instead of traditional fundraising events, the Hungarian Jewish Educational Association (Országos Magyar Izraelita Közművelődési Egyesület), known by its acronym OMIKE, organized an

[66] *Egyenlőség*, April 26, 1930.
[67] Patai, *The Jews of Hungary*, 506.
[68] "A magyar zsidóság, az antiszemitizmus és a gazdasági krízis. Hivatalos elnöki deklaráció a pesti hitközség közgyűlésén" (Hungarian Jewry, Antisemitism and The Economic Crisis. Official Presidential Declaration at the Meeting of Pest Synagogue), *Egyenlőség*, January 14, 1933.
[69] Quoted in "A Magyar zsidóság nagy problémái" (The great problems of Hungarian Jewry), *Egyenlőség*, December 1, 1934.
[70] Vilmos Kecskemét, "Mi a legsürgősebb teendő a zsidó női munka terén?" (What is the most urgent to do in terms of Jewish female work?), *Zsidó évkönyv 1929–1930* (*Jewish yearbook 1929–1930*): 129-138; 131.

"invisible Mensa ball" to support students. People could buy entrance tickets to support Jewish students, but no ball took place physically.[71]

The Israelite Hungarian Literary Society (IMIT) published an annual summary of the situation of Jews all over the world. As Ferenc Laczó has demonstrated in detail, Hungarian Jewish intellectuals closely followed the events taking place in the Third Reich and were very much aware of the alarming transnational situation Jews were in.[72] In the 1933 yearbook of IMIT, an exciting aspect was added to the discussion of the above-mentioned specifical crisis of Jews, namely that "the American economic situation compounds the misery in Eastern Europe: Money is not coming any longer." The misery of American Jewry was illustrated with data of 50,000 unemployed Jews in Chicago.[73]

It is noteworthy that the popular weekly journal *Egyenlőség* also suffered greatly due to the crisis because its funding depended on a complicated and vulnerable construction of loans, debts, and incomes. The latter was provided by advertising. Due to the crisis, several companies and businesses gave up on advertising or functioning at all, and many partners of the journal had severe liquidity problems. The editor-in-chief, Lajos Szabolcsi, had more and more debts towards the printing houses, which he could not pay off because many of the journal's former readers discontinued their subscriptions. Szabolcsi stated that *Egyenlőség* sold 40,000 copies in 1921.[74] The historian Miklós Konrád estimates its readership at 15,000 in 1915.[75] It is possible that due to the dramatic rise of antisemitic politics and violence after WWI the interest of Jews in reading Jewish press grew significantly and hence the readership of *Egyenlőség,* too. Regrettably, there is no data for what the decline induced by the economic crisis meant in terms of the number of copies. We know about the gravity of how it was affected by the Great

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[71] László Harsányi, *A fényből a sötétbe – Az Országos Magyar Izraelita Közművelődési Egyesület évtizedei 1909–1950* (From light to darkness – The decades of the Hungarian Jewish Educational Association 1909–1950) (Budapest: Napvilág, 2019), 134.

[72] Ferenc Laczó, *Hungarian Jews in the Age of Genocide. An Intellectual History, 1929–1948* (Leiden: Brill, 2016).

[73] Bertalan Edelstein, "Az 5692. és 5693. év" (The 5692nd and 5693rd years), *Az Izraelita Magyar Irodalmi Társulat Évkönyve, 1933* (*Yearbook of the Az Izraelita Magyar Irodalmi Társulat, 1933*): 210-247; 236. The publication is henceforth abbreviated as *IMIT Évkönyv.*

[74] Szabolcsi, *Két emberöltő*, 342.

[75] Miklós Konrád, "A neológ zsidóság útkeresése a századfordulón" (Neolog Jewry's Soul-Searching at the Turn of the Century), *Századok* 139, no. 6 (2005): 1335-1369; 1365.

Depression from the Introduction that the son of the editor-in-Chief wrote for Szabolcsi's memoirs.[76] *Egyenlőség* survived the crisis and was published until 1938, but the debts of the Szabolcsi family continued to grow.

Conclusion

Overviews of the twentieth-century history of Hungarian Jews have paid little attention to the Great Depression, even though contemporaries saw it as highly relevant to their situation. First of all, the crisis instigated a radicalization of antisemitism as well as a mainstreaming of radical right-wing politics. This was not merely wisdom in hindsight: Hungarian Jewish publications paid substantial attention to the strengthening of the Nazi movement in Germany and decisively attributed this alarming development to the Depression.

A few phenomena may have suggested that Hungarian Jewry was, on the surface, not in great economic trouble. Firstly, the Israelite Congregation of Pest (PIH) undertook several endeavors to build, enlarge, and renovate synagogues and other institutions, such as the Jewish hospital in Budapest during the crisis. Among the synagogues, the newly erected impressive Heroes' Temple (1931) is the most noteworthy, commemorating the ten thousand Jewish soldiers who fell for (Austro-)Hungary in WWI. Thus, it represents a Jewish request to the country to recognize Jewish contribution to the nation at a time when Jews were increasingly excluded from society.

Secondly, Jewish youth's migration to foreign universities did not diminish in these years, even though it was a tremendous financial burden on their families and on student aid committees who supported them. Every academic year, over a thousand Hungarian Jews enrolled in universities abroad in the same period when the Jewish quota was mitigated in Hungary (1928-1932). However, Jewish migration as well as the return to the harsh Jewish quota of the early- and mid-1920s was linked to the strong presence of antisemitic violence in Hungarian universities. In addition, the moderately antisemitic Prime Minister István

[76] Miklós Szabolcsi, "Apámról és Emlékiratairól" (About my father and his memoirs) in Szabolcsi, *Két évtized*, 7-19; 14.

Bethlen (1922-1931) stepped down because of the consequences of the crisis. Thus, due to the worsening of the Hungarian economy the "race defender" radical right-wing soon came to power in the person of prime minister Gyula Gömbös (1932-1936).
This paper examined how the Great Depression affected the Jewish community in Hungary by analyzing two groups of intellectuals—lawyers and university students. During the interwar period, antisemitism was largely centered around the Jewish population in these professions. However, this obsession with the problems of the intelligentsia ultimately led to the genocide of all segments of Jewry within a short period of just over a decade after the Depression. Even though, there were no antisemitic legislations introduced under the prime premiership of Gömbös, he had a clear impact on the radicalization of Hungarian society, which we have showcased here using the case study of lawyers.

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