

GREGORY W. SANDFORD

From Hitler to Ulbricht

*The Communist Reconstruction of East
Germany, 1945-1946*



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PRINCETON UNIVERSITY PRESS

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Published by Princeton University Press, 41 William Street,
Princeton, New Jersey 08540
In the United Kingdom: Princeton University Press,
Guildford, Surrey

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Library of Congress Cataloging in Publication Data will be
found on the last printed page of this book

This book has been composed in Linotron Trump
Clothbound editions of Princeton University Press books
are printed on acid-free paper, and binding materials are
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Paperbacks, while satisfactory for personal collections,
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Printed in the United States of America by
Princeton University Press, Princeton, New Jersey

Princeton Legacy Library edition 2017

Paperback ISBN: 978-0-691-61361-1

Hardcover ISBN: 978-0-691-62955-1

To
M. Gale Hoffman
and
Jacques E. Legrand
in acknowledgment of an old debt

Contents

Preface	ix
Abbreviations	xiii
ONE: The Communist Strategy for Germany, 1935-1945	3
The Popular Front of the 1930s and the "Democratic People's Republic." The KPD and the "Free Germany" Movement. The KPD Work Commission and its "Action Program" for Germany. Final Adjustments: From Yalta to the Occupation.	
TWO: A New Foundation, Spring and Summer 1945	23
Restoring Order out of Chaos. Raising a Framework of Political and Economic Power. Extending the System to the Provinces. The Potsdam Conference.	
THREE: The Land Reform	82
The Economic, Political, and Ideological Rationale. The Political Struggle. The Campaign for Support. Implementation. Problems in Practice. Results of the Land Reform: Success or Failure?	
FOUR: New Institutions for a New Order	119
The Peasants' Mutual Aid Association. The Cooperatives. The Trade Unions Confederation. The Chambers of Industry and Commerce and the Chambers of Handicrafts. The Beginnings of Economic Planning.	
FIVE: The Expropriation of Major Industries	186
Weakening the Entrepreneurs. The Move toward Formal Expropriation. The Saxon Referendum and the Completion of Expropriation.	
SIX: Conclusion	218

Notes	230
Bibliography	288
Index	307

Preface

The Soviet Union, alone among the Big Three victors of World War II, saw the problem of Germany's democratization as one of social and economic restructuring. While the British and Americans advocated some decartelization and reform of land tenure, their efforts focused on punishment and reeducation of the German people. In the Communist view, however, fascism was but another expression, albeit a virulent one, of the moribund economic system, of monopoly capitalism. Destroying it meant destroying the dominance of reactionary classes and transferring their property and power to the control of progressive social forces, led by the Communists themselves. The purpose of this study is to trace the theoretical development of this socio-economic approach to democratization, its practical implementation by Soviet and German Communists during the decisive first year of occupation, and its effect on the shaping of postwar Germany.

There has been a dearth of reliable information in the West about the German Democratic Republic and its origins. During the Cold War period, the GDR was written off as a mere extension of the Soviet Union, and analysis of developments there was left largely to the propagandists of the Bonn government. This attitude has changed dramatically in recent years with the advent of *Ostpolitik* and the international recognition of the GDR, now a major industrial power. However, remaining political sensitivities and the inaccessibility to scholars of important archives have continued to hamper historical research. I undertook the present study in the conviction that such difficulties will probably persist for some time to come, and that a beginning not only can but, in view of the

growing importance of the GDR, should be made now on the basis of available materials.

Although the resources of the GDR state and party archives for the postwar period remained closed to me as to all but approved East European scholars, I did have a unique opportunity to use the archives of the Confederation of Free German Trade Unions (FDGB) and the Peasants' Mutual Aid Association (VdGB), both of which also have hitherto been unavailable to Western researchers. Some recently declassified documents from the OMGUS records in the National Archives in Washington and from Foreign Office archives in London were also helpful. Otherwise, my research has relied heavily on published documents (large collections of which have been released by the GDR itself); memoirs; contemporary newspapers, pamphlets and official gazettes; and a number of East German dissertations and other monographs based on research in archives I was unable to use. A few recent West German works were quite valuable, too, and were all the more welcome since a dispassionate study of East German history is still something of a novelty in the Federal Republic.

If historical research on the GDR has been scarce in West Germany, it has been all but nonexistent in English-speaking countries. I owe an especial debt of gratitude to my mentor, Professor Theodore Hamerow, for his encouragement in pursuing an unusual and at first rather intimidating topic, and for several years of continuing help and guidance in overcoming the many hurdles along the way. I would also like to convey my warm thanks to Professor Melvin Croan and Dr. Erwin Welsch, both of whom have been more than generous with their valuable time and expertise.

My research in Germany was made possible by the financial support of the Council for European Studies, the Deutscher Akademischer Austauschdienst (DAAD), and the University of Wisconsin Graduate School; as well as

by the joint efforts of the International Research and Exchanges Board (IREX), the U.S. Information Agency, and various agencies of the German Democratic Republic in arranging a three-month academic exchange program for me in the GDR. I am also indebted to a number of libraries and archives whose collections I was permitted to use and whose staff were unfailingly patient and considerate in helping me to locate the materials I needed. These include the University of Wisconsin Memorial Library, the Hoover Institution for War, Revolution and Peace, and the National Archives and Records Service in this country; the Public Record Office in London; and in West Berlin the Otto Suhr Institut and the Institut für sozialwissenschaftliche Forschungen of the Free University, and the Deutsches Institut für Wirtschaftsforschung (DIW). A special word of thanks is due to Agnes Peterson of the Hoover Institution, Dietrich Staritz of the Otto Suhr Institut, and Hartmut Zimmermann of the Institut für sozialwissenschaftliche Forschungen. Nor can I fail to mention the great generosity of veteran SPD leader Karl Germer in sharing with me his private documents and unique first-hand knowledge of the creation of new parties and trade unions in Berlin.

I am particularly grateful for the cordial reception given me by a number of individuals and institutions in the GDR whose assistance was invaluable to this work. First and foremost, my deep appreciation goes to Rainer Hagen of the Institut für Internationale Beziehungen, who has been a tireless friend in helping me to track down materials and make contacts for my research, and who with his charming wife Renate made my visits to Berlin enjoyable as well as useful. I also want to extend sincere thanks to Professor Walter Bartel and Dr. Siegfried Prokop of Humboldt University, Dr. Claus Montag of the GDR Foreign Ministry, Dr. Siegfried Thomas of the Akademie der Wissenschaften, and KPD/SED veterans Kurt Smettan and Hein Peglow; and to the staff of the FDGB and VdGB

libraries and archives, the Deutsche Staatsbibliothek, the Deutsche Bücherei, and the Institut für Agrargeschichte. The ability of all these people to rise above the mutual animosities of an unfortunate past and to share their knowledge and resources so graciously with an American historian is a credit to them, and a testimony to the progress our two societies have made in learning to understand and deal with one another. Political differences will undoubtedly remain; nevertheless it is my earnest hope that this progress will continue, and that the present work may repay the efforts of all who have contributed to it by serving, however modestly, to promote that end.

Last, but most of all, I want to thank my wife Nancy for her years of loving support. Surely she never guessed she was capable of such patience.

All opinions and analysis of events presented in this book are strictly those of the author, and do not in any way represent the official views of the U.S. Department of State or any other agency of the United States government.

Fresno, California
October 1981

Abbreviations

ADGB	Allgemeiner Deutscher Gewerkschaftsbund (General Confederation of German Trade Unions)
BdS	Bund demokratischer Sozialisten (League of Democratic Socialists)
BzG	<i>Beiträge zur Geschichte der (deutschen) Arbeiterbewegung</i>
CDU	Christian Democratic Union
DFB	<i>Der Freie Bauer</i>
DIW	Deutsches Institut für Wirtschaftsforschung (German Institute for Economic Research)
DVZ	<i>Deutsche Volkszeitung</i>
FDGB	Freier Deutscher Gewerkschaftsbund (Confederation of Free German Trade Unions)
FDJ	Freie Deutsche Jugend (Free German Youth)
GDR	German Democratic Republic
IHK	Industrie- und Handelskammer (Chamber of Industry and Commerce)
IML	Institute for Marxism-Leninism (of SED)
KPD	Kommunistische Partei Deutschlands (Communist Party of Germany)
LDP	Liberal Democratic Party
NARS	National Archives and Records Service (Washington, D.C.)
NKFD	Nationalkomitee "Freies Deutschland" (National Committee "Free Germany")
OMGUS	Office of Military Government, U.S.
OSS	Office of Strategic Services
PRO	Public Record Office (London)
RGÖ	Revolutionäre Gewerkschaftsopposition (Revolutionary Trade Union Opposition)

SED	Sozialistische Einheitspartei Deutschlands (Socialist Unity Party of Germany)
SMA	Soviet Military Administration
SPD	Sozialdemokratische Partei Deutschlands (Social Democratic Party of Germany)
TVZ	<i>Thüringer Volkszeitung</i>
VdgB	Vereinigung der gegenseitigen Bauernhilfe (Peasants' Mutual Aid Association)
VEB	Volkseigener Betrieb (People's Enterprise)
ZfG	<i>Zeitschrift für Geschichtswissenschaft</i>

FROM
HITLER
TO
ULBRICHT

ONE

The Communist Strategy for Germany, 1935-1945

On 30 April 1945—the day of Hitler's suicide—two Soviet transport planes touched down on a makeshift runway a few miles from the flaming ruins of Berlin. Aboard, under the leadership of Walter Ulbricht, member of the Politburo of the Communist Party of Germany (KPD), was the first advance group of German Communists to arrive from Moscow. The returning exiles brought with them the KPD's plans for a new German state and society.

The greatest surprise these plans held for the German people was that they did *not* call for creation of a Communist, or even socialist, state. Rather, the KPD's goal, as stated repeatedly in speeches and printed propaganda over the following months, was the establishment of a bourgeois democratic republic. This new republic, however, was not to be a revival of the weak and reactionary Weimar Republic that preceded Hitler. Its "progressive" character was to be guaranteed by the "leading role of the working class," both within a ruling political alliance of anti-fascist parties and in the institutions controlling the levers of economic and social power—what Communists called the "commanding heights" of society. In practice, this meant the hegemony of the KPD.

THE POPULAR FRONT OF THE 1930s AND THE "DEMOCRATIC PEOPLE'S REPUBLIC"

The idea for such a new order had its origin in the Communist "Popular Front" strategy of the 1930s. Convinced

by mid-1934 that the Nazi regime was relatively stable and not, as had been thought, just a brief episode in the progress toward socialist revolution, the emigré leaders of the KPD and the leadership of the Communist International (Comintern) began reassessing the policies that had led to their failure to defeat fascism. Their conclusions, and the revised strategy that resulted, were promulgated during 1935 as the new Comintern line.¹

At the Seventh Congress of the International that year, Wilhelm Pieck of the KPD declared that his party had made a serious error in attacking all bourgeois regimes as fascist, including those which in fact represented a more moderate form of bourgeois rule. So long as proletarian democracy remained beyond reach, Communists must realize their stake in preserving "every scrap of bourgeois democracy." Speeches by Comintern chief Georgi Dimitrov and others reinforced the conclusion that Communist parties had overestimated the level of consciousness of the masses, isolating themselves from the people by an excess of Marxist rhetoric and undue preoccupation with ideological purity. In the future, the emphasis must be not on wordy statements about revolutionary goals, but on winning respect and influence for the Party through political action to attain immediate and tangible advantages for the workers. Alliances must be forged with other political groups opposed to fascism, as had been done successfully by French Communists, and an attempt made to guide these alliances toward realization of Communist goals. To this end, each individual party would have greater latitude to adapt the Comintern line to its own national circumstances.²

The implications for the KPD were already being spelled out as early as January 1935. According to Comintern instructions, German Communists were to work for "a broad anti-fascist Popular Front, which should include not only Communist and Social Democratic but also Catholic workers, and discontented elements of the peasantry, the

middle class, and the intellectuals; thus, all those who are prepared to fight against the fascist dictatorship." Proletarian leadership of these forces was to be assured in turn by a "United Front" of Communists and Socialists.

Pieck further clarified the new strategy at the KPD "Brussels" Conference in October 1935. The Comintern, he explained, had now recognized the possibility of a situation in which the masses were not yet ready for the rule of workers' soviets, but could nonetheless be united against fascism. The KPD must therefore approach them as the champion of their respective goals and grievances. The disaffected bourgeoisie should be appealed to in terms of the traditions of 1848, with a call for a "struggle for the democratic freedoms"—for freedom of speech, press, assembly and election—that were being suppressed by Hitler. The peasants would be won over by exposing to them the fraudulence of Hitler's promises of land reform, and reminding them of the KPD's commitment to a radical land redistribution. Similarly, other classes and economic groups would be united by the common denominator of their resentment at Nazi betrayal of their particular interests.³

Central to KPD strategy for the Popular Front was that it be based on a more intimate alliance between the KPD and the Social Democratic Party of Germany (SPD): a United Front guaranteeing unified working class leadership of the anti-fascist movement. Abandoning its long-standing campaign of vilification against the SPD as the "social-fascist" betrayer of the proletariat, in January 1935 the KPD Central Committee made an open offer of co-operation to the SPD's exile leadership in Prague. In contrast to offers of this sort in past years, intended to embarrass the SPD with blatantly unacceptable terms, this one seems to have been seriously intended. The Comintern was urging the KPD to make real gestures of conciliation, such as support for SPD candidates in some factory-council elections inside Germany. In the resolution of the

"Brussels" Conference, special emphasis was placed on action to promote pet SPD goals such as improvements in pay and working conditions for workers.⁴

Unfortunately, the KPD's timing was off. Two years earlier, in the first shock of Hitler's seizure of power, sentiment among Social Democrats had been for rejection of the discredited policies of the party's moderate Weimar leadership and a sharp swing to the left. Under pressure from its own left wing, from radical young resistance leaders in Germany, and from socialist parties of other countries, the Prague party leadership had issued a manifesto in June 1933 calling for a revolutionary class struggle against the Nazi dictatorship, and another in January 1934 containing its own proposal for an anti-fascist coalition led by a united working class party. The latter provided for a proletarian-dominated dictatorship, eradication of all "counterrevolutionary agitation," and elimination of the power of the "ruling class" by immediate expropriation of all large estates, key industries, and major banks.⁵

The 1934 manifesto represented the high point of this development within the SPD, though, and soon a reaction set in which, for various reasons, strengthened the hand of more moderate leaders in Prague during the remainder of 1934 and 1935. For the sake of appearances and to mollify their left-wing colleagues, these leaders agreed to a meeting with KPD representatives on 23 November 1935. At the meeting, however, the SPD delegates informed the Communists that no cooperation was possible so long as the SPD had no concrete proof of the sincerity of KPD claims to support democracy or of its honest intention to stick by a "nonaggression pact" with the SPD. They further explained that it would be very difficult for the SPD to cooperate under any circumstances with a party that did not represent primarily German interests, but rather those of a foreign power.⁶

In protest against this decision, one group of left Social Democrats split with the Prague majority and attempted

to work with the KPD toward a unified party. Their experience soon proved the soundness of the Prague leaders' skepticism. The Communists' terms of cooperation amounted essentially to assimilation into the KPD. Even at the "Brussels" Conference no bones had been made about the ultimate goals of KPD strategy: "soviet power" (i.e., all power to the workers' soviets) and a united socialist party based on the Leninist principle of "democratic centralism." While it was making its offers of cooperation to the SPD and other groups, the KPD was simultaneously tightening its own internal party discipline and intensifying ideological indoctrination of its members. Its unconcealed intention was to use United Front and Popular Front organs to wean the masses, including Social Democrats, away from reformism toward revolution, isolating moderate SPD leaders and achieving KPD leadership of the anti-fascist movement.

The KPD succeeded instead in isolating itself. The breakaway SPD group began disintegrating in 1936, with most of its disillusioned members returning to the Prague fold. The main SPD leadership continued its drift to the right throughout the remainder of the decade, with the growing conviction that its role was to coordinate the activities of all liberal-democratic opponents to Hitler. It repeatedly rejected renewed Communist offers of cooperation right up to the outbreak of war.⁷

After the defeat of its first United Front initiative, the KPD turned its attention to developing a more detailed program for a post-Hitler regime in Germany, hoping that its program might have enough universal appeal to serve as a basis for alliance with other anti-fascist forces. In view of the SPD's rebuff, Communist strategists made a particular effort after late 1936 to present an attractive package to potential non-socialist allies. The result was a plan for a "democratic people's republic," similar to the contemporary Spanish Republic, providing for a broad-based anti-fascist government with KPD participation. For

the first time, there was no suggestion that this would be merely a transitional phase on the way to socialism (an omission that many rank-and-file Communists had difficulty accepting). On the other hand, the KPD summarized in the resolution of its 1939 "Bern" Conference the measures it considered necessary to guard against the resurgence of pro-fascist elites: "Expropriation of the fascist trust-capitalists. Implementation of an economic policy that serves the purposes of peace and a higher standard of living for the people. . . . Democratic land reform to benefit peasants and agricultural workers." The strength of democratic institutions was to be founded on the assurance that key positions of power in industry, bureaucracy, army, and police would be controlled by the working class and its allies and not, as in Weimar times, by the upper bourgeoisie.⁸

Such plans were to remain for the time being the KPD's private pipe dream, in the absence of any important allies with whom to collaborate. By 1939 the KPD was in fact, despite its continued Popular Front rhetoric, withdrawing into something like its pre-1935 political isolation. The Hitler-Stalin Pact and the coming of war in the West completed this isolation by removing the major impetus that had inspired the Popular Front strategy in the first place: the Soviet campaign for a similar coalition with Western powers against Hitler. Only with the German invasion of the USSR in 1941 and the renewed importance of Soviet-Western relations did the KPD's relations with other anti-fascist German groups regain its significance for the Kremlin in a unique new way.⁹

THE KPD AND THE "FREE GERMANY" MOVEMENT

The passing of the military initiative to the Soviets at Stalingrad in February 1943 opened new possibilities for political initiatives. From the Soviet point of view, no moral bond existed between them and the Western Allies

that outweighed what had long been the primary goal of Soviet diplomacy: to keep the USSR out of any inter-capitalist war. It is not surprising that by December 1942 Stalin was already extending peace feelers to Germany.¹⁰ Stalin was playing a double game. If his efforts toward Hitler failed to produce a separate Soviet-German peace, the mere possibility might nonetheless frighten the Western powers into making concessions to the Soviets—such as the quick opening of a second front in the West or agreement to Stalin's territorial claims in Eastern Europe—to keep them in the Alliance. The turn of the tide on the Eastern Front gave the Soviets a chance for new leverage in both directions. If Hitler's military losses could be used to undermine support for the war and for his regime within Germany, the result might be either a quicker and more advantageous Soviet-German agreement or a cheaper Allied victory, either way bringing maximum advantage to the USSR.

With these possibilities in mind, the Soviet Union engineered the foundation, in summer 1943, of the National Committee "Free Germany" (Nationalkomitee "Freies Deutschland," or NKFD), a new anti-Hitler organization designed to appeal to German nationalist sentiment. Its first members were recruited from Soviet prisoner-of-war camps, into which the captives taken at Stalingrad had introduced a new and gloomier outlook on the war and the Nazis. The Soviets were particularly interested in the captive officers, especially several generals who, if properly approached, might have an influence on powerful military circles in Germany, as well as greater weight with the German public at large.¹¹ It fell to the KPD, aided by Red Army officers, to enlist these POWs for a "Free Germany" organization and a program strong enough to have serious political influence, yet amenable to Communist control. The experience was to prove an invaluable opportunity to develop techniques that were later used to

control the development of the political system in East Germany.

Up to this time, KPD work in the POW camps had consisted of debriefings of German soldiers for intelligence purposes and ham-handed attempts at political indoctrination through various combinations of propaganda and pressure. Despite the dismal results, the KPD was at first reluctant to make the kind of sharp break with its ideological traditions demanded by the Soviets as an overture to the POWs: abandonment of all class-warfare rhetoric in favor of an appeal to common national loyalties. At the NKFD's founding conference on 12-13 July 1943, the Communists and a group of German officers presented mutually unacceptable platform drafts: one purely nationalist in tenor, the other a stereotype of Marxist dogma. The Soviets, however, were in no mood for lengthy negotiations. Realizing from their own experience the force of nationalism, and fearing that Western powers would soon make a similar move to coopt conservative sentiment against Hitler for their own aims, they extracted a quick agreement on a compromise draft of their own.¹²

The Soviet solution was to force the KPD to abandon temporarily any ideological baggage impeding an agreement and to maintain a façade of equal cooperation, while assuring that real power rested in Communist hands. The NKFD manifesto emphasized the desire for national self-preservation and the danger of Hitler's "catastrophic" policies. "Stein, Clausewitz and Yorck were invoked; and an emphatic demand was made to preserve the army, shun Weimar, and drop all of the slogans of class war that are not connected with the punishment and disowning of war criminals." The KPD goal of radical land reform was ignored (out of deference to the Junker officers), and repentant followers of Hitler were promised amnesty. On the other hand, Nazis, war criminals, and their accomplices—terms not carefully defined—were to be subject to trial and punishment, including expropriation. While bour-

geois freedoms and property rights were to be guaranteed under a "strong democratic state power," nothing precise was said about the form of government or the structure of power. The door was thus left open for a social transformation.¹³

Despite their concessions and their efforts, especially in the first months of the NKFD's existence, to create a spirit of good will in their dealings with the soldiers, the KPD emigrés always regarded the Free Germany organization as having its "motor mounted on the left," in the words of one NKFD veteran. The accuracy of this assessment was not really altered by some further changes in the organization's professed aims in order to win the cooperation of the highest-ranking POW officers later in 1943. Speculating on the chance that the influence of these officers might help bring about a military coup against Hitler, the Communists were willing to agree to cooperate with an intact Wehrmacht in a postwar regime. Captive generals were given generous opportunities to appeal to their colleagues for such a plan on radio and in print, with minimal censorship. NKFD information media remained under KPD control, however, and the work of NKFD propaganda agents at the front and in the POW camps was controlled from KPD headquarters in Moscow. Recruitment, too, was handled by the left wing of the organization, and demanded of new members a rigid adherence to Marxist dogma.¹⁴

As it became clear that the POWs' efforts were neither turning the German army against Hitler nor weakening it through massive desertions in the field—that is, that they could have no influence either in ending the war or in shaping the peace thereafter—the NKFD became ever more forthrightly a Communist tool. After early 1944, its propaganda broadcasts ceased commenting on the future German government or advertising the NKFD itself as the force that would lead the nation out of catastrophe, and began concentrating primarily on calling for resistance within Germany. "Free Germany" popular committees

were now to be formed, comprised of all anti-fascists of whatever political stripe. These were to undermine Nazism from below and help the Allies in the democratization of Germany. Meanwhile, through indoctrination of its more cooperative members and isolation of the rest, the Communists progressively prepared the NKFD for its final role, as a source of cadre to help the KPD establish its political hegemony in postwar Germany.¹⁵

In all other respects, the NKFD had exhausted its usefulness as of the Teheran Conference in November 1943. Here, the Western Allies—suitably responsive to the threat of a Soviet-German accommodation implicit in the NKFD—offered Stalin major concessions on the Polish question and the promise of a second front in the West shortly. With Germany's eventual defeat now inevitable, Stalin's interests were no longer served by an ambiguous posture toward the Allies, and he assured them that the NKFD was merely a propaganda tool against Hitler.¹⁶

Hereafter, Soviet strategy was based on the assumption of a military defeat and joint occupation of Germany, whose resurgence as a threat to the USSR was to be prevented at all costs. This could be accomplished by several external measures which Stalin urged on his American and British counterparts, including execution of political and military leaders, territorial amputations and divisions, and destruction of industrial capacity. Simultaneously, however, the Soviets intended to attack what they considered to be the root of all political evil in Germany: the economic and political power of the reactionary landowners and capitalists. The instrument for this internal solution was to be the KPD.

THE KPD WORK COMMISSION AND ITS "ACTION PROGRAM" FOR GERMANY

Detailed Soviet planning for postwar Germany began in January 1944. In London that month, Soviet and Western

representatives of the European Advisory Commission began negotiations on an Allied policy toward the Reich. Almost simultaneously, Wilhelm Pieck and Georgi Dimitrov met for a preliminary discussion of the "main political tasks" of future KPD work inside occupied Germany.¹⁷

The KPD program that emerged was based on the ideas of a Popular Front developed during the 1930s, and in fact amounted to a renewed call for the "democratic people's republic" conceived at that time. The circumstances now confronting the KPD were vastly more complicated than before, though; both the challenges and the opportunities were far greater. On the one hand, KPD leaders realized that the psychological and political climate in Germany after twelve years of fascism, and the anticipated occupation of large areas of the country by capitalist powers, rendered any open commitment to socialism unrealistic and unwise for the present. Having failed so miserably to resist Nazism before and during the war, the German working class would be in no position to make a successful socialist revolution soon thereafter. Should the Western powers suspect the Communists of such a plan, moreover, they would be less inclined to cooperate in destroying the old order in Germany. They might even, as after World War I, collaborate with the old elites to combat the revolutionary threat.

On the other hand, if the Communists could overcome their radical stigma and gain broad popular support for their own program of anti-fascism and national reconstruction, their chances for political leadership were better than ever before. Backed by the Soviets, they could use their organizational head start to seize and keep the initiative among the splintered and disoriented political factions in Germany. The economic and social reforms sought by all the Allies could then be carried out in a way that favored Soviet and KPD interests.¹⁸

Such considerations of *Realpolitik* led the KPD lead-

ership to ground its postwar program on a profound theoretical reassessment of the revolutionary situation in Germany. According to the new line, the German bourgeoisie had, like that of Russia before 1905, failed in its historic task of overthrowing the feudal power structure. The first goal of the working class was therefore not the proletarian revolution, but the completion of the bourgeois democratic revolution. In an address to fellow party members in November 1944, Pieck chose the following citation from Lenin's 1905 tract *Two Tactics of Social Democracy in the Democratic Revolution* as a sort of leitmotiv for KPD policy:

While absolutely recognizing the bourgeois character of the revolution, which cannot *immediately* go beyond the bounds of a merely democratic revolution, our slogan ["the revolutionary-democratic dictatorship of the proletariat and the peasantry"] *pushes forward* this particular revolution and strives to mould it into forms most advantageous to the proletariat; consequently, it strives for the utmost utilisation of the democratic revolution for a most successful further struggle of the proletariat for socialism.¹⁹

According to Lenin, the working class must seek to ally itself at this stage with the relatively progressive petty bourgeoisie against the more reactionary bourgeois elements, and thus to become the dominant and guiding force even within the capitalist state. By using their political power to push through land reform and other measures to eliminate repressive features of rural and factory life, the workers could create "a consistent and full democracy."²⁰

On February 6, 1944, the KPD Politburo resolved to convene a "Work Commission" of twenty influential party figures to map out a detailed program based on the above principles. In its eighteen regular sessions from 6 March to 21 August, this commission heard presentations on a

variety of major issues, including future German political leadership, the German economy and KPD economic policy, agricultural policy, and the role of the trade unions. These presentations, and the "Action Program of the Bloc of Militant Democracy" into which they were incorporated in late 1944, reflected the central role that economic transformation played in KPD planning.²¹

In conformity with express Allied intentions, the Action Program called for arrest and punishment of Nazis and war criminals, including confiscation of their property. War profiteers, too, were subject to expropriation to offset the costs of reparations and reconstruction. In addition all war industries, public utilities and transport facilities, mining, pharmaceutical manufacturing, and energy production were to be nationalized, along with major banks and those public corporations "which are under the control of the 80 best-known major monopolists." Corporation laws were to be rewritten to limit the power of large shareholders. The stated purpose of these measures was to destroy the private economic power of anti-democratic elites and to enable reconstruction to begin. Another consideration emerged in the deliberations of the Work Commission, however, as observed by a modern East German historian: "The object behind this orientation was to create a sector with socialized ownership of the means of production, and thereby to guarantee a stable socio-economic basis for the anti-fascist, democratic order."²²

A second such guarantee was to be central direction of the economy by the organs of the new state. Here the trade unions had a critical part to play. Hermann Matern, in his report to the Work Commission, noted that the unions would retain their traditional function as representatives of the workers' economic interests. At the same time, though, being the most comprehensive working class organization, they must also become the party's main link to the masses. In this capacity they would have important

functions to perform, not only of educating the workers to class-consciousness, but of mobilizing them behind the economic and social policies of the KPD.

The creation of such a trade union movement, Matern added, would entail considerable difficulties. Not least of these would be a tendency for old Weimar leaders to form separate organizations in an effort, probably supported by Western powers in areas under their control, to revive the pre-1933 unions. For this reason, the KPD should immediately begin taking steps to secure the initiative in trade union reorganization. It should open negotiations with union leaders in exile and in Germany itself, aimed at an agreement on basic principles; it should recruit and train new trade union cadre in the Soviet POW camps; and it should prepare its own experienced trade union functionaries for future responsibilities under the new regime. These efforts should be aimed at creation of a single, unified organization with voluntary membership and a maximum of internal democracy (to neutralize the influence of the Weimar leaders). Effective political and economic power should be guaranteed by a clear division of authority among its component trade unions, based on the principle of one-union shops.²³

Outside the industrial sector, KPD economic policy was closely related to its Leninist strategy of class alliances. Thus, the petty bourgeoisie was courted not only with the prospect of parliamentary democracy, but also with promises of economic freedom and state credits to restore small private artisan and commercial enterprises. In calling for state support of cooperatives and professional organizations serving the interests of small business, the Action Program hinted that these organizations, too, would have their role to play in the planned economy.²⁴

The Party's main enticement to the peasants was the promise of land reform. The KPD plan, based on recommendations by its veteran agricultural expert Edwin Hoernle, was to create a "land fund" of at least 10,000

hectares to be redistributed to the land-hungry peasantry. Sources for this fund would include the expropriated holdings of fascists, war criminals, land speculators, "saboteurs of the people's food supply," and all proprietors of estates exceeding 150 hectares. The fund and the distribution process were to be administered by special land commissions composed of representatives of both the peasants and the state.²⁵

The economic aims of this plan were similar to those behind the intended industrial expropriations: to eliminate fascist and reactionary elite groups—including, in this case, the class of large landowners—and to secure a sound economic basis for the new regime, meaning control over the food supply. Another important political dimension was also involved, however, which explains why this plank, the only one in the Action Program with no basis in Allied agreements, had such a high priority for the KPD and its sister parties throughout Eastern Europe. In the Communist view, no revolution was secure without the support of the peasantry. In this light must be seen the fact, too, that the Action Program contained no call for collectivization that might alienate "individualistic" German peasants. Rather, a period was foreseen during which these peasant proprietors would be educated to the advantages of cooperative farming methods. Within KPD circles, discussion was already underway about the use, for this purpose, of the "free farmers' cooperatives" promised in the Action Program.²⁶

The political framework within which the KPD would seek to implement its program of economic transformation was still unclear by the end of 1944. The "Bloc of Militant Democracy" was envisioned as a sort of successor to the Popular Front, uniting all the anti-fascist political groups and "mass organizations" expected to spring up in Germany after Hitler's fall. Well into 1945, however, two possible forms for the Bloc were considered: a loose alliance of organizations and individuals led by the KPD,

and a more formal coalition of recognized parties. Also unresolved was the exact part to be played by the "People's Committees," the local resistance groups being called for in KPD/NKFD propaganda broadcasts. The Work Commission foresaw an important role for these, particularly early in the occupation and in rural areas, as agents of denazification and initiators of economic reconstruction. The actual extent of their political influence, though, would certainly depend on their contribution to Hitler's defeat. Indeed, the Work Commission took pains to persuade the German people that Germany's continued national existence itself would be decided by their own "successful struggle against German imperialism" as well as by "the internal restructuring of Germany in an anti-fascist, anti-imperialist spirit."²⁷

FINAL ADJUSTMENTS: FROM YALTA TO THE OCCUPATION

Ultimately, of course, Germany's future as a nation was in the hands of the Big Three. Up to the Yalta Conference in February 1945, Soviet policy on the German question was no clearer than that of the other Allied powers, nor did it need to be. On the issues of greatest immediate concern, such as Poland, reparations, the Oder-Neisse line, and the dismantling of Germany's military and economic power, Stalin was able to reach agreements to his satisfaction, at least in principle. The Allies' public commitment to "eliminate or control all German industry that could be used for military production" and to "remove all Nazi and militarist influences from public office and from the cultural and economic life of the German people" also gave the KPD an adequate basis for pursuing its transformation program throughout all of Germany. At the same time, the decision to assume Allied sovereignty over Germany, and acceptance of the Soviet position that the individual powers would have supreme authority within