



**Friederike Sattler.** *Wirtschaftsordnung im Übergang: Politik, Organisation und Funktion der KPD/SED im Land Brandenburg bei der Etablierung der zentralen Planwirtschaft in der SBZ/DDR 1945-52.* Berlin: LIT Verlag, 2002. 1036 S. EUR 55,00 (gebunden), ISBN 978-3-8258-6321-0.



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## Planned and Unplanned Planning

It was not so very long ago that studies in the transition to communism were conducted primarily by political scientists. The emphasis was on ideology, methods, functions, structures, and the generic similarities between developments in different societies. The political scientists (and the social anthropologists) have, by and large, moved on to investigate the transition to post-communist societies, leaving the earlier ground to the attention of historians. Many of the questions raised by political science remain valid and inform the historians' enquiries, but the emphasis now is more on documentary evidence, human agency, and on the particular rather than the generic.

Friederike Sattler's study is an exemplary instance of such work. Using the Land of Brandenburg from 1945 to 1952 as her main source of archival detail, she presents a meticulous account of the ways in which the territory of the Soviet Occupation Zone, and from 1949 the German Democratic Republic, were transmuted from National Socialism and wartime destruction into the kind of planned state socialism which was to define the GDR for the rest of its existence. The year 1952 was far from being the final point of this transition, but it was certainly a key juncture. Such prospect of German reunification as there was receded with the rejection of Stalin's note by the western

powers; the internal political structure of the GDR was refashioned, with the replacement of the *Länder* with Bezirke (districts); the border with the Federal Republic was strengthened; and the Socialist Unity Party of Germany (SED) declared at its Second Party Conference in July the "planned construction of socialism."

Sattler poses and answers two essential questions, one explicitly and the other implicitly. First, she asks what role the still nominally decentralized *Länder* system of the Soviet Zone and early GDR had in the transition to a centralized, planned economy. Specifically, there is the question of KPD/SED organization at the Land level. Second, she raises throughout the issue of whether the development of Soviet and KPD/SED policy in its "zigzag" course followed some predetermined plan.

Her answer to the question about Brandenburg and the other *Länder* is that the legislative functions and the party-political apparatus at Land level were a useful—indeed essential—initial framework for the Soviet Military Administration (SMAD) and for the KPD/SED in transforming the regulation of property relations, economic administration, and steering of the economy. The regional organization of the dominant party was also instrumental in its development of legislative, political, administrative, organizational, propagandistic and—

importantly—personnel control. There is certainly an effective case made here that existing structures, albeit in some turmoil after National Socialist rule, were successfully infiltrated and utilized to prepare the way for a very different form of political and economic organization. The Land governments, for instance, were used as the repositories for sequestered enterprises, as a precursor to full state ownership and the planned economy.

The second question, about planning for planning, is answered at several points. The Soviet Union, Sattler stresses, was, in 1945, interested primarily in security and reparations. Even in the years thereafter, its own security and the politics of Germany as a whole were more important to the Soviet Union than the precise terms of economic management in the Zone/GDR. Nonetheless, Stalin and his officials did intervene directly at various points to steer economic policy, and naturally they did so with assumptions formed by the Soviet experience. The KPD/SED, particularly Walter Ulbricht himself, had no doubts about the equation between fascism and capitalism, and saw the defeat and replacement of the latter as part of the struggle against the former. This is not to say, though, that every policy step from 1945 to 1952 was predetermined on the path to state planning. Pragmatic (though not always successful) measures were chosen at times. Class struggle was seen as paramount at others. And throughout the KPD/SED was beholden to the views of the Soviet authorities.

The structure of the book is tripartite in two respects. Chronologically, there is first an extensive survey of the prehistory up to 1945, followed by lengthy analysis of the development of economic planning structures at Land level from 1945 to 1948. The third section then deals with the undermining of federalism and the transition to central planning from 1948 to 1952. Thematically, the corresponding triple arrangement is that agriculture, trade and industry, and the KPD/SED party apparatus are each dealt with separately, twice over, in the chronological sections.

The historical introduction helps to place developments in the Soviet Zone and GDR in a wider context. There is discussion of the Soviet economic experience, the National Socialist organization of the economy, and the desperate situation pertaining in Brandenburg in 1945. Marxist-Leninist theory is not neglected, although arguments later in the book show how the political drive of Soviet and KPD/SED policy was usually mixed with opportunistic considerations. Here and elsewhere, the crucial role of Stalin's regime and its military

and civilian functionaries in Germany is properly emphasized. The detailed attention given to the intricacies of agricultural and industrial policy is quite extraordinary, but the reader is given assistance by the frequent summaries of what has gone before. In the political sections, developments in Brandenburg are seen as part of the general picture, as the SED moved from "block politics" in conjunction with the other parties, through the establishment of a "party of a new type," to the declaration of socialism in 1952. The conclusion of this substantial research enterprise draws together the empirical material and the overarching interpretations, and then provides a final summary of the whole.

In recent years much has been written about the history of agricultural policy from the land reform of 1945 to the collectivization of 1960. Sattler's contribution does not challenge current understandings of the social and economic upheavals of 1945-52, but it does add a wealth of detail from the Brandenburg situation, and it gives a strong sense of the real economic challenges facing the farmers and the political authorities. Sattler does not believe that there was a deliberate intention from the outset by the SMAD or the KPD to create smallholdings incapable of survival. This is what the land reform did, however, and necessitated the later move towards collectivization in 1952. That this was a dismal failure had a lot to do with the sustained and deliberate ideological attack on the larger farmers in the years from 1948. Much was made from the late 1940s of the planning of agricultural production, but this was scarcely planning at all. As Sattler argues, the delivery quotas—effectively a tax in kind—were set for political rather than genuine economic reasons. A particularly strong point of the analysis is the discussion of the initial use of the old Raiffeisen cooperatives, and then their infiltration, subversion and destruction. In July 1950 the Raiffeisen leaders were put on trial for sabotage and in November the cooperatives were incorporated into the Association for Mutual Peasant Aid (VdgB).

If land reform was the defining feature for agriculture in the early years, sequestration and dismantling characterized the industrial situation. Like the expropriation of the Junker, sequestration was a political measure with significant economic consequences. It did not mean immediate transition to a planned economy and it was not, as far as one can measure, an unpopular step. Here, Sattler's focus on the Land experience is particularly valuable, considering the role which the Brandenburg and other regional authorities had in the control of industrial production. Brandenburg was indeed in the forefront in

this respect. By the end of 1947 almost half of its gross industrial production was in Land-controlled enterprises. The latter also accounted for 40 percent of employees, a proportion only exceeded by Mecklenburg (44 percent), which had a much smaller workforce. Of course, the difficulties of getting production back on track had been severely exacerbated by the Soviet insistence on dismantling factories and indeed the tracks themselves. One can understand the Soviet position in the light of the devastation wrought by German forces in the USSR. There can be little doubt, though, that the physical removal of industrial infrastructure made the Soviet task in the Zone more difficult and was of only limited benefit to production back home. Here the German politicians were helpless and had to suppress discussion of the damage being done to industrial plants. Only when the Soviet authorities themselves saw the ineffectiveness of the policy did a change of course begin to take place from late 1945. Soviet extraction from current production in the Zone, plus the founding of Soviet-controlled enterprises (SAG), was now the new policy.

Sattler is very good on the process by which the Soviet and German authorities re-invented the previous economic associations, the *Wirtschaftskammern*, *Handelskammern*, and so on, in order to create a rudimentary infrastructure for economic policy implementation. As with the *Raiffeisen* agricultural cooperatives, however, these bodies were soon used primarily as mechanisms for controlling and inspecting private enterprise and introducing planning mechanisms. By the summer of 1947, at a time of economic stagnation and desperate workforce morale, their role was taken over by the German Economic Commission (DWK). Meanwhile, private enterprise—still performing in planning terms better than Land-controlled industry—was subjected to a deliberate “tax war.” One important area, which is hinted at several times in Sattler’s analysis of investment, could have been drawn out more, however: money, finance, and banking. It is not made sufficiently clear where the resources were coming from or could come from, especially in light of the USSR’s rejection of the Marshall Plan.

By 1952 the *Länder* were seen as relics “of the feudal age” whose usefulness were at an end. Their powers were stripped away and there was a territorial reorganization which divided the GDR up into smaller districts operat-

ing within a centralized system. The Two-Year Plan of 1949-50 and the first Five-Year Plan of 1951-55 had set the scene for the construction of socialism, but could not disguise the ongoing gross inadequacies of industrial production and the desperate state of GDR agriculture. Sattler highlights the fragility of the system, which—as she indicates—almost collapsed altogether in June 1953.

Friederike Sattler’s book began life as a doctoral thesis and has been revised only minimally for publication. This is very noticeable, and is an unfortunate feature of the German academic tradition, for which Sattler cannot herself be held responsible. However, there is no doubt that the lack of any concession to a broader readership limits the value of published theses such as this. More than a thousand tightly packed pages take up two hefty volumes. There are 3500 footnotes, and although they largely restrict themselves to source references rather than subsidiary arguments, some of them are long. There are nearly two hundred pages of appendices, though, to be fair, they contain much useful reference information on administrative and political structures and on individual careers. For a work of this substance, however, which—let us remember—covers only eight years in the history of a small province, the index is characteristically useless. It contains only personal names and lists of page numbers. Unsurprisingly, Walter Ulbricht—with 109 such entries—just pips Heinrich Rau, a key figure in the economy of Brandenburg and the GDR, who has only 101.

This study has many qualities: painstaking archival research, intelligent analysis, and a determination to place the events of 1945-52 within the context of longer-term developments in Germany and the Soviet Union. The detailed work on the example of Brandenburg’s politics and economy is invaluable, although it necessitates considerable restatement of developments in the Zone/GDR more broadly. The structure throughout is fearlessly methodical, but lends itself to considerable backtracking and repetition. More than once, one finds oneself at last in the early 1950s, only to be returned once more to 1948 or even 1946, to begin again with another part of the story. The undoubted qualities of Sattler’s work would perhaps have shone through more strongly in a more selective, condensed, edited version of her splendid research.

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