

VII. The trade unions' role in constructing the social state 1924–1930

After 1924 there was a clear improvement in the economic situation, accompanied by a degree of political stabilization. The succession of bourgeois Cabinets – generally under Centre leadership – and, in particular, the policy of Gustav Stresemann (DVP) gave the republic a spell of peace, the conservative nature of which was symbolized by the election of Paul von Hindenburg as president in 1925. All in all, the mid-1920s was when the “normality” of the Weimar republic evolved, that is, a system containing elements of both the “social state” and private capitalism, not yet consolidated but capable of development. We must be careful, however, to distinguish the concept of the “social state” from the welfare state, precisely because of the democratic measures it implies.

1. *Heading for the “social state”? The middle years of the Weimar Republic*

In 1924 the end of inflation, the settlement of the reparations issue through the Dawes Plan and the flood of foreign credit brought an economic revival, the clearest sign of which was the doubling of industrial output between 1923 and 1928–29. Without attaining pre-war proportions, the chemical, electrical engineering and optics industries, partly also textiles and mechanical engineering, managed to win back their positions in the world economy, with positive effects on German exports and the foreign trade balance.

The economic upturn was certainly given a considerable fillip by the increases in productivity arising from more rapid rationalization. In the German engineering industry, for example, labour productivity rose by 45 per cent between 1924 and 1927; in the iron industry by 41 per cent between 1925 and 1927. The German economy tried to assert itself against international competition by means of concentration and cartels on the one hand, and improved productivity through the scientific planning of work processes and through new technology on the other.

The dark side of these efforts and successes was the intensification of work and high unemployment even in comparatively prosperous times. From 10 per cent in 1924 it receded to 7–8 per cent in 1925, soared to 15

per cent in the recession of 1926, and was back to 8–9 per cent in 1927–28. In 1929 – with the worldwide depression in the offing – it rose to 13–14 per cent (Table 5a).

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It was thanks to union policy that wage earners shared in the benefits of economic recovery. Though the unions had emerged weakened from the inflationary crisis, their attitude to the industrial struggle in 1924 was conspicuous for its militancy. The restabilization of the currency and the December 1923 decree on working hours made new collective agreements necessary; 1924 became the “year of struggle”, as a glance at the industrial dispute statistics will show. The numerical relation between offensive and defensive strikes also reveals that the unions were on the defensive, from which they did not emerge until 1925, as the organizations started to gain strength. One cannot fail to note, however, that after the period of inflation industrial militancy was well below the immediate post-war level, owing to the weakness of the unions and to state arbitration (Table 2c).

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Wages were the central concern of union policy. From 1924 to 1929 wages rose faster than the cost of living, so that by 1928–29 real weekly wages had reached or exceeded their pre-war level (1913–14) (Table 3b). Wage trends varied considerably throughout the 1920s according to occupation and industry. It is indicative of union policy that women’s wages were unable to sustain the level reached after the war; the gap between women’s and men’s pay widened again (Table 3e).

True, the “wage ratio”, that is, wages and employers’ social insurance contributions as a proportion of national income, rose steeply from 46.4 per cent in 1913, to 57.6 per cent in 1927 and 59.8 per cent in 1929. But population trends must be taken into account here and also, more importantly, the impoverishment of the middle class by inflation: “unearned income” declined as a share of the total and the number of wage earners rose.

In the public debates of those years pay levels were a controversial issue. While the unions believed that by improving workers’ incomes, and hence overall purchasing power, they were stimulating economic activity¹, the employers persisted in taking the view that the high level of wages

¹ See especially Fritz Tarnow, *Warum arm sein?* (Berlin, 1928)

was making investment decisions very difficult, leading to paralysis of the economy and a worsening of unemployment. The trade unions were blamed for pay levels – but also state arbitration, whose aid the unions admitted, despite being critical of the curbs on the right to strike, they would find it hard to do without.

The controversy over wages and arbitration has resurfaced again recently, and many historical observers also see wage levels as one of the causes of the “sickness” of the German economy in the 1920s which, in a long-term comparison, revealed itself in relatively poor economic growth, low rate of investment and high unemployment. Taking this argument to its logical conclusion, trade union policy and compulsory state arbitration are regarded as major causes of economic adversity as far back as the 1920s.² There is no need to go into the debate on this question here, but it should be pointed out that wages did not burst the framework imposed by the development of productivity, nor were wages the only factor governing costs by any means – others, such as interest rates, were equally important. Lastly, it could be argued that, in view of the worldwide trend towards protectionist policies, it was not possible to stimulate demand by increasing exports, so it was necessary to boost mass purchasing power in order to revitalize the economy and bring down unemployment. Without the wage rises of the 1920s the economic situation would undoubtedly have been even worse.



Another major bone of contention between the unions and the employers was – of course – the issue of working hours. In the summer of 1924 the employers presented a memorandum on working hours that stated, “The German economy has been brought to the verge of collapse by the Versailles *Diktat*, inflation and the anti-production social policies of the post-war period” – especially the “routine eight-hour day”.³ On the basis of this statement and with the backing of the December 1923 decree on working hours, employers in virtually every industry seized the opportunity and

2 See, for example, Knut Borchardt, *Wirtschaftliche Ursachen des Scheiterns der Weimarer Republik*, in Hagen Schulze (ed.), *Weimar. Selbstpreisgabe einer Demokratie. Eine Bilanz heute* (Düsseldorf, 1980), pp. 211–49, especially p. 217 ff. Cf. the controversy involving Claus-Dieter Krohn (*Geschichte und Gesellschaft* 1982, pp. 415–26 and 1983, pp. 124–137) and Carl Ludwig Holtfrerich (*Historische Zeitschrift* 1982, pp. 605–31 and 1983, pp. 67–83, and *Geschichte und Gesellschaft* 1984, pp. 122–41)

3 *Die Arbeitszeitfrage in Deutschland. Eine Denkschrift, verfasst von der VDA* (Berlin, 1924), p. 5

imposed longer working hours. Despite considerable militant activity in 1924 (considering how weak the unions were), more than 50 per cent of full-time workers had their 48-hour week taken away that year. The trade unions only partially withstood the pressure to increase working hours. The collective agreements that came into force on 1 January 1925 permitted a working week in excess of 48 hours for 10.9 per cent of wage earners, and the proportion rose to 13.4 per cent over the next two years.

When it came to holidays, union policy was more successful. In 1920, 65.7 per cent of collective agreements contained provisions governing the number of days' holiday; by 1 January 1925 this had risen to 86.6 per cent. After one year's employment, a worker was generally entitled to 3–4 days' paid holiday per year; holiday entitlement grew with length of "service" to reach a maximum of 12–14 days. For white-collar workers, many of whom had enjoyed holidays even before the war, a holiday entitlement of 2–3 weeks became common during the Weimar period.

But in view of increasing rationalization and the high rate of unemployment, the Free Trade Unions came out repeatedly in favour of a return to the eight-hour day, and before long were seeking cuts in working hours that went even further. In a public statement supporting this demand on 28 October 1926, the link between unemployment and rationalization was stressed: "The prevailing unemployment has its roots in present-day economic developments. Positive measures are therefore required to bring about a significant fall in unemployment, which is an inevitable result of the continuing advances in technology and company organization."⁴ The resulting demand for the immediate enactment of an emergency law on working hours restoring the eight-hour day was not unexpectedly turned down flat by the employers.

Forced into a corner by an SPD bill and with the Christian trade unions applying pressure on the Centre Party, in March 1927 the government introduced its own bill, which was passed by the Reichstag on 8 April 1927. This "emergency law on working hours" rendered those who accepted voluntary overtime liable to prosecution; it made it necessary to obtain official approval to exceed ten working hours per day. Overtime, measured on the basis of the eight-hour day, was to be paid at 25 per cent above the going rate.⁵

4 Ein Notgesetz über den Achtstundentag, in Gewerkschafts-Zeitung No. 45 of 6. 11. 1926, p. 625

5 Gesetz zur Abänderung der Arbeitszeitverordnung vom 14. 4. 1927, in Reichsgesetzblatt. Part I, No. 18 of 16. 4. 1927, p. 109 f.

Although representatives of the employers' organizations had worked on the wording of the law, voices were heard criticizing the fact that basically the eight-hour day remained in force; it was especially galling to the employers that overtime was also calculated on that basis. The Free Trade Unions, however, rejected the law for making a "mockery of the eight-hour day"⁶ and, in view of rationalization, unemployment and the worldwide economic crisis, soon set about campaigning for the 40-hour week.

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For all the short-lived changes in economic, social and political development under the Weimar republic, there is no denying that the 1920s were an integral part of an accelerated process of social change that had commenced in Wilhelminian and wartime Germany and changed the conditions of trade union action.⁷ One indication of this transformation is the restructuring of the economy. Looking at the number of persons employed by individual sectors of the economy as a proportion of the whole in 1907, 1925 and 1933, one is struck by the decline of agriculture and forestry (from 35.2 to 28.9 per cent) and the expansion of the tertiary (service) sector (from 24.7 to 30.7 per cent), especially in the area of trade and transport (Table 6a). Though these statistics conceal counter-trends in some areas of the economy, these facts may suffice to illustrate the dominant trend: the beginning, in the 1920s, of Germany's transition from an industrial to a service society.

In tandem with the growth of the service sector and the increasing importance of industry's research and distribution sectors, the number of white-collar workers increased; the expansion of the public sector also made a significant difference. While the number of workers rose in absolute terms, their relative share of the total working population went down from 55 per cent (1907) to 50 per cent (1920). The number of salaried employees and civil servants, on the other hand, rose over the same period from 10.3 to 17.4 per cent, an increase of 70 per cent (Table 6b). This trend was also evident in trade and industry, where the number of salaried employees rose from 5.73 per cent in 1907 to over 9.22 per cent in 1922 and to 9.43 per cent in 1933. The peculiarities of the white-collar mental-

6 Kritik am Arbeitsschutzgesetz-Entwurf. in Gewerkschafts-Zeitung No. 9 of 26. 2. 1927, pp. 117-19; this quot. p. 118

7 The following figures are taken from Walther G. Hoffmann, *Das Wachstum der deutschen Wirtschaft seit der Mitte des 19. Jahrhunderts* (Berlin, Heidelberg and New York, 1965), p. 194 ff.

ity caused the unions a great many problems: there was a hidden explosiveness about it that was generally underrated by the (Social Democratic) labour movement. This was to become increasingly apparent as the world depression neared.

This also applied to women's work. The proportion of women in the total working population changed little, except for a rise (not documented here) during the Great War. In 1907 the figure was 33.8 per cent, in 1925 35.8, and 1933 35.5 per cent. As a proportion of all women, the number of working women rose from 30.4 to 35.6 to 34.2 per cent over the same period.

It should also be mentioned that large-scale industry was continuing to expand. While in trade and industry the proportion of employees working for small firms employing 1–5 workers fell from 31.2 to 25.4 per cent, the proportion of those working for large companies in general rose, notably concerns with over a thousand employees – from 4.9 to 6.8 per cent. This trend affected the unions in two different ways. Firstly, it changed the experiences and occupational structure of the working class, which entailed problems in recruiting members. Secondly, the rise of the large-scale concern reflected the process of concentration which, together with the formation of cartels, led to the takeover of entire industries by small numbers of companies. In 1926, 98 per cent of potash mining, 97 per cent of mining, 96 per cent of the paint industry, 86 per cent of the electrical engineering industry, 80 per cent of shipping and 73 per cent of banks were grouped into large concerns or cartels.⁸ Large concerns such as IG-Farben and Vereinigte Stahlwerke (United Steelworks) date back to this period. Trade unions of all tendencies believed they could overcome the adverse effects of this process by means of draft legislation designed to control the cartels and monopolies and put a stop to price-fixing.



One of the trade unions' key fields of political activity was still social policy, and it was a tremendous advantage for trade unionists of all hues that in the years of a bourgeois government majority the Minister for Labour was Heinrich Brauns of the Centre Party, a politician with a keen interest in social affairs. It was his doing that, after the years of inflation, the virtually bankrupt social insurance scheme was rebuilt and indeed enlarged. The fact that for Brauns, too, social policy took second place to

⁸ Statistics from Manfred Clemenz, *Gesellschaftliche Ursprünge des Faschismus* (Frankfurt/M., 1972), p. 197

economic policy was not so noticeable since the relative economic upturn of the mid-1920s produced more wealth to distribute.

The pinnacle of the Weimar social legislation was undoubtedly the Law on Employment Exchanges and Unemployment Insurance (AVAVG), which came into force on 1 October 1927. The AVAVG bill had been drawn up by the ADGB in collaboration with the Christian unions, revised by the Ministry of Labour under Brauns and finally placed before the Reichstag by the Centre Party. It handed over responsibility for the two areas mentioned in the title of the law to a central institution – the National Institute for Employment Exchanges and Unemployment Insurance. This new institute pointed the way ahead in several respects: responsibility was divided (equally between employers, employees and the state); contributions were shared (employer and employee paying half each); benefit consisted of a main payment and a family supplement, and was payable for a limited time only. But the scheme was also flawed, particularly (with more than half a million unemployed) as far as meeting its commitments was concerned, and this would shortly become apparent.

There was a marked rise in overall public spending compared with the *Kaiserreich*. It rose to an annual average of 13.7 billion Marks (in 1913 prices) for the period 1919–1929, as opposed to 6.8 bn Marks for 1909–13. While economic performance as a whole declined, government expenditure as a proportion of GNP doubled in nineteen years under the impact of the new social insurance scheme, rising from 17.7 per cent in 1913 to 25 per cent in 1925, 30.6 per cent in 1929 to 36.6 per cent in 1932.⁹ This expansion was first and foremost a consequence of “social interventionism”, the chief manifestation of which, apart from house building and job creation measures during the crisis of 1925–26, was the extension of social insurance. This readiness to intervene in social and economic policy was evident in the Works Councils Law, the rules on working hours and the arbitration system, and it was this extension of state involvement, especially the expansion of public enterprises, that was one of the most controversial domestic political issues of the 1920s. The entrepreneurs’ organizations, in particular, thought that it smacked of “creeping socialization”.

If the unions tried to leave the narrow area of social policy, however, they did not meet with much success. This proved to be the case over fiscal policy. The trade unions repeatedly advocated raising property taxes, thus taking some of the burden off wage earners: with no success. Neither were

9 Statistics from D. Petzina et al., *Sozialgeschichtliches Arbeitsbuch III*, pp. 139 f. and 150

the Free Trade Unions able to get their way in the question of protective tariffs. In fact, there was seldom agreement between the federations on such matters.

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While the unions' broad party political ties offered opportunities – as cooperation over the AVAVG had demonstrated – the limits of their influence within the parties became clearly apparent towards the end of the 1920s. In 1925 the Free Trade Unions withdrew to their original sphere. At the Breslau congress Leipart stated that from the start from unions had been “pushed into tasks” which were “really not their concern”; the plan for the future was to devote more effort to “proper trade union business”.¹⁰ And he insisted on the independence of the unions vis-à-vis the Grand Coalition government formed in 1928 under Social Democratic leadership; at the Hamburg congress he expressed the hope that the government would pursue a “socialist policy” but declared that the unions would criticize the government “without mercy” when they considered it “necessary in the interests of the workers”.¹¹ With decisions like this the Free Trade Unions drew the conclusions from its experiences since the Kapp *Putsch*, which had taught them that trade union positions are frequently sacrificed to political considerations when a coalition is involved.

The Christian unions also had expectations of their party political allies – in terms of political representation in key positions – and they were not fulfilled, either. Stegerwald was voted on to the Centre Party executive in 1920, yet neither he nor Joseph Joos, the editor-in-chief of the journal of the West German Catholic Workers' Associations, the “Westdeutsche Arbeiter-Zeitung” (West German Workers' Newspaper), managed to obtain the chairmanship at the 1928 party conference, which elected the prelate Ludwig Kaas, professor of ecclesiastical law at the University of Trier, instead. With the election of Alfred Hugenberg to the post of party chairman, the DNVP also fell into the hands of a man who cannot be said to have maintained close links with the unions. As a result many Protestant workers left the DNVP in 1929 for the “Christian-Social People's Ser-

¹⁰ Protokoll der Verhandlungen des 12. Kongresses der Gewerkschaften Deutschlands (= 2. Bundestag des Allgemeinen Deutschen Gewerkschaftsbundes), abgehalten in Breslau vom 31. August bis 4. September 1925 (Berlin, 1925), p. 112

¹¹ Leipart, in Protokoll der Verhandlungen des 13. Kongresses der Gewerkschaften Deutschlands (3. Bundestag des ADGB), abgehalten in Hamburg vom 3. bis 7. September 1928 (Berlin, 1928), p. 80

vice" (Christlich-sozialer Volksdienst). Walther Lambach, the leader of the shop assistants' union, the DHV, had already taken this step in 1928, though the majority of DHV members drifted over to the NSDAP (the Nazis). Of the 107 National Socialist deputies elected to the Reichstag in 1930, 16 belonged to the DHV; or, put another way, almost one third of the 47 Christian-National trade unionists in parliament were NSDAP members. The white-collar workers' reaction to the risk of *declassament* and loss of status was to move to the nationalist, conservative Right.

When Stegerwald became leader of the Centre Party group in the Reichstag and Minister of Transport, he resigned his union offices. The fact that Bernhard Otto was elected chairman of the national federation of Christian unions in 1929 and Heinrich Imbusch advanced to the top of the DGB was proof of the "self-reflection" within the Christian-National unions, which led them to rethink their trade union tasks and withdraw from politics – experimentally, at least.

As for the Hirsch-Duncker associations, the end of the 1920s saw their political plans in tatters. Although their political ally, the DDP, had obtained some 18.5 per cent of the vote in 1919, it was soon reduced to a splinter party. In September 1930 it could only muster 3.7 per cent of the vote. After the DDP re-formed in 1930 as the German State Party (Deutsche Staatspartei), in collaboration with the Young German Order, many leftwing, liberal members, including Anton Erkelenz, one of the leaders of the Trade Union League, switched to the SPD.

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To sum up, one might say that the 1920s witnessed the development of a volatile interplay between social protectionist measures and measures to promote the stabilization of advanced private capitalism. In the process, state intervention underwent a major transformation, both qualitatively and quantitatively: it was no longer limited to the field of social policy proper but extended to the awarding of public contracts (job creation) and industrial relations (working hours, arbitration) – and even to customs tariffs and fiscal policy. But the government often intervened only indirectly in the social and economic system, leaving it initially to the two sides of industry to find common ground. Only when no compromise emerged was the arbitration procedure enforced. Although trade union work was faced with severe tests both at the start and the end of the 1920s, for a number of years a certain measure of co-operation – constantly endangered though it was – had nevertheless developed between the unions, employers and state. Unfortunately this "Weimar pluralism",

which can hardly be described as a balance of power in view of the domination of the entrepreneurs, was not given the time to develop solid traditions and resilient structures.

2. *The unions' organizational consolidation*

While the long-term trends described above – for instance, the problems of recruitment among women and white-collar workers – only affected trade union organization indirectly, the unions' economic successes and economic improvement in general had a more direct effect on membership. Overall, the membership figures of the federations picked up after 1924–25, but did not reach their old post-war peak again by 1929, which saw the beginning of the Depression. The Free Trade Unions maintained their leading position, with a membership that grew from 4 m in 1924 to nearly 5 m in 1929. The Christian unions were next with almost 613,000 (1924) rising to 673,000 (1929) – a long way ahead of the Hirsch-Duncker associations, which had 147,000 members in 1924 and 168,000 in 1929 (Table 1a).

While the Free Trade Unions remained the strongest workers' organization by far, the Afa-Bund was overtaken as the largest union of salaried staff by the Christian-national white-collar unions amid the surge of radical nationalist conservatism that swept through the middle classes. While the membership of the Afa-Bund fell from 447,000 (1924) to just under 400,000 (1927) and then rose again to 450,000 in 1929, the membership of the Christian-national Gedag increased steadily from 393,000 (1924) to 557,000 (1929); even the liberal GdA recorded an increase from 260,000 to 320,000 members (Table 1b).

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As their membership increased, the unions were able to rebuild their internal organizational structure, which had been badly hit during the years of inflation. Of the 13 regional offices of the Free Trade Unions closed down in 1923, eight were reopened in 1924 and another three in 1925. The ranks of the union employees were also replenished. In the 1920s, one full-time union official for every 700–800 members became the norm, so that in the early 1930s the Free Trade Unions had roughly 6,000 officials, 4,000 of whom were employed in local administration, just over 1,100 at national level and a mere 43 by the ADGB executive.

This also illustrates how weak the ADGB was as an umbrella organization, and this was particularly true at regional level.

At the congress in Breslau in 1925 and the 1928 congress in Hamburg the voluntary nature of the 1922 decision to go ahead with industrial unions was emphasized again. The number of ADGB-affiliated unions did go down from 40 to 33 between 1924 and 1929, but there was still a long way to go until the industrial union was established. Resistance to a thorough-going industrial union system led to more emphasis being given to the "trade" aspect of trade unions in the mid-1920s, by the Free Trade Unions as well as the others.

There continued to be differences of interest between the large and the small unions, between the individual unions and the ADGB executive. At the 1928 Hamburg congress the rules governing the make-up of the federal committee were changed. The unions would no longer send one representative each – two for those with more than 500,000 members – to the federal committee; a greater measure of differentiation was introduced. Henceforward a further member was to be appointed for 300,000, 600,000 and 900,000 members. The DMV, which had previously been the only union with two members, was now given four seats, and five more unions two each.

The small unions generally pressed for the expansion of the federation institutions, in order to cut their own organization costs, while the large unions regularly voted against any increase in central expenditure – and hence greater powers – for the ADGB. This was the case with the ADGB's educational work, which in 1927 it employed an education officer to co-ordinate, and its press. The "Gewerkschafts-Zeitung" was expanded, the theoretical monthly "Die Arbeit" was founded, and in 1928 the industrial law supplement of the "Gewerkschafts-Zeitung" was turned into an independent publication called "Arbeitsvermittlung und Arbeitslosenversicherung" (Employment Exchange and Unemployment Insurance) with Clemens Nörpel as editor. In addition, the Free Trade Unions got together in 1925 with the SPD and the co-operative movement to set up the Research Centre for Economic Policy (Forschungsstelle für Wirtschaftspolitik), headed by Fritz Naphtali, to supply the unions with expert advice on economic and social policy.

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This phase of comparative economic and political stabilization was also the heyday of the co-operative enterprises. Achievements in this area were to change the face of the trade unions in the 1920s. The consumer co-ope-

ratives and insurance enterprises were founded back in the pre-war years, but these and many other freshly established undertakings experienced a tremendous upswing in the Weimar period; trade unionists and trade unions of every persuasion became “entrepreneurs”. Being economically active within the overall framework of the capitalist economy was bound to alter the Free Trade Unions’ perception of themselves and their role; they realized – in the words of Bernhard Meyer of the Workers’ Bank – that “in their way of conducting business they could not infringe the laws and methods of capitalism as long as it occupied a dominant position”.¹²

First, then, the Free Trade Unions. In 1923–24 the “Bank der Arbeiter, Angestellten und Beamten AG” (Bank of the Workers, Salaried Staffs and Civil Servants) was established, and until 1929–30 it was a great success. The enterprises who combined to form the federation of social housing companies also prospered, as did the Deutsche Wohnungsfürsorge AG, the Volksfürsorge insurance company, the consumer co-operatives and the ADGB publishing house. The same was true of the enterprises run by the Christian trade unions: the “Christian Trade Union Publishing House” and the publishing house “Der Deutsche” were able to consolidate; and the “Deutsche Volksbank AG” (based in Essen), the “Deutsche Lebensversicherungs-AG” insurance company and the “Deutsche Heimbau Gemeinnützige AG” housing company also flourished. The Christian unions were also involved in the “Grosseinkaufs- und Produktions-AG” (Bulk Buying and Production Company), known as Gepag, and the building society “Bausparkasse der Gemeinschaft der Freunde Wüstenrot GmbH”. In addition, the Christian unions supported the activities of the national federation of the consumer (co-operative) societies and the construction co-operatives.

There was frequent co-operation between the national union federations over the co-operative movement. The co-operative idea occupied a central place in their programmes, making co-operative self help a possible starting point for a policy rapprochement between them.

3. The beginnings and limits of a joint programme of all the national union federations

Compared with the bitter controversies of the pre-war years, the 1920s were a time of rapprochement between the different national trade union

¹² Quot. Otto de la Chevallerie, *Die Gewerkschaften als Unternehmer* (Berlin-Zehlendorf, 1930), p. 35

tendencies. This was the result of a number of things: collaboration in the wartime economy and the ZAG, the common sense of threat inspired by the revolutionary movements of 1918 and 1919, the workings of the collective agreement and arbitration systems, work together on the works councils and, not least, renewed pressure from the employers – all these factors virtually compelled them to grow closer. Collective bargaining and industrial disputes were for the most part conducted jointly, and the demands for improved welfare benefits, the establishment of unemployment insurance and a new, uniform industrial law were so alike as to be almost identical. Finally, the nationalist component also played a part, demonstrated by the unions' willingness to back the policy of opposition to the occupation of the Ruhr.

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While joint positions and statements, as well as their pay policies, showed that the federations were ready to grant mutual recognition, the Christian unions continued to insist as emphatically as ever on their independence of outlook. The Christian idea of community versus the mechanistic socialism of the class struggle and the materialism of Mammon – this was the Christian unions' motto, designed partly to legitimize their own existence. They were also concerned to maintain the unity of the Christian trade union movement, for its heterogeneous denominational and party political make-up produced centrifugal forces that needed to be tamed by evoking the bogeyman of "socialism" and appealing to the sense of identity engendered by a common faith. A tangible expression of this appeared in the 1923 programme, which developed "the spiritual foundations of the Christian-national labour movement". As if invoking this spirit, it proclaimed, "We must feel inside us that we are different human beings. We think differently, we feel differently." For this reason – said the 1923 yearbook – there might be working alliances from case to case with "movements of different persuasions", "but never a meeting of minds, an alliance based on a common outlook".¹³

These hints were obviously required in order to remind consciously Christian workers of the continued need for unions of their own, especially as during the war and under the republic social democracy had scarcely proved to be the consistent champion of socialist ideas that the

¹³ Gewerkschaften und Arbeitervereine, in Jahrbuch der christlichen Gewerkschaften für 1923, hrsg. vom Gesamtverband der christlichen Gewerkschaften Deutschlands (Berlin, undated), pp. 44–49; this quot. p. 45 ff.

Christian unions had made them out to be. The Free Trade Unions' claims of party political neutrality – adopted by the Nuremberg congress in 1919 as a result of the split in the SPD – were considered a tactical trick; and the drop in anti-Church comments in the Social Democratic party and trade union press was denounced as a smoke-screen. But it was generally admitted that the Social Democrats' affirmation of the state, their programme for economic democracy and their attempts to recruit Catholic workers made the Christian unions' propaganda work more difficult and thus required a stepping-up of the ideological confrontation.

For the Hirsch-Duncker associations the position became increasingly difficult. They had no “identity” like Christianity to fall back on and their stagnation and political homelessness reflected the decline of the liberal parties.



There was no mistaking the first signs of common ground in the debates on the economic system during the revolutionary period and in the discussion on economic democracy: all the trade unions – Christian, Hirsch-Duncker and Free – believed that with the setting-up of the ZAG and the enshrining of freedom of association and far-reaching rights of economic co-determination in the constitution they had attained their goal of workers' participation as equals in shaping the economy and the state. But all three federations were soon forced to realize that the rights codified in 1918–19 did not entail a redistribution of real power. This realization was the basis of the various economic democracy programmes that were discussed by the national federations in the mid-1920s.

Ideas of economic democracy, or to put it another way, the demand for participation and co-determination, were also firmly supported by the Hirsch-Duncker associations, since such plans were capable of giving wage earners equal rights in the economy and the state by creating “co-operation bodies”. “The trade union movement has always been and will always remain a force for democracy,” said Anton Erkelenz at the third congress of the Trade Union League in 1926.¹⁴ Support for political and economic democracy – with the latter being extended via the works councils – were a key point in the programme of the H-D associations.

According to their speaker on economic policy, Friedrich Baltrusch, the Christian unions were also in favour of co-ownership and co-deter-

¹⁴ Anton Erkelenz, *Neue Aufgaben der Gewerkschaftspolitik* (Berlin-Zehlendorf, 1926), p. 40 ff.

mination as preconditions of a democratization of the economy.¹⁵ This demand assumed tangible form with the speech of the textile workers' leader, Heinrich Fahrenbrach, at the Dortmund congress of the Christian unions in April 1926¹⁶; it was his ideas that dominated the programmatic resolution adopted by the congress.¹⁷

It was ideas like this that revealed the common ground with the Free Trade Unions' demand for economic democracy, though of course the Christian and Hirsch-Duncker unions distanced themselves from the goal of socialism, to which the Free Trade Unions expressly committed themselves at their 1928 Hamburg congress. At this congress the Free Trade Unions – against a background of relative economic consolidation and the SPD's electoral success of May 1928 – set out once again to give a more precise shape to their ideas about the democratization of the economy.

The issue had already been addressed at the Breslau congress of 1925, when Herman Jäckel, chairman of the German Textile Workers' Union, had rejected the illusion of harmonious co-operation between employers and workers, stressing that the democratization of the economy was “itself a phase of capitalist economy”, though characteristic of a “transitional period leading to higher forms of economic order”. Jäckel's key demands were for an end to the educational privileges of the property-owning classes; the strengthening of trade union influence in politics and public enterprises; and increased union participation in the bodies of economic self-management. It was necessary to push these through if “unionized labour” was to become “a factor in the economy with equal rights”.¹⁸

These ideas only matured into a programme as a result of the work of a commission set up by the ADGB. The commission's most eminent members were probably Fritz Baade, Rudolf Hilferding, Erik Nölting and Hugo Sinzheimer. Fritz Naphtali, head of the Research Centre for Economic Policy, presented the results of the commission's deliberations at the

15 Friedrich Baltrusch, *Konsumgenossenschaften und Arbeiterbewegung* (Cologne, 1929), p. 10

16 Heinrich Fahrenbrach, *Mitbestimmungsrecht und Mitbesitz der Arbeitnehmer in der Wirtschaft*. Vortrag, gehalten auf dem 11. Kongress der christlichen Gewerkschaften in Dortmund (Berlin, 1926)

17 Niederschrift der Verhandlungen des 11. Kongresses der christlichen Gewerkschaften Deutschlands, abgehalten vom 17. bis 20. April 1926 in Dortmund (Berlin, 1926), p. 524

18 Herbert Jäckel, *Die Wirtschaftsdemokratie*. in Protokoll der Verhandlungen des 12. Kongresses der Gewerkschaften Deutschlands (2. Bundestag des Allgemeinen Deutschen Gewerkschaftsbundes), abgehalten in Breslau vom 31. August bis 4. September 1925 (Berlin, 1925), pp. 202–16

ADGB congress in Hamburg in 1928.¹⁹ The speech on “the realization of economic democracy” which he gave in Hamburg²⁰ was based on the tenet that the political democracy gained in 1918 needed completing and safeguarding through the democratization of the economy; a democratic economy was indissolubly linked with the final goal of socialism. The gradual democratization of the economy could and should begin at once; all the more so, as capitalism could “be bent before it breaks”.

The resolution passed in Hamburg²¹ specified a package of measures with the common aim of intervening in central economic decisions; the company level, on the other hand, remained neglected. Furthermore, the consequences of failing to discuss measures to force economic democracy through against the predictable opposition of the employers were soon to become apparent.

Some delegates did criticize Naphtali’s statements (probably still influenced by the SPD’s electoral victory) for being far too optimistic in their assessment of the state’s role in putting the unions’ democratization ideas into practice; but the vast majority professed support for the “Hamburg model” of economic democracy. The response was not slow in coming. The employers made economic democracy the focus of a massive media showdown with the unions. The speeches and decisions made at the ninth assembly of the RDI (Federation of German Industry) held in Düsseldorf on 20–21 September 1929 were published in book form under the title “The Problem of Economic Democracy”. The demand for economic democracy was denounced as a manifestation of the trade unions’ bid for supreme power. Collectivism, socialism and now economic democracy completed the “demise of German-ness” to summarize Emil Kir-dorf.²²

The ferocity of the employers’ reaction to the Free Trade Unions’ demands, whose socialist rhetoric was taken literally, regardless of their reformist practice, may have given trade unionists the feeling that they had already gone as far as they possibly could. The Free Trade Unions used the employers’ stance as evidence of their own political radicalism,

19 Fritz Naphtali, *Wirtschaftsdemokratie. Ihr Wesen, Weg und Ziel* (Berlin 1928; reprinted Frankfurt/M., 1966)

20 Fritz Naphtali, *Die Verwirklichung der Wirtschaftsdemokratie*, in *Protokoll der Verhandlungen des 13. Kongresses der Gewerkschaften Deutschlands* (3. Bundestag des Allgemeinen Deutschen Gewerkschaftsbundes), abgehalten in Hamburg vom 3. September bis 7. September 1928 (Berlin, 1928), pp. 170–90

21 *ibid.*, p. 20 ff.

22 *Das Problem der Wirtschaftsdemokratie. Zur Düsseldorfer Tagung des RDI*, hrsg. von der Deutschen Bergwerks-Zeitung (Düsseldorf, 1929), p. 73

thus winning back part of the internal opposition.²³ The criticism of the KPD, which warned of “illusions of economic democracy”²⁴, could not be stemmed; nor could the Communist trade unionists be thereby prevented from setting up their own, independent organization, the Revolutionary Trade Union Opposition, or Organization (RGO).

While the Free Trade Unions regarded democratization of the economy as a step on the road to socialism, the Christian unions saw their plan as a contribution to the “social elevation of the working class”, an essential precondition for the formation of an “organic popular community” (*Volksgemeinschaft*). The differing objectives of the two plans for economic democracy were, however, scarcely mentioned by those who took part in the discussion at the time. The *rapprochement* was never reflected in a joint trade union programme. In fact, after a lull in the inter-union arguments in the mid-1920s as the federations drew closer in their views, the polemics were resumed with renewed intensity. Like the Christian unions’ reaction to the Hamburg congress of 1928, the following year the Free Trade Unions in their response to the Frankfurt congress ascertained that their demands were virtually the same. But the Christian unions saw this as all the more reason to insist on the need to keep up the spiritual confrontation. It was no coincidence that Elfriede Nebgen’s pamphlet on the “Spiritual Foundations of the Christian-National Labour Movement” that first appeared in 1923 appeared in a revised version in 1928. Theodor Brauer’s work, “Modern German Socialism”, extracts from which were reprinted in the “Zentralblatt” in 1929, served to clarify the continuing ideological differences and was intended to counteract the pressure for unity that obviously existed within the Christian trade unions.

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But the trend towards *rapprochement* between the major trade union federations in day-to-day union work not only had ideological barriers to overcome; there were fundamental differences between the Free Trade Unions and the Hirsch-Duncker associations on the one hand, and the Christian unions on the other, in their relations with the Weimar-style parliamentary republic. Certainly, the Free Trade Unions’ attitude to the republic was by no means unproblematic. They often gave their assent to parlia-

23 See Fritz Naphtali. Debatten zur Wirtschaftsdemokratie. in Die Gesellschaft I (1929), pp. 210–19

24 See Walter Ulbricht. Wirtschaftsdemokratie oder Wohin steuert der ADGB (Berlin, 1928)

mentary democracy merely as an arena for maintaining their own interests, the one that seemed to offer the best conditions for building up a social democracy and/or socialism. What distinguished them from the Christian unions was the fact that the latter were by no means agreed that the republic was the most appropriate form of government for achieving the social *Volksstaat* (popular state) they wished to establish.

It was this issue that the speech and resolution by Adam Stegerwald, chairman of the national federation and the DGB, at the 1926 Dortmund congress of the Christian unions were supposed to clarify. The desired “popular state” might – according to Stegerwald²⁵ – take the form of a monarchy or a republic. The state itself was more important to the Christian unions than the form it took. By lifting this abstraction out of the contemporary debate, he was able to claim that it was possible to be “a monarchist in principle and none the less a good servant of the republic”; Hindenburg was given as an example. Stegerwald also emphasized his dislike of the existing republic, but with the express reservation that the Christian unions were fully aware “that there is no question of changing the form of government by violent means”.

Reservations about the republic were also evident in the resolution, which the republicans around Karl Arnold tried in vain to amend. In 1926 the Christian unions expressed their commitment to the “state and its Christian-national foundations”, rejecting “all efforts to bring about a change in the form of government by illegal means”. This refusal initially to express fundamental support for the Weimar democracy, and the rejection only of “illegal” means of changing the form of government gave added weight to the congress resolution’s criticism of the “present German parliamentary system of government”, which could not “be regarded as perfect”²⁶. This did not put a stop to the arguments about their attitude to the republic, however; it flared up again just a few years later, during the Depression.

4. *Into the crisis: the Ruhr iron dispute 1928*

In 1928, even before the Depression made itself felt in Germany, there was a marked increase in industrial disputes, culminating in the Ruhr iron

25 Adam Stegerwald, *Die christlichen Gewerkschaften und die Gestaltung des deutschen Volkslebens*, in *Niederschrift der Verhandlungen des 11. Kongresses der christlichen Gewerkschaften Deutschlands*, abgehalten vom 17. bis 20. April 1926 in Dortmund (Berlin 1926), pp. 218–250; *this quote*, p. 243 ff.

26 *Ibid.*, p. 515 ff.



Auch die Schifffahrt muß ruhen
Zehntägige Schiffe in Duisburger Hafen



„Den Arbeiterinnen bitte“
Diese Maßnahme mußte getroffen werden, um aus den Versammlungsberechtigten Agitatoren zu machen



Die Lohnbüros sind geschlossen
Nicht mehr die Hamburger Drehschnecke aus



Hütten- und Metallarbeiter!
Ein Anruf der Gewerkschaft



Hier darf
nicht gearbeitet werden
Ein verschlossenes Tor in dem Essener
Krauswerk

Links:
Ausgesperrte Arbeiter
vor dem Volkshaus
Rechts:
Die tägliche Kontrolle
Jedes Verbandsmittglied muß den
Unterstützungsausschüssen im Kontroll-
büro erscheinen lassen



Rechts:
Das Externe Gewerkschaftshaus



Links:
Was wird werden?
Inaktive Aussperrte
vor einem Versammlungsort

Der Gewaltstreik der Ruhrmagnaten

Pictures of the 1928 Ruhr iron dispute from "Volk und Zeit"

dispute. It was triggered off on 28 October 1928 by the engineering unions giving the Rhenish-Westphalian iron industry due notice that they intended to terminate the collective agreement. This was linked with a demand for a pay rise of 15 Pfennigs per hour for all workers over 21. The employers, however, considered that wages – a skilled worker earned about 80 Pf. and an unskilled worker about 60 Pf. an hour – had already risen to a level that ruled out further rises. The employers' association of the north-west group of the Federation of German Iron and Steel Manufacturers refused to grant any pay rise at all and on 13 October 1928 gave notice of a lockout of all workers commencing on 1 November.

At this, the trade unions applied for arbitration and, when the Düsseldorf arbitration tribunal could not reach agreement, the case was judged on 27 October by the special mediator Wilhelm Joetten, whose ruling was declared binding by Wissell, the Labour Minister. It laid down a compromise of 6 Pf. per hour, the trade unions having meanwhile reduced their claim to 12 Pf. per hour. The unions submitted to the mediator's ruling; but the employers rejected it. The lockout of over 220,000 wage earners began. Not until 30 November was it agreed in separate talks between union and employer representatives and government officials to embark on a new arbitration procedure, to be headed by the Social Democratic Home Secretary, Carl Severing. The employers and the unions recognized in advance the mediator's ruling as a collective agreement, and the employers lifted the lockout.

Severing found himself in an awkward situation. He had to seek a middle way between disowning his party comrades and his ministerial colleague, Wissell, and the concessions to the employers' camp that were obviously necessary; moreover, the solution had to be acceptable to the workers concerned. After informing himself in detail of the economic and social position in the Ruhr district, Severing announced his ruling on 21 December. Not unexpectedly, he did not match Joetten's decision but allowed it to stand until 31 December 1928; from 1 January 1929 wages were to be increased by 1–6 Pf. per hour.

Whereas the Free Trade Unions' reaction – probably because Severing was a Social Democrat – ranged from cool to favourable, the mediator's decision provoked harsh criticism from the employers that was out of all proportion to the substance of the ruling; it revealed a tendency towards extremism on the part of the industrial magnates that was to be characteristic of the closing stages of the Weimar Republic. The fact that talks on the interpretation of individual provisions of the new collective agreement dragged on until October 1929 and the perceptible increase in one-man rulings from 1929 on showed that, with the economy going into a

dive, the two sides of industry were not really willing or able to reach acceptable compromises by means of independent negotiation.

The employers had criticized the provisions enabling the state to declare a mediator's decision binding ever since they were introduced in 1923. So why did they go on to the offensive in October 1928? The answer may have something to do with the state of the economy, but the principal reason – though they denied it – was probably political. It was a good opportunity to bring home to the trade unions and the SPD, which had been included in the government since the elections of May 1928, the limits of their political influence on the private economy. The employers may have been all the more convinced that it was in their interests to do so since they feared that an SPD-led government would give the unions a better chance of achieving their demands for economic democracy. Undoubtedly, the employers' policy in the Ruhr iron dispute could also be seen as an indication of their disaffection with Weimar democracy, which – given the polemical option of “rise or fall”²⁷ – finally culminated in rejection of the entire “system”.

²⁷ See *Aufstieg oder Niedergang*. Denkschrift des RDI (Berlin, 1929)