

## Rüdiger Hachtmann

### Labour Policy in Industry

<http://dx.doi.org/10.14765/zzf.dok.1.868>

#### Reprint von:

Rüdiger Hachtmann, Labour Policy in Industry,  
in: German Industry in the Nazi Period, herausgegeben von Christoph  
Buchheim, Steiner Stuttgart, 2008, S. 65-83

Copyright der digitalen Neuausgabe (c) 2017 Zentrum für Zeithistorische Forschung Potsdam e.V. (ZZF) und Autor, alle Rechte vorbehalten. Dieses Werk wurde vom Autor für den Download vom Dokumentenserver des ZZF freigegeben und darf nur vervielfältigt und erneut veröffentlicht werden, wenn die Einwilligung der o.g. Rechteinhaber vorliegt. Bitte kontaktieren Sie: [<redaktion@zeitgeschichte-digital.de>](mailto:redaktion@zeitgeschichte-digital.de)

Zitationshinweis:

Rüdiger Hachtmann (2008), Labour Policy in Industry, Dokserver des Zentrums für Zeithistorische Forschung Potsdam,  
<http://dx.doi.org/10.14765/zzf.dok.1.868>

Ursprünglich erschienen als Rüdiger Hachtmann, Labour Policy in Industry, in: German Industry in the Nazi Period, herausgegeben von Christoph Buchheim, Steiner Stuttgart, 2008, S. 65-83

Rüdiger Hachtmann

## Labour Policy in Industry

### I. The Transformation of German Labour Market Institutions

From 1933 onwards industrial law was transformed from one which protected employees to one intended to secure the regime's power over them. In the Third Reich the political and ideological aims of the regime – under the cloak of 'Volk und Rasse' (nation and race) – became the guiding principles of a new labour law. Evidence of this can be found in the destruction of trade unions, the arbitrary treatment to which non-conforming employees could be subjected, the integration of employees into the network of National Socialist institutions, the authoritarian wage policy, the rapidly vanishing significance of labour courts and the ascendancy of legal offices of the German Labour Front (Deutsche Arbeitsfront, DAF), which propagated the theory of a racist national community (Volksgemeinschaft).

Table 1: Activities of Labour Courts and Legal Offices of the German Labour Front

Year	Cases brought to local labour courts	Cases brought to regional labour courts	Of that: arranged by the DAF legal offices	4 in % of 2	Number of applicants presenting a case to the DAF legal offices (a)	Of which concerned with labour law	7 in % of 6	Settlements out of court	9 in % of 7
1	2	3	4	5	6	7	8	9	10
1931	441 243	20 633	–	–	–	–	–	–	–
1932	371 592	17 220	–	–	–	–	–	–	–
1933	261 530	10 774	–	–	–	–	–	–	–
1934	200 052	7 373	–	–	–	–	–	–	–
1935	188 908	7 105	76 657	39,1%	2 994 479	662 042	22,1%	195 689	29,6%
1936	174 476	7 015	84 354	46,5%	3 388 823	641 418	18,9%	210 279	32,8%
1937	167 895	6 079	84 205	48,5%	3 456 313	632 368	18,3%	233 215	36,9%
1938	151 577	5 549	75 458	48,0%	3 657 046	654 719	17,9%	249 992	38,2%
1939	122 795	4 315	60 291	47,4%	3 675 672	602 413	16,4%	269 919	44,8%
1940	82 506	2 885	39 760	46,7%	2 905 908	481 788	16,6%	208 407	43,3%
1941	–	–	27 615	–	2 673 988	409 389	15,3%	195 419	47,7%

(a) Predominantly requests for legal advice

Source: Bundesarchiv Berlin (BArch) NS 26/3129, Aufgaben und Leistungen der Deutschen Arbeitsfront und der NS-Gemeinschaft 'Kraft durch Freude'. Kriegsjahre 1939–1942, pp. 38–40

The Gesetz zur Ordnung der nationalen Arbeit (Law on Organising National Labour, AOG) of January 1934<sup>1</sup> marked an initial step in removing the former rights of employees. The AOG is often referred to as the basis of labour law in the Third Reich. Such a description is misleading, however. The AOG was in fact a compromise to which the regime adhered for only a limited period. It reflected the balance of power in early 1934. The regime was not yet fully consolidated. Paul Hindenburg still was Reich President, Hitler not yet the Führer. The SA and NSBO (Nationalsozialistische Betriebszellenorganisation – a kind of National Socialist trade union founded in 1929/30) were not yet completely deprived of power. The AOG had been conceived by the Reich Labour Ministry. Minister of Labour Franz Seldte and Werner Mansfeld, the person responsible for the AOG within the Ministry, had only joined the NSDAP in May 1933. Mansfeld (1893–1953) had been legal adviser of the Association for Mining Interests which was part of the Essen Mining Association (Verein für bergbauliche Interessen des Zechenverbandes in Essen) since 1924. As such he had been lobbying for the Rhenisch-Westphalian heavy industry. It is therefore no surprise that the AOG reflected the ideals of heavy industry with regard to industrial law and bore a deliberate resemblance to the situation prior to 1914.

In 1934 the position of employers was still quite strong. This is directly reflected in the AOG according to which they became Betriebsführer (company leaders). This meant they were the masters of their employees, the so-called followers, within the Betriebsgemeinschaft (company community). The newly created Vertrauensrat was not at all similar to the former workers' councils. Its tasks were to strengthen "mutual trust within the company community", "to reinforce the bond among all those belonging to the firm" (i.e. employees and employers), to "serve the community of national comrades [Volksgenossen], renouncing all partial interests" and "to improve labour performance". The Betriebsführer chaired the Vertrauensrat and called its meetings. Although some of its members believed incorrectly that they were to act in the interest of employees, the political authorities, including higher functionaries of the Labour Front, made it very clear that they would not tolerate the emergence of a new form of workers' councils.

The Labour Front, which was founded in May 1933, was not conceived as a kind of trade union. It was not permitted to engage in wage policy. The functionaries of the DAF welcomed the AOG. On 12 January 1934, even before the law

<sup>1</sup> Reichsgesetzblatt (RGBl.) 1934 I, pp. 45–56. Cf. Andreas Kranig, *Lockung und Zwang. Zur Arbeitsverfassung im Dritten Reich*, Stuttgart 1983, pp. 38–55; also Timothy W. Mason, *Zur Entstehung des Gesetzes zur Ordnung der nationalen Arbeit vom 20. Januar 1934. Ein Versuch über das Verhältnis 'archaischer' und 'moderner' Elemente in der neuesten deutschen Geschichte*, in: Hans Mommsen et al. (eds.), *Industrielles System und politische Entwicklung in der Weimarer Republik*, Düsseldorf 1974, pp. 322–351; idem, *Social Policy in the Third Reich. The Working Class and the 'National Community'*, Oxford 1993, pp. 103–106; Wolfgang Spohn, *Betriebsgemeinschaft und innerbetriebliche Herrschaft*, in: Sachse et al. (eds.), *Angst, Belohnung, Zucht, Ordnung. Herrschaftsmechanismen im Nationalsozialismus*, Opladen 1982, pp. 140–208; idem, *Betriebsgemeinschaft und Volksgemeinschaft. Die rechtliche und institutionelle Regelung der Arbeitsbeziehungen im NS-Staat*, Berlin 1987, pp. 10–77, 305–321

was formally enforced, the head of the DAF Robert Ley sent an enthusiastic telegram to Hitler stating: "The German workers organised by the German Labour Front want to express their gratitude for this generous piece of legislation. With the acceptance of the law, the organisation of national labour is implemented" ensuring "the breakthrough of the idea of social honour." Ley concluded that he and his entire staff were "proud that Germany is the first nation which has turned this National Socialist concept into reality."<sup>2</sup> The enthusiasm was genuine. And it was not just a tactical move by the DAF to use the AOG as a lever to outmanoeuvre the NSBO, which in early 1934 still hoped to become a National Socialist mass trade union. Rather Ley and other high DAF officials were indeed relieved that the AOG apparently transcended 'class war', an aim which had been constantly preached during the Weimar Republic, and that an authoritarian wage policy had been permanently established. Thus it is not at all astonishing that the leading figures of the DAF did all they could to avoid turning the largest mass organisation in the Third Reich into anything resembling a trade union. To call the DAF a quasi- or a pseudo-union therefore conveys a false impression.

The aims of the DAF cannot be presented in detail.<sup>3</sup> Suffice it to say that the DAF wanted to rationalize social relations within companies and breed a new type of worker conscious of his individual performance and career. Furthermore the Labour Front's role was to promote the Nazi concept of 'national community'. The DAF was designed to prevent companies from acting solely according to their narrow economic interests, and to encourage them to act in accordance with the political aims of the regime. But this role was often obscured because the Labour Front, like all Nazi organisations, constantly attempted to expand its authority at the expense of numerous rivals. The Labour Front's opponents, such as the Economics Ministry, the Labour Ministry, the Chambers of Commerce, and the Reich Industry Group, reacted by accusing the DAF of quasi-trade unionist activity.

<sup>2</sup> Bundesarchiv Berlin (BArch), R 43 II/547, p. 102

<sup>3</sup> A detailed historical account of the DAF still does not exist. An overview is provided by Ronald Smelser, *Robert Ley, Hitler's Labour Front Leader*, Oxford/New York/Hamburg 1988, pp. 117–286; Tilla Siegel, *Rationalisierung statt Klassenkampf. Zur Rolle der DAF in der nationalsozialistischen Ordnung der Arbeit*, in: Hans Mommsen (ed.), *Herrschaftsalltag im Dritten Reich*, Düsseldorf 1988, pp. 97–149; Matthias Frese, *Betriebspolitik im 'Dritten Reich'. Deutsche Arbeitsfront, Unternehmer und Staatsbürokratie in der westdeutschen Großeisenindustrie 1933–1939*, Paderborn 1991, pp. 73–99; Michael Schneider, *Unterm Hakenkreuz. Arbeiter und Arbeiterbewegung 1933 bis 1939*, Bonn 1999, pp. 168–243; Rüdiger Hachmann, *Die Deutsche Arbeitsfront im Zweiten Weltkrieg*, in: Dietrich Eichholtz (ed.), *Krieg und Wirtschaft. Studien zur deutschen Wirtschaftsgeschichte 1939–1945*, Berlin 1999, pp. 69–108; idem, *Überlegungen zur Vergleichbarkeit von Deutscher Arbeitsfront und Freiem Deutschen Gewerkschaftsbund*, in: Günter Heydemann/Erwin Oberländer (eds.), *Perspektiven des Diktaturenvergleichs: Nationalsozialismus und SED-Herrschaft. Studien*, Bonn 2003, pp. 366–395; idem, *Chaos und Ineffizienz in der Deutschen Arbeitsfront. Ein Evaluierungsbericht aus dem Jahr 1936*, in: *Vierteljahrshefte für Zeitgeschichte* 53, 2005, pp. 43–78; idem, *Ein Koloß auf tönernen Füßen: Das Gutachten des Wirtschaftsprüfers Karl Eicke über die Deutsche Arbeitsfront vom 31. Juli 1936*, Munich 2006, pp. 9–92

Nothing would be more misleading, however. In fact the Labour Front mostly acted according to the interests of employers. For example the Labour Front massively supported the Reich Committee for Labour Studies (Reichsausschuss für Arbeitsstudien, REFA) founded in 1924 as the German version of Taylorism. Moreover the DAF took over the German Institute for Technical Labour Training (Deutsches Institut für technische Arbeitsschulung, DINTA) founded in 1926 by the Ruhr heavy industry, and enlarged it to form the DAF Office for Vocational Training and Plant Leadership. It designed the Wage Catalogue for the Iron and Metal Industries in collaboration with the Berlin metal employers which was introduced in 1942 and constituted Germany's first comprehensive wage assessment system. And it established the Reich vocational competition which was intended to relieve the shortage of skilled workers. Conflicts did occur because the Labour Front felt a greater responsibility towards the political and ideological aims of the regime than did employers who continued to regard economic efficiency as their first priority even after 1933. If some managers had the impression that the DAF succeeded the old trade unions, this was also due to the fact that employees' associations did not cease to exist albeit within the DAF, until the Labour Front's first organisational reform was completed in 1938.

The newly created institutions and their interventions in labour policy were not so typically National Socialist as one might have expected. For example the so-called Labour Trustees (Treuhänder der Arbeit) created in May 1933 were similar to the old state arbitrators, but with much extended powers. It is no coincidence that many of the trustees had gathered some experience in the Weimar state arbitration system.<sup>4</sup> Even before 1933 many wage settlements only were achieved through massive state intervention. Moreover in the final years of the Weimar Republic wage settlements had increasingly become of an unlimited period. Therefore the transition from *collective wage contracts* to *wage regulation* as established by the Law on Labour Trustees and later endorsed in the AOG was not a really sharp break.

Smashing the influence of trade unions and abolishing workers' councils indeed were decisive steps. But in other respects elements of industrial law already developed during the time of presidential cabinets were merely accentuated. During its first years in power the Nazi regime acted in a rather pragmatic way with respect to labour policy and to economic policy generally. This hardly is surprising given the awareness of the regime that its aims, namely European and ultimately world supremacy, would certainly not be attainable without modern industry. Moreover the National Socialist dictatorship always was good at assimilating all kinds of ideas and then selling them as its own. The fundamental break of 1933 in labour policy as in other policy areas was, however, that the regime pursued its political and ideological aims regardless of victims – which in this case were the workers.

<sup>4</sup> Kranig, *Lockung und Zwang*, pp. 168–184; Johannes Bähr, *Staatliche Schlichtung in der Weimarer Republik*, Berlin 1989 (on the expansion of state arbitration in the final years of the Weimar Republic; see especially pp. 296–341)

With Schacht's New Plan labour market policy slowly mutated to labour allocation policy from 1934 onwards. Labour allocation policy in turn was an important element in preparing the German economy for war. Before outlining various aspects of labour allocation policy, it is important to analyse conditions in the labour market, as they were responsible for increasing state intervention.

## II. The Labour Market Between 1933 and 1939

In 1933/34 National Socialist labour policy was characterized by the desire to stabilize the regime's power – apparently with considerable success. According to official statistics unemployment declined from about six to less than four million persons in 1933; and in autumn 1934 it already was near the two million mark.

Table 2: Registered Unemployed and Quasi-Unemployed Persons 1933–1935 (1000)

	Workers in employment creation projects (Notstands- arbeiter)	quasi-unemployed persons Auxiliary labourers in agriculture (Land- helfer)	Labour service (Arbeits- dienst)	Employees in municipal welfare projects (Fürsorge- arbeiter)	Total quasi-un- employed	Registered un- employed	Sum of un- employed (a)
1933							
1. quarter	(50)	.	(194)	(61)	(305)	6281	6281
2. quarter	(117)	( 77)	(243)	(69)	(506)	5287	5287
quasi-unemployed persons, since 1 July 1933 not registered as unemployed:							
3. quarter	186	158	251	69	664	4610	5274
4. quarter	331	162	226	55	774	3892	4666
1934							
1. quarter	518	158	235	44	955	3941	4939
2. quarter	497	152	229	52	930	2720	3650
3. quarter	312	117	227	56	712	2489	3201
4. quarter	346	78	226	54	704	2338	3042
1935							
1. quarter	323	68	225	51	667	3071	3738

(a) Registered and quasi-unemployed persons (without invisible unemployment)

Sources: Statistisches Jahrbuch für das Deutsche Reich 1934, pp. 299–301, 309; 1935, pp. 306–308; Willi Hemmer, Die 'unsichtbaren' Arbeitslosen. Statistische Methoden – soziale Tatsachen, Zeulenroda 1934, pp. 184–189

The rapid decline of official unemployment figures during the first year of Nazi rule was partly due to changes in calculating methods. Certain groups of jobless people were no longer listed as unemployed. Thus emergency workers, auxiliary labourers in agriculture, and persons in the labour service were counted as employed from mid-1933 onwards, although their jobs were only temporary and their financial support was extremely low and although they continued to be regarded as 'available unemployed persons' by labour exchange offices. The number of such quasi-unemployed people in fact was even higher than the figure shown in table 2, because jobless people with physical disabilities also were no longer classified as unemployed after November 1933. It is therefore clear that in the first months of National Socialist rule mass unemployment which had helped to bring the Nazis to power was to some extent 'reduced' by deliberately changing statistical classifications. This is underlined by employment figures: In 1932 the annual average number of effectively employed people was 12.4 million and in 1933 it still was only 12.6 million. Not counting quasi-unemployed people, employment began to increase significantly only from mid-1934. The annual average number of effectively employed persons in 1934 was 14.7 million, in 1938 it was 15.9 million.<sup>5</sup>

There were great regional variations in unemployment levels and in the speed of their reduction. Registered unemployment generally was much higher in industrial than in rural areas (table 3). Reductions of unemployment occurred at different times in different regions. This was mainly due to the structure of industry in a specific region. For the regime discriminated against consumer goods industries whereas producer goods industries being important for rearmament were favoured. Moreover regions which had been strongly export-oriented initially fell behind the general trend of recovery as a result of an economic policy aiming at greater autarky. For instance the unemployment level after 1933 was higher in Saxony, a state with an important export-dependent textile industry, than in other industrial areas. In major cities registered unemployment remained relatively high at first, while it almost disappeared in smaller municipalities within two years after January 1933. Invisible and quasi-unemployment which was not taken into account by labour exchange offices, however, were significantly higher in agrarian regions and smaller municipalities than in industrialized regions and major cities.

Unemployment also differed depending on individual sectors and categories of workers. From 1934 onwards shortages of skilled workers became apparent, above all in the metal-working and building industries; these shortages quickly spread. Their deficit was aggravated by the lack of trained apprentices whose number had been much diminished during the crisis years. Also contributing

<sup>5</sup> See table 2; cf. Willi Hemmer, *Die 'unsichtbaren' Arbeitslosen*. Statistische Methoden – soziale Tatsachen, Zeulenroda 1934; Fritz Petrick, *Eine Untersuchung zur Beseitigung der Arbeitslosigkeit unter der deutschen Jugend 1933 bis 1935*, in: *Jahrbuch für Wirtschaftsgeschichte* 1967, Teil I, p. 291; Rüdiger Hachtmann, *Arbeitsmarkt und Arbeitszeit in der deutschen Industrie 1929 bis 1939*, in: *Archiv für Sozialgeschichte* 27, 1987, pp. 186–187; Richard J. Overy, *War and Economy in the Third Reich*, Oxford 1994, pp. 46–48



Table 3: Registered Unemployed 1932–1936 in Different Regions (%)

	1928	1932	1933	1934	1935	1936
<i>Mainly agrarian regions:</i>						
East Prussia	2,3	4,5	2,8	0,8	0,8	0,8
Pomerania	2,5	6,0	4,3	1,5	1,4	1,1
<i>Mixed agrarian-industrial regions:</i>						
Lower Saxony	1,8	7,6	6,0	2,8	1,8	1,0
Bavaria	2,6	6,4	5,3	3,0	2,3	1,7
North-Germany	2,3	9,3	8,3	4,9	3,6	2,6
Middle-Germany	2,1	9,4	7,1	3,5	2,4	1,5
Hesse	2,5	8,6	7,0	4,1	3,5	2,6
Southwest-Germany	1,2	5,9	4,9	2,6	1,8	1,2
Brandenburg	2,4	11,6	10,2	5,8	3,9	2,9
Silesia	2,7	9,3	7,8	4,7	4,3	3,5
<i>Mainly industrial regions:</i>						
Westphalia	1,7	9,8	7,3	4,0	3,3	2,5
Rhineland	2,5	10,0	8,5	5,5	4,5	3,5
Saxony	1,8	13,7	11,3	6,8	5,8	4,3

Sources: Friedrich Syrup, *Arbeitseinsatz und Arbeitslosenhilfe im Deutschen Reich*, Berlin 1936, pp. 147–8; Erich Mangels, *Die Einsatzfähigkeit der Arbeitslosen*, in: *Der Vierjahresplan 1937*, p. 287; Dietmar Petzina et al., *Sozialgeschichtliches Arbeitsbuch III*, München 1978, p. 121

were the introduction of universal military service in 1935 and the enlargement of the army with its great demand for technically trained people. During the last pre-war years employment reserves hardly existed any more. Skilled persons still registered as unemployed were so only formally while changing their employer or were disabled. Only unemployment among unskilled workers remained on a higher level, namely at 5.9 per cent in 1938.

Reduction of unemployment also differed across age groups. After in August 1934 the Labour Ministry had demanded that firms give “preference to the employment of older workers and especially of family fathers with many children over employment of workers under the age of 25”, more than 100,000 young people had lost their jobs by 1935. Subsequently unemployment among young people remained relatively high.<sup>6</sup>

#### *Female Unemployment and Shifts in the Employment Structure*

A brief look at the aggregate figures of female employment seems to confirm that at first the Nazis could to a certain degree implement their ideological views on the role of women in society, i.e. reducing paid female employment and binding women to domestic duties (table 4, last line). But closer study shows that this

<sup>6</sup> Petrick, *Arbeitslosigkeit der deutschen Jugend*; Hachtmann, *Arbeitsmarkt und Arbeitszeit*, p. 183

impression is wrong. The campaign against a second bread-winner and the granting of a loan for young couples in case the wife gave up her job had little effect on the labour market. The development of female employment in German industry until 1936 was primarily determined by other factors, the strongest of which was a shift in the employment structure.

Table 4: Proportion of Female Workers in German Industries 1933–1939 (%)

	1933	1934	1935	1936	1937	1938	1939(a)
Iron and steel	2,9	2,8	2,7	3,1	3,5	4,3	6,0
Vehicles	8,4	6,7	5,6	5,4	5,2	5,5	6,3
Other metal processing	21,0	10,5	18,8	19,2	19,8	20,3	21,4
Metal wares	40,1	40,3	41,2	41,5	41,8	41,6	40,6
Electrical appliances	37,0	39,2	38,9	37,0	38,6	38,8	39,9
Precision instruments etc.	31,0	28,4	27,9	27,7	28,4	29,3	30,0
Construction materials	7,6	7,4	7,5	6,7	6,7	7,1	9,1
Sawmills	2,7	2,7	3,0	3,3	3,6	4,1	5,1
Wood processing industries	17,9	16,2	15,7	15,6	15,8	16,8	18,6
Chemicals	21,2	20,8	20,4	20,1	20,1	20,0	20,5
Glass	17,5	16,8	16,9	16,7	17,1	17,5	18,1
Paper mills	15,8	15,2	15,4	15,7	15,7	15,6	16,6
Paper processing	58,1	57,0	57,7	57,7	57,8	58,0	58,8
Textiles	56,4	56,2	55,6	55,7	56,5	57,1	57,9
Clothing	68,2	68,3	67,9	68,6	69,1	69,0	70,0
Food	38,6	38,2	40,5	41,1	41,8	42,6	45,0
<b>Capital goods industries</b>	11,4	10,3	9,8	9,2	9,6	9,9	10,7
<b>Consumer goods industries</b>	50,1	49,7	49,2	49,4	50,1	50,8	52,7
<b>Total</b>	29,3	27,0	25,5	24,7	25,3	25,2	26,8

(a) first half

Source: Statistisches Jahrbuch für das Deutsche Reich 1939/40, p. 386

That was a consequence of rearmament. While in 1932 only 19 per cent of the total workforce of German industry had been employed in metal processing, that share increased to 25 per cent in 1936 and to about 30 per cent in mid-1939. On the other hand, the proportion of workers in food and textiles, two important consumer goods industries, declined from 31 to 22 per cent.<sup>7</sup> Naturally this had a major impact on the proportion of industrial workers who were women. Women traditionally were employed in much higher numbers by consumer than producer goods industries. Since consumer goods industries were not affected by the depression to the same extent as producer goods industries female unemployment was below average at the beginning of the thirties and the share of women workers in industry rose significantly. In Saxony for instance, a highly industrial-

<sup>7</sup> Hachtmann, Arbeitsmarkt und Arbeitszeit, p. 193, table 5

ized region, the proportion of female workers in industry was 34 per cent in 1928, but in 1932, at the peak of the crisis, it reached 39 per cent.<sup>8</sup> After 1933 the trend changed. An economy geared to rearmament favoured classic 'men's industries' such as iron and metal processing and car manufacture, which employed 31 and 18 males for each female worker respectively (1936). On the other hand branches in which the proportion of women remained constant (as in the textile industry and paper-processing) or even increased (as in the food industry) were much reduced in importance. Thus the relative decline of female workers in industry as a whole did not reflect a reduction of the absolute number of women working in industry. It merely shows that more men were given new jobs than women.<sup>9</sup>

Even during the period of mass unemployment the regime could not have been interested in removing female workers because that would have increased wage costs. This in turn would have led to a rise in production costs, especially since consumer goods industries generally were labour-intensive. The resulting substantial price increases for consumer goods, however, could have endangered political stability. Finally after a shortage of labour had developed, propaganda also changed. Instead of campaigning against second bread-winners as in 1933, in 1937/38 the regime tried to persuade married women and pensioners to seek employment in industry. Moreover, beginning in October 1938 loans for young couples were provided only when the wife continued to work.<sup>10</sup>

An increase in the share of female workers in industry can be seen from 1936 (table 4). By the first half of 1939 the proportion of women exceeded the previous high, attained in 1933, in almost every sector. Despite the ideological premises of the regime, female employment in industry was no longer limited to specific periods in life (before marriage for example). To a higher degree than during the Weimar Republic long-term industrial employment had become normal for a large number of women.<sup>11</sup> In 1939 the share of employed women was much higher in Germany than in Great Britain or the USA.<sup>12</sup>

### *The development of working hours*

Even if unemployment rapidly declined part-time work continued to play an important role in some branches of industry. For example following the reduction of raw material imports imposed by the regime, the textile industry was forced to reduce working hours. From mid-1937 onwards part-time textile workers were sometimes obliged to move into sectors of the economy with shortages of

<sup>8</sup> Jahrbuch der Gewerbeaufsichtsbeamten 1933/34 (Sachsen), p. 23

<sup>9</sup> In fact, in 1936 344,000 more women were employed by industry than in 1933; Hachtmann, Arbeitsmarkt und Arbeitszeit, p. 200

<sup>10</sup> RGBl. 1937 I, p.1239. A similar incentive was created through changes of divorce law in 1938; cf. Jill Stephenson, *Women in Nazi Society*, London 1975, pp. 43–44

<sup>11</sup> Josef Mooser, *Arbeiterleben in Deutschland 1900–1970. Klassenlage, Kultur und Politik*, Frankfurt a.M. 1984, p. 37, table 4

<sup>12</sup> Walter Naasmer, *Neue Machtzentren in der deutschen Kriegswirtschaft*, Boppard a.Rh. 1994, pp. 87–88. For the industrial employment of women during the war Rüdiger Hachtmann, *Frauen in der deutschen Kriegsindustrie 1936 bis 1944/45*, in: *Geschichte und Gesellschaft* 19, 1993, pp. 332–366

manpower.<sup>13</sup> Irregular supplies of raw materials and delays in new orders coming in sometimes even led to part-time work in the iron and steel and metal-processing industry. Often this then was followed by periods of much extended working hours.

Table 5: Weekly Working Hours in Industry 1929–1939

	1929	1930	1931	1932	1933	1934	1935	1936	1937	1938	1939(a)
Iron and steel	46,04	44,24	42,50	41,47	42,94	44,56	44,44	45,56	46,06	46,54	47,05
Steel construction (b)	–	–	–	42,30	43,09	45,41	47,20	47,68	47,38	48,20	48,18
Machinery	49,01	45,48	41,94	40,31	42,66	47,18	49,07	49,00	49,86	50,07	50,12
Vehicles (c)	44,61	42,55	40,97	39,32	43,12	44,50	45,12	45,81	45,66	45,93	46,84
Other metal processing	–	–	–	41,51	43,64	46,06	46,78	47,90	47,83	48,12	48,10
Metal wares	–	–	37,13	38,91	40,33	41,97	44,57	45,70	47,73	46,96	46,57
Electrical appliances	44,71	42,01	38,58	35,30	38,79	43,88	45,07	46,13	46,67	46,39	46,66
Precision instruments etc.	–	–	–	–	40,25	44,21	46,35	46,72	46,70	45,60	45,91
Construction materials	45,74	44,48	42,98	41,24	43,06	44,75	44,63	47,38	47,66	47,70	47,29
Construction (d)	–	–	–	–	–	–	–	–	48,77	50,51	49,62
Sawmills	47,36	45,74	43,22	44,21	45,44	46,62	46,68	46,14	46,17	46,55	46,58
Wood processing industries	46,65	43,77	42,15	41,82	43,44	45,20	44,43	46,20	46,62	46,47	47,31
Chemicals	–	–	–	–	–	42,87	44,03	46,11	47,28	46,19	47,28
Rubber industry	44,28	42,90	41,16	40,21	41,28	42,20	43,02	44,60	46,35	46,26	46,75
Glass	–	–	–	–	46,14	45,81	45,74	47,23	47,85	47,23	47,99
Ceramic industry	–	–	–	–	–	42,40	43,01	44,27	46,29	45,85	45,89
Paper mills	–	–	–	43,40	44,56	46,86	47,74	48,85	49,00	48,00	48,81
Paper processing	46,59	45,33	42,45	41,30	42,77	43,71	44,79	45,35	45,75	45,56	45,43
Printing etc.	–	–	–	44,93	45,20	45,65	45,77	46,42	46,18	46,71	47,33
Textiles	44,73	43,05	41,85	40,95	42,37	42,93	40,78	42,31	43,07	43,95	44,84
Clothing	45,80	43,88	43,64	42,59	43,75	44,01	41,46	43,96	43,52	44,40	45,87
Shoe and leather industry	45,34	44,44	42,34	43,57	44,13	45,19	44,73	44,31	44,18	45,04	45,10
Food	47,00	46,04	43,85	43,11	43,26	44,99	44,76	45,03	45,47	45,46	45,33
Capital goods industries	46,34	44,42	42,32	41,16	42,96	45,15	45,87	46,61	47,25	47,84	48,08
Consumer goods industries	45,65	43,91	42,71	41,80	42,89	43,81	42,60	44,23	44,54	44,91	45,75
<b>Total</b>	<b>46,04</b>	<b>44,24</b>	<b>42,50</b>	<b>41,47</b>	<b>42,94</b>	<b>44,56</b>	<b>44,44</b>	<b>45,56</b>	<b>46,06</b>	<b>46,54</b>	<b>47,05</b>

(a) first half

(b) including wagon-building and shipbuilding

(c) without wagon-building and shipbuilding.

(d) 1937: second half only

Sources: Statistisches Jahrbuch für das Deutsche Reich 1939/40, pp. 384–5; Vierteljahreshefte zur Statistik des Deutschen Reiches 1937, III, p.88–9; Wirtschaft und Statistik 1935, Sonderbeilage no.13, p. 13

Firm-specific periods of shorter working hours and overtime just described were not apparent in the aggregate statistics on the development of working hours. These rather showed an almost continuous increase of weekly working hours in industry (table 5) in step with the decline of mass unemployment and the

<sup>13</sup> Compare the decree of the President of the Reich Office for Unemployment Insurance of 30.6.37. See the contribution of Gerd Höschle in this volume and Hachtmann, Arbeitsmarkt und Arbeitszeit, pp. 189–191

development of labour shortages. By 1935 working hours in the machine and electrical goods industries already exceeded their 1929 level. Then a balance of payments crisis which began in autumn 1935 led to restrictions of raw material imports (even for industries which were important for rearmament) and interrupted the general rise in working hours. Nevertheless weekly working hours in all branches of the producer goods industry were maintained at a high level and increased further during the last years before the war. In the consumer goods industries, however, working hours did not return to their 1929 levels before 1939.

Although the Law on Working Hours of July 1934<sup>14</sup> formally endorsed the eight-hour day, it permitted labour trustees to extend working hours through special regulations for individual economic sectors. The trustees made extensive use of this exception; thus within four years the eight-hour day had practically been abolished in many industries. The Reich Labour Ministry sanctioned this policy to satisfy the demands of employers.<sup>15</sup> Although the 1938 Law on Working Hours<sup>16</sup> still included the principle of the eight-hour day formally, it considerably extended exceptions: If the work was irregularly spread over the days of the week, the Betriebsführer could extend the eight-hour day by two hours without even requiring a permission. For thirty days per year a ten-hour working day was permitted without specific reasons. Daily working time could be extended to more than ten hours by labour trustees or the factory inspectorate. Finally a general clause permitted extensions of working hours "for urgent reasons of the common weal."

However, political considerations rather than legal stipulations finally limited the rise in working hours for German workers. This is demonstrated by the course of events after the war had started: At first numerous labour protection laws were suspended and wage-bonuses for work on public holidays etc. abolished.<sup>17</sup> But most of these measures were revoked two months later as a result of the initial military successes, but also out of fear of unrest.<sup>18</sup> Weekly working hours for German workers peaked in 1941 (table 6). The fact that millions of foreigners from all over Europe were forced to work in industry gave German workers a relatively privileged status.

### *Fluctuation in the Labour Market*

Considerable fluctuation in the labour market was another consequence of the growing labour shortage after 1935. According to an estimate by the Reich Office of Unemployment Insurance 1.5 million people changed their workplace every month between 1936 and 1938. Agriculture suffered most from the outmigration of manpower. Studies by the Reich Nutrition Authority (Reichsernährungsamt)

<sup>14</sup> RGBl. 1934 I, p. 803

<sup>15</sup> Cf. decrees of 2.5 and 12.12.36; for the following see Hachtmann, Arbeitsmarkt und Arbeitszeit, pp. 211–213

<sup>16</sup> RGBl. 1938 I, p. 447

<sup>17</sup> Decree on changing and extending regulations in the field of labour law of 1.9.39 and §18(3) of the Law on the War Economy, in: RGBl. 1939 I, pp. 1609, 1683

<sup>18</sup> Regulation on work protection of 12.12.1939, in: *ibid.*, p. 2403

Table 6: Weekly Working Hours for Different Groups of German Workers in Industry 1929–1945 (German territory of 1937)

	1929	1933	1935	1939		1940		1941		1942		1943		1944
				March	Sept.	March	Sept.	March	Sept.	March	Sept.	March	Sept.	March
<b>Producer goods industries:</b>														
All workers	46,3	43,0	45,9	48,2	48,8	48,5	49,9	49,9	50,3	49,6	49,5	49,9	48,9	49,2
Male skilled workers	–	–	–	50,2	50,7	50,7	52,4	52,3	52,8	52,2	52,0	52,8	51,6	51,9
Male unskilled workers	–	–	–	49,5	50,9	49,7	52,6	51,4	52,3	50,4	51,2	51,3	50,8	50,9
Female skilled workers (a)	–	–	–	47,2	46,2	46,7	47,9	47,2	46,1	45,1	43,8	43,8	42,3	41,5
Female unskilled workers	–	–	–	46,8	45,7	43,9	44,7	44,8	44,5	43,6	42,9	42,1	39,0	39,0
<b>Consumer goods industries:</b>														
All workers	45,7	42,9	42,6	45,9	43,5	43,8	45,9	45,8	45,9	45,0	44,8	45,3	43,1	43,3
Male skilled workers	–	–	–	48,1	46,6	46,9	49,4	49,7	50,0	49,2	49,5	50,5	49,5	49,6
Male unskilled workers	–	–	–	47,9	47,9	47,5	49,2	49,2	49,4	48,8	49,2	49,4	48,6	48,7
Female skilled workers (a)	–	–	–	46,5	42,5	43,1	45,3	44,8	44,7	43,8	42,9	43,5	40,2	40,4
Female unskilled workers	–	–	–	46,8	43,7	44,3	45,0	44,4	44,1	43,2	42,5	42,0	39,2	39,3

(a) Skilled and semi-skilled (female) workers

Source: United States Strategic Bombing Survey. The Effects of Strategic Bombing on the German War Economy, Washington D.C. 1945, p. 215

showed that between 1935 and early 1939 650,000 agricultural workers left the sector; the resulting deficit could not nearly be compensated by the influx of Polish farm labourers, although between 1937 and 1939 their number rose from ten to almost one hundred thousand.

While former agricultural workers were re-employed in the construction and consumer goods industries, unskilled workers in the construction, textile and food industries migrated in large numbers into producer goods and armaments producing industries. Even some skilled construction workers left their old workplaces to become unskilled metal-workers. The lack of manpower caused fierce competition for labour between sectors and even between different departments of the same company. Generally firms active in the armaments business were best placed to lure workers away from less prosperous companies. Breaches of contract became more common. Workers withheld their labour while employed, in order to be released from comparatively unattractive positions.<sup>19</sup> There was

<sup>19</sup> Cf. Rüdiger Hachtmann, *Industriearbeit im Dritten Reich. Untersuchungen zu den Lohn- und Arbeitsbedingungen 1933 bis 1945*, Göttingen 1989, pp. 114–116, 122–124, 196–199

considerable East-West migration. For instance many people, above all unmarried metal-workers, left Silesia, in order to seek work in Saxony or Brandenburg, because employers were offering higher wages there. Border areas were especially hard hit. Some frontier municipalities with a poor infrastructure lost up to ten percent of their employable population.<sup>20</sup>

However, ubiquitous complaints about high fluctuation rates from 1936 onwards should not be given too much weight either. In 1938/39 the overall fluctuation rate was almost the same as it had been ten years earlier. Depending on the class of workers, patterns of fluctuation were quite different. Poorly paid male and female workers were most likely to change their workplace, whereas specialist workers often remained loyal to their companies, because being hard to replace they were freely provided with bonuses and other privileges. Nevertheless fluctuation caused problems for the regime. Wage costs and with them the costs of rearmament threatened to increase dramatically which would endanger the intended speed of war preparations. The regime therefore felt compelled to directly intervene in the labour market even more extensively, and to limit free labour mobility.

### **III. From Employment Policy to Labour Allocation Policy**

From spring 1934 onwards the regime tried to prevent unwanted labour fluctuation with legislative measures. According to the Law for Controlling Labour Allocation of 15 May 1934<sup>21</sup> the President of the Reich Office for Unemployment Insurance Friedrich Syrup could require firms in high unemployment districts to obtain permission to employ workers from outside the district. Syrup used this power to limit labour migration into Berlin, Bremen, Hamburg and (in March 1935) the Saar in order to reduce the above-average urban unemployment more rapidly.

It is especially noteworthy that the term labour allocation (*Arbeitseinsatz*) was substituted for the term labour market in the above-mentioned law. The choice of a new term is significant because it underlines the deliberate transition to an authoritarian control of labour mobility which later resulted in a kind of militarization of work. That this transition was effected by a law legislated by the Reichstag (which was quite unusual for the Third Reich) rather than a decree or something similar was intended to give it a certain democratic appearance.

The enactment of the Law for Controlling Labour Allocation was quickly followed by a series of other measures which should further limited labour mobility. On 17 May 1934 Syrup decreed that agricultural workers changing into industry "may only be employed in iron and steel works, metal-working factories and in the manufacture of semi-finished products when permitted by the responsible labour exchange office."<sup>22</sup> Nevertheless the 1934 harvest struggled with

<sup>20</sup> Hachtmann, *Arbeitsmarkt und Arbeitszeit*, p. 207

<sup>21</sup> RGBl. 1934 I, p. 381

<sup>22</sup> Reichsarbeitsblatt (RABl.) 1934 I, p. 381

difficulties because of labour shortages. For this reason the power of labour exchanges was further extended by the Law to Fulfill Agricultural Manpower Requirements of 26 February 1935. From that time on the responsible authorities could even terminate existing contracts between industrial companies and workers who had previously been working in agriculture.<sup>23</sup>

The Instruction on the Distribution of Manpower of 10 August 1934<sup>24</sup> authorized Syrup "to control the distribution and exchange of manpower and to decree the necessary orders to implement the task." Based on this instruction, Syrup issued the order on the Allocation of Skilled Metal Workers of 29 December 1934<sup>25</sup> which made skilled metal workers to seek the permission of the relevant labour exchange office if they wanted to take up employment in a different district from where they lived. Mobility within a labour exchange district was left untouched for the time being.

Terms such as 'labour allocation' and 'distribution of manpower' suggest planning and rational organisation. In fact, however, all the measures were decreed on an ad-hoc basis in order to meet immediate contingencies. Although the regime sought to learn from the period of the First World War, it never arrived at a consistent labour allocation plan. Therefore the regulations of 1934 – and those in subsequent years – had at best a restraining effect. Since the demand for labour rose dramatically, their eventual ineffectiveness was predictable. Yet the regime pursued the same unsystematic policies in the face of growing fluctuations and labour shortages that threatened rearmament goals.

In February 1935 the regime passed a law introducing work books. That was an attempt to cope with the increasingly complicated situation on the labour market. An aim was to record still existing manpower reserves.<sup>26</sup> At the same time the work book was designed as an instrument for the effective control of labour fluctuation. In addition it should facilitate mobilisation in the event of war. It took until spring of 1939 before the distribution of about 22 million work books was completed.

In autumn of 1936 Hermann Göring, now plenipotentiary for the Four Year Plan, imposed a number of new regulations in order to relieve at least partly the labour shortage which by now was affecting skilled as well as unskilled workers. According to the first instruction on the implementation of the Four Year Plan "private and public companies in the iron, metal and construction industries with ten or more employees [...] are required to employ apprentices in an appropriate relation to the number of their qualified staff."<sup>27</sup> The second instruction to implement the Four Year Plan made hiring ten or more additional metal workers within one calendar year dependent on the permission of the responsible labour exchange office. This provision was designed to give the rearmament effort priority in the labour market and to dampen the competition for workers.

<sup>23</sup> RGBl. 1935 I, p. 310

<sup>24</sup> RGBl. 1934 I, p. 786

<sup>25</sup> RABl. 1935 I, p. 12

<sup>26</sup> RGBl. 1935 I, p. 311

<sup>27</sup> RABl. 1936 I, pp. 292–294



According to the third instruction to implement the Four Year Plan qualified construction and metal workers employed in other branches had to be released for re-employment in 'their' sectors. The fourth and fifth instructions focussed on "securing manpower and building materials for important construction work" and on "employing older staff". The sixth instruction prohibited job advertisements for metal and qualified construction workers in newspapers – a prohibition which was often ignored afterwards. According to the seventh instruction an employer could keep an employee's work book for the duration of the contract in case the latter wanted to leave the job without authorisation before his contract ended.<sup>28</sup>

On 30 December 1936 the Reich Labour Minister ordered the labour trustees to introduce a minimum four weeks' notice for workers of the iron and steel industry and metal industries producing armaments.<sup>29</sup> And in February 1937 metal workers were required to obtain permission from their labour exchange even when changing work *within* a district.<sup>30</sup> A similar decree was issued regarding construction workers in May 1938.

While the term Four Year *Plan* may suggest orderly action, the various laws and regulations issued on behalf of it followed no consistent concept. Rather they frequently were a consequence of self-inflicted difficulties and often caused new problems which led to even more regulation. The instructions were deliberately formulated in an elastic way and therefore only moderately limited an employer's freedom to act as he saw fit. In addition the authorities often proved unable to implement them properly because they themselves suffered from shortage of manpower.<sup>31</sup>

#### IV. Mobilizing Labour Reserves

The regime tried to mobilize not only women for work in industry, but also other labour reserves. However, its attempts to motivate older people to take up paid work met with little success. The number of people aged 65 and above working hardly increased compared to 1925; the employment rate among those people declined from 31 per cent in 1925 to 21 per cent in 1939.<sup>32</sup> Since spring of 1938 the regime also had started to recruit the labour of so-called 'antisocials'. There were actual 'raids on shirkers' and 'work-shy elements' who quickly received the stigma of being racially inferior if they did not fulfil their 'working duty'. These actions were not directly motivated by the pressure on the labour market. It rather

<sup>28</sup> Timothy W. Mason, *Arbeiterklasse und Volksgemeinschaft*, Opladen 1975, pp. 230–231 (document no. 13)

<sup>29</sup> *Ibid.*, pp. 232–233

<sup>30</sup> RABl. 1937 I, pp. 38–39

<sup>31</sup> Hachtmann, *Arbeitsmarkt und Arbeitszeit*, pp. 205–206; *idem*, *Industriearbeit*, pp. 44, 114

<sup>32</sup> *Bevölkerung und Wirtschaft 1872–1972*, edited by Statistisches Bundesamt, Stuttgart 1972, p. 144

was the fear that part of the regular workforce could retreat from paid employment, if they felt that the regime did not sufficiently try to draw even fringe groups into its labour allocation efforts. Numerically the success of these campaigns was modest.

The annexation of Austria in March 1938 and of the Sudetenland a little later was more significant for the labour market. Austria alone had 400,000 registered unemployed at that time of which about one hundred thousand migrated to the territory of the Reich. There, they had the same rights as German employees. That was not the case with 100,000 Czechs who were recruited for work in the industry of the Reich after the remains of the Czech state also had been destroyed. A few weeks before the war broke out they were subjected under special regulations which included provision of harsh penalties if they refused to work, were engaged in political activities or showed 'anti-state attitudes'.<sup>33</sup>

A considerable reserve for increased employment in industry was seen in the handicraft sector. According to a regulation of January 1935, only persons with a master's certificate could work as self-employed craftsmen. At that time about two thirds of all self-employed craftsmen did not possess such a certificate, and were thrown out of their trade. In addition a regulation for the implementation of the Four Year Plan in the handicraft sector of February 1939<sup>34</sup> aimed at increasing the pressure on 'unnecessary' craftsmen to take up work in industry. Acting as a lobby for medium sized and large handicraft businesses, the official organisations of the sector supported this 'fight against small craftsmen' with great enthusiasm, as in their view it helped to consolidate the German handicraft industry which during the Great Depression had been expanded in a rather unsound way. However, their attitude changed from about 1941 onwards, when the regime turned its actions against medium sized craft businesses.<sup>35</sup> It is difficult to estimate the additions to the industrial workforce resulting from these measures. Many proletarian craftsmen voluntarily changed into the industrial sector after full employment had been attained because they could earn higher incomes there than in their own little shops. Tendencies resulting from the Great Depression were now reversed more or less spontaneously. Thus increases in the labour force

<sup>33</sup> Miroslav Kárny, Der 'Reichsausgleich' in der deutschen Protektoratspolitik, in: Ulrich Herbert (ed.), *Europa und der 'Reichseinsatz'*. *Ausländische Zivilarbeiter, Kriegsgefangene und KZ-Häftlinge in Deutschland 1938–1945*, Essen 1991, p. 29; Ulrich Herbert, *Geschichte der Ausländerpolitik in Deutschland. Saisonarbeiter, Zwangsarbeiter, Gastarbeiter, Flüchtlinge*, München 2001, pp. 125–126. Herbert stresses that these regulations were modelled on the example of already existing restrictions for foreign workers and had not yet reached the severity of similar measures decreed in 1914.

<sup>34</sup> RGBl. 1939 I, p. 327

<sup>35</sup> Bernd Holtwick, *Der zerrissene Berufsstand. Handwerker und ihre Organisationen in Ostwestfalen-Lippe (1929–1953)*, Paderborn 2000, pp. 197–198, 205–206, 219–222; also Adelheid von Saldern, *Mittelstand im Dritten Reich. Handwerk – Einzelhändler – Bauern*, Frankfurt 1979; Heinrich August Winkler, *Der entbehrliche Stand*, in: *Archiv für Sozialgeschichte* 17, 1977; Friedrich Lenger, *Sozialgeschichte der deutschen Handwerker seit 1800*, Frankfurt 1988, pp. 195–201

due to the policy described were probably quite small. The same was true for state initiatives to transfer as many retailers as possible into industrial employment.

The mobilization of manpower reserves did little to alleviate the labour shortage. According to Syrup the German economy faced a shortage of at least one million workers in early 1939.<sup>36</sup> Constructing the fortification at the Western border, the so-called Westwall, required a further 400,000 workers. When it started in 1938 the regime introduced compulsory labour service.<sup>37</sup> According to the respective regulations any German citizen could be obliged for a limited period of time "to perform duties at a workplace allocated to him". In February 1939 compulsory labour service then was made possible for unlimited periods.<sup>38</sup> Finally in March 1939 any change of work place was made dependent on the permission of the labour exchange.<sup>39</sup>

At first sight it may seem surprising that the Nazi dictatorship made only little use of the instruments created by these regulations until the outbreak of war. The reason was the regime's fear that the situation of 1917/18 could be repeated. High government officials were afraid of "manifold psychological [...] and social disturbances"<sup>40</sup> which could be caused by relying too heavily on conscription. Compulsory labour service was mainly intended to prepare for the war, and it was regarded as a "very unpleasant supporting measure".<sup>41</sup> Therefore, as early as November 1939, after the defeat of Poland, Hitler ordered compulsory labour service to be cut back.<sup>42</sup> It is equally characteristic that Syrup and Franz Seldte declared at a top-level meeting of 22 July 1940 that "the principle of free labour mobility" would be restored and "all compulsory labour service" abolished after the end of the war.<sup>43</sup>

## VI. Conclusion

An increasing number of company managers and their representatives in various institutions of the Nazi economy did not conceal their dissatisfaction with the results of labour policy and demanded a return to more normal conditions such as in 1930. But they did not identify restrictions on labour mobility as the primary

<sup>36</sup> BArch R 26 IV, vol. 5, Protocol of the 9th meeting of the General Council (Labour Committee), 1.2.39

<sup>37</sup> RGBl. 1938 I, p. 652

<sup>38</sup> RGBl. 1939 I, p. 206

<sup>39</sup> RGBl. 1939 I, p. 444

<sup>40</sup> Friedrich Syrup, *Sicherstellung des Kräftebedarfs für Aufgaben von besonderer staatspolitischer Bedeutung*, in: *Der Vierjahresplan 3/1939*, p. 517

<sup>41</sup> Westfälisches Wirtschaftsarchiv Dortmund (WWA), F 26/81, Kimmich from Reich Labour Ministry during a meeting at Mannesmann, 20.6.40

<sup>42</sup> Timothy W. Mason, *Innere Krise und Angriffskrieg 1938/39*, in: Friedrich Forstmeier/Hans-Erich Volkmann (eds.), *Wirtschaft und Rüstung am Vorabend des Zweiten Weltkrieges*, Düsseldorf 1975, pp. 180–181

<sup>43</sup> Quoted from Jean Freymond, *Le IIIe Reich et la réorganisation économique de l'Europe 1940–1942. Origines et projets*, Leiden 1974, p. 277

problem; these were accepted as necessary measures in a war economy. Besides, they helped restrain incipient wage increases after full employment had been reached. Nor did they criticize racist discrimination against Jews and foreign workers – some individual cases excepted. Moreover the opportunity of employing foreign workers, prisoners of war and concentration camp inmates was readily accepted to relieve the shortage of manpower which became a still more urgent problem during the war. Rather, businessmen directed their criticism against the authoritarian wage settlements and against the chaotic labour allocation policy.

Confronted with attempts of the German Labour Front to interfere in companies' internal operations, leading industrialists in early 1936 criticized the "gentlemen of the labour front" for "having no backing from within companies". In their opinion, in order to gain a minimum of support amongst employees, another kind of workers' representation had to be established.<sup>44</sup> Four years later, at a major conference of high-ranking representatives from the Reich Association of Industry, the Reich Chamber of Commerce, and other organisations on fundamental questions of social policy after the return to peace, the authoritarian wage policy was attacked.<sup>45</sup> Albert Pietzsch, Chairman of the Reich Chamber of Commerce, stated during the meeting that Labour Front functionaries on the company level were not taken seriously by the employers. Therefore he considered it necessary to establish new bodies with representatives of employees being integrated in a cooperative way. However, Pietzsch was not thinking of re-establishing workers' councils as they had existed before 1933 or trade unions. His main concern, which was shared by the other participants of the conference, was to keep future wage settlements free from state influence. The authoritarian, centralized regulation of wages by institutions such as the labour trustees should remain a temporary war measure. In the future businessmen were to participate again in the wage settlement process. Authorized representatives of employers and employees then should "decide about social matters together" under the auspices of the state. These suggestions were further discussed among businessmen during the following weeks and apparently found widespread approval. Above all the idea was appreciated to create new bodies incorporating employers and employees in equal numbers and to transfer to them the decisions on wages and social matters.<sup>46</sup>

<sup>44</sup> Archiv der August-Thyssen-Hütte, Vereinigte Stahlwerke, Sozialwirtschaftliche Abt. 14-01-2/1, Letter of Ernst Poensgen to Fritz Springorum, 16.3.36

<sup>45</sup> WWA, F 26/81, Niederschrift über die Besprechung von Herrn Ministerialdirektor Dr. Kimmich am 20. Juni 1940. See also Rüdiger Hachtmann, *Tarifparteien oder Militarisierung der Arbeit? Kontroversen um die Grundlinien der nationalsozialistischen Tarifpolitik und die künftige Gestaltung der NS-Arbeitsverfassung 1936 bis 1940*, in: Karl-Christian Führer (ed.), *Tarifbeziehungen und Tarifpolitik in Deutschland im historischen Wandel*, Hamburg 2003; idem, *Die Krise der nationalsozialistischen Arbeitsverfassung – Pläne zur Änderung der Tarifgestaltung 1936–1940*, in: *Kritische Justiz* 17/1984, pp. 291–297

<sup>46</sup> For example WWA, F 26/81, Letter of Dechamps [General Director of Concordia Bergbau AG] to Bierhaus [General Director of Niederschlesische Bergbau AG], 15.7.40, and *ibid.*, Letter of Kruck [General Director of Borsig Kokswerke AG] to Berckemeyer [General Director of Oberschlesische Kokswerke und Chem. Fabrik], 16.7.40

The demand for greater autonomy in relations between employers and employees clearly was a response to conflicts caused by the ambitions of the Labour Front. However, it also was a reaction to the confusion in wage and labour allocation matters resulting from numerous special regulations especially after the war had started. Wage and labour allocation policy was in danger of complete subordination to political and ideological aims and was frequently adapted to contradictory demands of various institutions of the Nazi regime. In view of this situation employers wanted to depoliticize relations with labour even at the price of introducing some elements of the former system of wage settlement which they had strongly opposed in 1933.

By mid-1941 at the latest, the military situation made any reform plans unrealistic. Dissatisfaction with wage and labour policy remained, however. Thus it is characteristic that the association of the construction industry called for a return to the traditional wage policy as it had existed until the beginning of the thirties. It also was pointed out how useful it was that wage settlements had generally been concluded for two years.<sup>47</sup>

Nazi labour policy can be regarded as successful only from a superficial perspective. Of course rearmament led to massive reductions of unemployment. And restrictions on labour mobility enabled the government to give priority to the labour requirements of sectors important for the military effort and at the same time to contain wages. However, labour policy never was guided by a consistent concept; labour trustees faced severe problems because of poor finance and lack of personnel even before the outbreak of war. In the long run the increasing number of interventions in the labour market and the authoritarian wage policy became economically dysfunctional.

<sup>47</sup> BArch R 13 VIII/163, Wirtschaftsgruppe Bauindustrie, Letter of 29.9.44; I thank Karl-Christian Führer for his reference to this source.