

# Germany: Yesterday, Today, and Tomorrow

by MICHAEL F. ZAREMSKI

*The German Phoenix.* By William Henry Chamberlin. New York: Duell, Sloan and Pearce, 1963. 310 pp. \$5.95.

*The Economics of Success.* By Ludwig Erhard, Princeton, N. J.: D. Van Nostrand, 1963. 412 pp. \$6.50.

THE recent flood of anti-German propaganda, of which such books as William Shirer's *The Rise and Fall of the Third Reich* and T. H. Teten's *The New Germany*

19 years and the defamation of the men responsible for perhaps the most favorable of European post-war developments, the building of one of the world's most prosperous and stable democracies on the ruins of Hitler's totalitarian dictatorship.

But now that the man most closely associated with Germany's post-war political stabilization has, after more than 14 years in power, stepped aside in favor of the man who had directed the country's economic revival with "miraculous" success, more ob-



Germany: Frankfurt-am-Main, 1945.

and the Old Nazis, and the movie *Judgment at Nuremberg* are the most obvious, though not by far the latest, examples, has left in its wake a profound suspicion of all things Germanic. This attitude had often manifested itself in the derogation of the genuine achievements of that nation during the past

jective assessments of the Adenauer era and of the new Chancellor are in order. And it is in this regard that these two recent books are useful and timely.

## I

IN *The German Phoenix* William Henry Chamberlin, the well-known political analyst who writes for *The Wall Street Journal* and is author of thirteen other notable works, offers a general description of Germany's remarkable development under Konrad Adenauer. Though primarily concerned with

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events of recent occurrence, Mr. Chamberlin begins his narration by recounting some of the highlights of German history since the epoch of Charlemagne, so that the country's contemporary position may be seen in proper perspective.

With this historical backdrop, Chancellor Adenauer's accomplishments stand out as unique and far-reaching. To a country that had no democratic tradition upon which to fall back he brought a stable and efficient republican form of government. To a country long subjected to internal political divisions he brought unity and a purpose. As Mr. Chamberlin remarks:

plan called for the dismantling of the factories in the Ruhr and Saar regions, with the ultimate goal of "converting Germany into a country largely agricultural and pastoral in character." That the map of Europe does not have more red areas than it has today owes much to the fact that the plan was never implemented.

**A**DENAUER became chancellor in 1949, in the first elections held under the new constitution. Though he won the position by the narrowest of margins—one vote—he has dominated German politics ever since. And it is often said that only he could have suc-



*Germany: Frankfurt-am-Main, 1951.*

[Adenauer] has raised Germany from a bankrupt pariah to an affluent ally of the free nations. He has replaced Nazi despotism with free institutions and the rule of law. He has built up and led from one victory to another a party unique in German history, with appeal to all groups of the German people. He has ended Germany's tragic quarrel with France and brought the Germans into close relations with the West. He has done what was possible to atone for the crimes of the Nazis.

The position of Germany in the world today is even more impressive when one considers that the Allies, at first, did little to help the country solve its post-war problems. Rather, the Western powers were guided by such short-sighted policies as the 1944 Morgenthau Plan. First conceived by Henry Morgenthau, Jr., Roosevelt's Secretary of the Treasury, and Harry Dexter White, then Assistant Secretary of the Treasury, the

cessfully led the nation in the transition from totalitarian government to democracy, perhaps because his person itself seems to bridge the gulf. Authoritarian in character, on the one hand, Adenauer is deeply committed to the democratic ideal, on the other. As an editor of *Der Spiegel* who has never had much sympathy for the Adenauer government put it: "Adenauer, with what we sometimes call his 'chancellor-democracy, democratic in form, authoritarian in content, has helped to reconcile the German people, most of whom are not, at heart, enthusiastic democrats, to a democratic form of government."

The question of the possible recurrence of Nazism, in one form or another, and the corresponding question of how deeply entrenched democracy is today in Germany are ones to which Chamberlin rightly addresses himself at some length, and his comments

are worthy of close scrutiny. The arguments usually presented as proof that Germany is to be eyed with suspicion and kept from accumulating any degree of power are boiled down to five, each of which the author considers separately.

To the objection that Nazism survives "under wraps," so to speak, in existing groups and parties, the author replies with documentary evidence that for the mass of the citizenry the Nazi ideology has lost its appeal. Whereas in 1949 four representatives of the neo-Nazi Socialist Reich Party were elected to the German legislature, in all of the three subsequent elections no representatives of any pro-Nazi organization were elected. That some people may still be obsessed with Hitler's creed the author concedes; but he also shows that in a nation of 56 million people who lived for 12 years under the Nazi system the surprising thing is that episodes demonstrating the existence of pro-Nazi sentiments are so rare!

A fact frequently used to buttress anti-German arguments is that ex-Nazis occupy many positions of authority in public life. Instead of refuting the fact, Chamberlin asks how the government could be otherwise run. "The Nazi system," he says, "was so comprehensive in its organization that Nazi Party membership, for most Germans, was a condition of employment. It would have been impossible to recruit an adequate civil service exclusively from the small minority who carried their resistance to the point of emigrating abroad or getting into concentration camps."

The author also contests the argument that Germans today are refusing to face the past—specifically, in the courts and in the schools. He points out that up to 1962 there were 30,000 prosecutions for crimes perpetrated during the Nazi period, and that over 5,000 sentences of conviction were imposed. The charge that German children are not being taught about Nazi crimes is dismissed as totally baseless. The author cites as additional evidence a report written by Dr. Benjamin Fine, former education editor of *The New York Times*, after he had made a survey of German schools in 1961. Dr. Fine wrote:

Hitler and his philosophy are dead, so far as the German youth are concerned . . . Films showing Hitler and his followers are met with laughter and scorn. Schools stress the evils that Hitler and the Nazi regime did and the destruction they caused to Germany.

M<sup>R</sup>. CHAMBERLIN examines the thesis that the Germans are uniquely militaristic and chauvinistic and demonstrates that the facts do not support the case. He traces the conflicts of the pre-twentieth century period to the political fragmentation of the area, and argues that since historians themselves do not agree as to the causes of World War I, it is useless to condemn Germany alone for it. That Hitler bears personal responsibility for the Second World War is admitted, but whether the German people wanted the war may be another matter. "Foreign observers are in general agreement that neither the crushing of Poland nor the swift and inexpensive victory over France unloosed any visible enthusiasm among the German civilians."

At any rate, the toll of the war in human terms alone—one out of three German males between the ages of twenty and forty lost their lives—would diminish *any* feeling of militarism, "if one understands by that term the glorification or lighthearted acceptance of war."

To declare that there is no democracy in Germany, citing the fact that Adenauer has been a success only because he is strong-willed and authoritarian as proof, is obviously a baseless contention. That Adenauer was such a chancellor is obvious; but a democratic form of government does not preclude the possibility of its being led by someone of such character. Democracy involves such elements as free elections, freedom of the press, habeas corpus and the rule of law; these are present in the Germany of today.

## II

*The Economics of Success*, a collection of Ludwig Erhard's speeches and articles over the period from 1945 to 1962, will prove useful in two respects: as a chronicle reflecting the progress of post-war Germany, and as a statement of the Chancellor's basic principles, in which is to be found some clue to the future he envisions for Germany.

It is certainly no secret that Adenauer opposed the selection of Erhard as his suc-

cessor. On several occasions, and at times with trenchant vehemence, *der Alte* laughed off the possibility of his cherub-faced minister ever becoming chancellor; to the 87-year-old Adenauer, the economist was no politician. And the fact that Erhard left these attacks virtually unanswered was grasped by some as further proof that he was ill-equipped to run the government.

But the figure of Erhard that emerges from these pages contests this view. For here is a man who understands the workings of social forces and can capitalize on this awareness; a man consistent in his principles, and with the courage to put them into practice. In 1948, for example, within hours after the Allies announced a currency reform, Dr. Erhard, then chairman of the Bizonal Economic Council, proclaimed in a radio address the end of the rationing system imposed by the Allies. Called into the office of the U. S. military governor to explain his action, he was told by General Lucius Clay that the Allied advisers saw in his plan certain failure. "Don't fret, General," replied Erhard, "my advisers tell me the same thing."

THE essence of Dr. Erhard's economic philosophy is the *soziale Marktwirtschaft*, or socially committed free economy. In an article for *Die Neue Zeitung* in 1946, he wrote

The real contradistinction is not between free and planned economic systems, nor between capitalist and socialist economic systems, but between a market economy with free price-level adjustment on the one hand and an authoritarian economy with state controls extending into the sphere of distribution on the other. In the last analysis, it is simply a question of whether the market as the voice of the economic society as a whole or, alternatively, the state or some other collective entity is better able to decide what is conducive to the common good or the well-being of all. It is still a widely held fallacy that the outcome of free competition is to arrest movement and change within the social structure or at least to set up economic strains and stresses. In actual fact, all liberal-minded

experts with a sound knowledge of the social organisms are agreed that it is precisely the other way around, that it is the limiting of freedom of movement that throws the economy out of balance and produces crisis after crisis, each more unmanageable than the last.

Dr. Erhard's views on the European Economic Community and the Franco-German association are certain to have widespread effects, and here the book furnishes much pertinent information. A firm believer in the value of close relations between France and his country, Erhard sees such cooperation taking place in an enlarged economic community, far-removed from the one envisioned by De Gaulle. "From a historical point of view," the Chancellor wrote in an article for *Die Zeit*, "the desired conciliation within Europe can only, in my view, be the beginning of a continuous process of coalescence that must embrace all the civilized nations of the Western world."

But while Erhard's declared goal is free trade on a world wide scale, he makes no pretensions about the limits of such cooperation. He declared:

The mere thought of Europe as a centralized super-state makes me shudder. This is a road which, I am convinced, we cannot follow without destroying everything of value that the countries and peoples of Europe have in common. . . . No, Europe can only be built if we are prepared to tear down the barriers between the various countries and nations. The prerequisite and at the same time the culmination of such a policy is the abolition of foreign exchange controls, which would do more for Europe than all the institutions, parliaments and governments put together.

. . . We want Europe, but we want a federally-constructed Europe, in which every single individual can enjoy the greatest possible freedom and the widest possible scope for the development of his own personality beyond the frontiers of his own country and yet without impairing the bonds between him and his own people. . . . We know what is at stake! We are defending the freedom of the world but above all we are defending ourselves.