Review: Peter C. Caldwell: Dictatorship, state planning, and social theory in the German Democratic Republic

Hamelrath, Edward

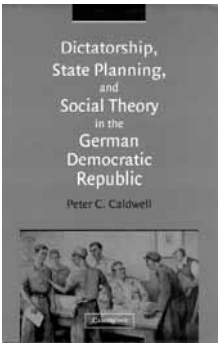
Veröffentlichungsversion / Published Version
Rezension / review

Zur Verfügung gestellt in Kooperation mit / provided in cooperation with:
Hannah-Arendt-Institut für Totalitarismusforschung e.V. an der TU Dresden

Empfohlene Zitierung / Suggested Citation:
Hamelrath, E. (2004). Review: Peter C. Caldwell: Dictatorship, state planning, and social theory in the German Democratic Republic. [Review of the book *Dictatorship, state planning, and social theory in the German Democratic Republic*, by P. C. Caldwell]. *Totalitarismus und Demokratie*, *1*(2), 270-274. https://nbn-resolving.org/urn:nbn:de:0168-ssoar-311989

Sammlungen anderer Provenienz. Damit dürfte sich der im Klappentext zum Ausdruck kommende Wunsch, eine bestimmte politische Klientel zu bedienen, nicht erfüllen. Wissenschaftlich Interessierte haben hingegen Grund, die Beiträge zur Kenntnis zu nehmen. Offensichtlich hat auch in sozialistischen Kreisen das Bedürfnis stark abgenommen, die Kugel der Ideologie weiterhin den Berg hinaufzurollen. Insofern ist das Titelbild „Die Flucht des Sisyphus" von Wolfgang Mattheuer synonym sowohl für das letzte Jahr der DDR als auch für die Haltung der wichtigsten vorgestellten Autoren. Sie haben sich längst den Zwängen der Ideologie entzogen.

Dr. Michael Richter, Hannah-Arendt-Institut für Totalitarismusforschung e. V. an der Technischen Universität Dresden, D-01062 Dresden.



Peter C. Caldwell, Dictatorship, State Planning, and Social Theory in the German Democratic Republic, Cambridge 2003 (Cambridge University Press), 223 S.

In *The Road to Freedom* Freidrich Hayek displayed amazing predictive powers, as the following excerpts show: "Many who think themselves infinitely superior to the aberrations of Nazism and sincerely hate all its manifestations, work at the same time for ideals whose realisation would lead straight to the abhorred tyranny."[1] "What our planners demand is a *central* direction of all economic activity according to a single plan, laying down how the resources of a society should be '*counsciously* directed' to serve particular ends in a definite way."[2] "Is there a greater tragedy imaginable than that in our endeavour *consciously* to shape our future in accordance with high ideals, we should in fact unwittingly produce the very opposite of what we have been striving for?"[3] And finally, "Planning leads to dictatorship because dictatorship is the most effective instrument of coercion".[4] Written in 1944, one might even believe Hayek's crystal ball to have been acutely attuned to the rise and fall of the German Democratic Republic (GDR) founded five years later on the very principles he most feared.

Leaving aside the debate about why *western* observers of the GDR were so surprised in 1989 by its economic collapse,[5] Peter C. Caldwell's present work

1 Friedrich Hayek, The Road to Serfdom, London 1944, p. 3.
2 Hayek, Road, p. 26.
3 Ibid.
4 Ibid, p. 52 (all italics mine).
5 For a neat summarisation of this highly charged topic, see chapter one of Jeffrey Kopstein, The Politics of Economic Decline in East Germany, 1945–1989, Chapel Hill/London 1977.

superbly details how the GDR's own economists and intellectuals had clearly foreseen, already in the 1950s, the quagmire, and tyranny, that an 'economically planned' and 'consciously directed' society would lead to. In an engaging and thoroughly readable monograph, Caldwell examines the economy, law, and social philosophy in the GDR from 1949 to 1968. Treating each in their turn, the author shows that contradictions developed in each due to the resultant tension between the rigid, centrally controlled planned economy of the SED (*Socialist Unity Party*) and the ever-changing and unforeseeable needs of the market, society, and individuals.

In economics this contradiction derived from the clash between the Party's implementation of a "plan – a conscious, hierarchical, subjectively constructed organization" and the "law of value or market, an objective mechanism for coordinating actions in the economy" (p. 97). In praxis, these two phenomenon came together, and had to be resolved, in the operation of GDR firms, known as VEBs *(the-peoples-owned companies*).

Only after Stalin's demise in March 1953, could GDR economists such as Jürgen Kuczynski, Gunter Kohlmey, and Fritz Behrens, begin to question the over-reliance on a plan driven more by a Cold War ideology of offering an alternative to 'capitalism' than by economic facts. With support coming from Politbüro veteran Fred Oelßner, these economists took seriously Marxist theory that 'socialism' was a transitional phase from capitalism to communism. This implied the continual need of at least some so-called 'bourgeois' practices, such as cost accounting, attention to supply and demand, market prices, etc., which most importantly provided valuable and immediate information. Attempting to determine the law of value, the foundation stone of capitalism for Marx, without market forces lead to, for example, the creation of work norms, which famously set off the 1953 uprising in Berlin. Analysing the Marxist definition, a reluctant Kohlmey put it best later by noting "that value, conceived of as a certain amount of labour embodied in a useful good, was not 'at present' susceptible to the kind of direct measurement that would lead to the creation of 'correct prices'" (p. 177).

Lead foremost by Behrens, GDR economists pushed for more decentralisation and firm autonomy. Hardly rebels, they stayed on orthodox ground using arguments from Stalin and Lenin's *New Economic Policy* model. Nevertheless they only earned the rebuke of the Party and the dreaded label 'revisionist.' SED and GDR chief Walter Ulbricht felt in mood to let loose the reigns and experiment after the Berlin revolt, and even less after the 1956 uprisings in Poland and Hungary. And as Caldwell emphasises, calls for more decision-making power for firms seemed to impinge on the Party's claim to a higher consciousness and thus their legitimacy to rule. In the ensuing internal upheaval in the late 1950s, the so-called 'revisionists', including Behrens and Oelßner, were downgraded or outcast. But was this resistance only ideological and political, or did it have deeper roots in the German tradition? The author quotes a frustrated Behrens: "The conception that the state can do everything and that every, even the most private, matter has to be directed and controlled by the state is not socialist but

rather 'Prussian', that is, Junker-like and monopolistic" (p. 14). And this long before the Stasi reached their anal-retentive heights.

Caldwell then shows how contradiction also reigned in the area of law. The need for an objective, fixed set of rules – at least for the society – came into conflict with the Party's right to interfere or bypass written law in order to fulfil planning objectives. Among the early casualties was the GDR's first constitution in 1949 which, so in conflict with reality, quickly became a 'dead letter'. (It is ironic that the East German Constitutions, in whatever incarnation, were probably taken most seriously *after* 1989 by West German lawyers attempting to prosecute GDR officials for their communist crimes.)

Caldwell discusses in detail how 'legal' contracts were imposed on the VEBs from above as an extension of Party power, thus eliminating the advantages they normally provided as voluntary agreements among free business partners. Most damagingly, the key actor in the contract, the government, was in no way subject to its terms.

Even more ominously, the term '*socialist* legality' offered the flexible, and perilous, idea that defined 'legal' as that which served the plan. The legal theorist Hermann Klenner offered up the base, instrumentalist theory that the law was an expression of the will of the toiling masses and therefore, logically, there could be no contradiction between legality and state prerogative (p. 67). But certainly this kind of logic tread on dangerous, and familiar, ground. Wherein the difference then when juxtaposed to the Nazi party's own arbitrary suspension of written law? The GDR's continuous need to defend itself against charges of being itself a monopoly-capitalism, and by extension fascist, is intertwined throughout this work.

An example of this came in the GDR's brazen use of Paragraph 138 in the Nazi Civil Code "nullifying legal business that violated 'good morals'"(p. 71). They also made use of a 1933 Nazi law in the Criminal Code that allowed them, when convenient, to interpret individual or firm actions as a 'betrayal of trust' or as going against 'the welfare of the people.' This, according to Caldwell, amounted to "retroactive legislation (that) had acquired an association with the worst excesses of Nazi law" (p. 71).

Fritz Behrens had early on dealt with the potentially volatile implications of Lenin's advocacy of the German state-monopoly/command economy of World War I. How to justify? Once again, '*consciousness*' into the breech. Behrens, conveniently, "found the key distinction between fascism and socialism in the *consciousness* and participation of the workers in the regime" (p. 27). Caldwell notes however that Behrens's tune changed drastically during the height of the revisionist upheaval when "[he] implied that the planning mechanism in the GDR was dysfunctional, authoritarian, and perhaps even fascistic" (p. 98).

On the intellectual front, the problem of 'higher consciousness' and the paradox of philosophy in a socialist state is explored through the figures of the submissive, yet serious, scholar Ernst Bloch and the party-serving sycophant Rugard Otto Gropp. Bloch, an unrepentant apologist of Stalin and advocate of the

1956 Soviet invasion of Hungary, comes off as a less than sympathetic character. Caldwell's portrayel of Bloch himself as a "bundle of contradictions, especially between intellectual openness and political subordination"(p. 105) could certainly just as easily apply to many of the figures discussed in the present work. This is not the first study in which a reader perhaps feels a bit queezy about the extent of self-abasement and obsequiousness that 'educated' men are capable of.

In any case, significant for Caldwell, was Bloch's apparently genuine intellectual struggle over the Hegelian 'subject-object' dialectic, that ultimately had implications for the SED's claim to power. Decisive was the question of how a subject immanent to the world, if material were primary as Lenin maintained, could accurately 'know' the world as an 'object' (p. 121)? Bloch's writings implied that the Party's claim to a higher consciousness indicated a premature harmonisation of subject and object. Questions of such complexity did not trouble the 'mediocre intellectual' and professional toady Rugard Otto Gropp. His highest commandment was to serve the Party. He sensed the potentially corrosive power of Bloch's work and made his career by exposing Bloch and eventually driving him out of the DDR in 1961.

Caldwell's previous discussion on economics, law, and philosophy reappear in the chapter on 'cybernetics' that surfaced in Ulbricht's fact-facing *New Economic System* announced at the VI. Parteitag in 1963, and coming, not coincidentally, soon after the 'refounding' of the GDR with the Berlin Wall in 1961. Cybernetics was a catch-all phrase of modern society and technology, itself essentially meaningless, that gained particular caché after the shock of Sputnik. As it turned out, it proved to be a thinly veiled return of revisionist ideas calling again for more firm autonomy and decentralisation. This technocratic approach intentionally placed political and moral criticism beyond the pale – a 'revisionism lite' if one will. This came as belated confirmation for Fritz Behrens, who "while (his) name did not appear in the public documents of the 1960s the technical suggestions for reform bore his mark" (p. 172).

Unfortunately for the GDR, habits of a lifetime were not so easily broken. Even this putatively de-fanged revisionism proved too much for a paranoid SED to handle. The Party viewed, not incorrectly, Gunter Kohlmey's theory of 'multistable systems' and Uwe-Jens Heuer's model of the 'black box' as different versions of a new push to grant firms and society more freedom of movement. The apparent suicide in 1965 of arch-revisionist and Soviet opponent Erich Apel, chair of the State Planning Commission, meant the beginning of the end of the new reform movement. Brezhnev and the Prague Spring put paid to any further 'reform' ambitions.

Caldwell's project is ambitious, broad, and largely successful. In such a work it is small wonder that questions may arise. One example is the treatment of the revisionist movement in the 1950s. While it is understandable that Caldwell does not want to get into a detailed political discussion that is available else-

where,[6] one is left wondering for example, to what extent did 'revisionist' academics, i. e. Behrens and Arne Benary, have a *direct* influence on the actors in the tumultuous Schirdewan Opposition, particularly Fritz Selbmann and Fred Oelßner, who fought most zealously against Ulbricht's economic plan. Economics Minister Gerhart Ziller killed himself over the whole affair. Any reference to this critical episode is confined to a minor footnote on page nine. In the discussion on law, the reasons for Hermann Klenner's vacillating role as Party defender and admonisher are not made fully clear. True, he was no maverick like Behrens, but there is simply no explanation, for example, of Klenner's sudden *volte face* on the Party's implementation of the Nazi's Civil Code, Paragraph 138. Nevertheless, these critiques are not meant to diminish Caldwell's valuable contribution to the intellectual history of the GDR. A work that takes seriously the ideological underpinnings of the otherwise power-calculating, Russian outpost, it deepens our understanding of the genuine inner turmoils that tormented the more realistic believers of socialism-communism. Though it only became apparent all too late to most commentators both in the east and west, that the GDR was financially and morally bankrupt, Caldwell's work demonstrates that almost from the beginning the GDR's own intellectual elite knew all too well where the "weaknesses of state socialism" lay. As the discussions of the contradictions in economics, law and philosophy show, "the gradual hollowing-out of Marxism-Leninism and with it the dismantling of the ideology and ideal of planning began not in the 1970s but in the 1950s" (p. 188). This volume is warmly recommended.

Edward Hamelrath, University of Memphis, z. Zt. Hannah-Arendt-Institut für Totalitarismusforschung e. V. an der Technischen Universität Dresden, D-01062 Dresden.

Richard J. Evans, Das Dritte Reich, Band 1: Aufstieg, aus dem Englischen von Holger Fliessbach und Udo Rennert, München 2004 (Deutsche Verlagsanstalt), 752 S.

Richard Evans, Professor für moderne Geschichte an der Universität von Cambridge, bislang vor allem durch zahlreiche Studien zur deutschen Gesellschafts- und Rechtsgeschichte des 19. und 20. Jahrhunderts bekannt geworden, hat einen eindrucksvollen „großen Wurf" in Angriff genommen, dessen Ergebnis – zumindest das erste Drittel davon – nun auch in deutscher Sprache vorliegt. Es ist nichts weniger als eine alle wesentlichen geistigen, politischen, sozialen und kulturellen Aspekte erfassende Darstellung des Dritten Rei-

6 See, for example, the works of Dietrich Staritz and Hermann Weber.