

TOWARD *TOTALERFASSUNG*

Creating the National Labor Administration



Before 1914, Reich authorities had given no thought to mobilizing the country's resources, including its workforce, for an extended war. Even during the conflict's first two years, their steps remained extremely hesitant. From 1916 on, however, with the commitment to "total war," Berlin began to intervene in the labor market in radical ways. These measures, their practical design and motivating spirit, did not spring ex nihilo, but rather were built on prewar trends. Nonetheless, war socialism altered those trajectories in significant ways, casting the German labor force projects of the next four decades in distinctly military form.

In this chapter, we show how the Great War imprinted itself on these projects, above all through the creation of a rudimentary national labor administration in 1916 under the conditions of total war and its elaboration after 1918, when the Social Democratic ascendancy and the necessity of surviving a victor's peace created propitious conditions for centralized control.

Desultory Adjustments and Political Maneuverings

The first two years of the war witnessed only minor changes in the still variegated landscape of labor offices that had emerged since the 1890s. Swept up in the era's enthusiasm for planning, the German General Staff had designed a detailed blueprint for victory against France in exactly 42 days, to be followed by an equally decisive campaign against lumbering Czarist Russia.¹ The "friction" of real battle (about which Clausewitz had warned) quickly made moot the prewar planning,

however. By November, the Germans found themselves bogged down in a static war of trenches in the west, while simultaneously engaging seemingly limitless, though poorly equipped and motivated, Russian forces in the east. Instead of quick, relatively painless victory, they now had to contend with a longer war of attrition.

German military and civilian authorities had given no thought to reorganizing the country's economy for such a war. The conflict's immediate impact on the labor market was a sudden spike in unemployment for manual workers, as consumer production was curtailed in the summer of 1914, to more than 20 percent.² In the first month of fighting, the Interior Ministry and Statistical Office established coordination and informational clearing houses, respectively, both initiatives that quickly petered out.³ By the spring of 1915, once war production had begun to absorb ever-greater numbers of workers, unemployment among manual workers had returned to its prewar level.⁴ For the first two years of the war, the Imperial government, still anticipating a quick conclusion of the conflict and reluctant to intervene in the still politically delicate question of the labor exchanges, continued to take only cautious, haphazard steps to influence the labor market.

The Prussian authorities also were reluctant to introduce major reforms among the labor exchanges and limited themselves to encouraging greater cooperation between municipal and other non-commercial exchanges. Saxony took its cue from Prussia, while the southern states had already introduced greater centralization among public exchanges (Baden and Wurttemberg) or now went further by compelling exchanges to report on their activities to the central state network (Bavaria).⁵

Military authorities, whose intervention in the labor market after 1916 would play the decisive role in preparing the ground for a national labor administration, also proceeded cautiously during the first two years. By the fall of 1914, after the short period of adjustment-induced unemployment had ended, the shortage of manpower and its distribution between the army and industry had become increasingly central and contentious issues of the German war effort. Exemptions from military service for essential skilled workers and employees' freedom to seek better working conditions were key issues. But for the first two years of war, the War Ministry's interventions remained hesitant: the Ministry only encouraged employers to desist from competing for workers and to employ more youths and women to replace skilled males inducted to fight; it advocated, but did not mandate, "war boards" modeled after the pioneer version in the Berlin metal-working industry, on which workers and employers jointly supervised workers' petitions to change jobs and adjudicated complaints about working conditions.

More than any other kind of organized job placement, the municipal labor offices benefited from the war economy. Numerous cities and towns, for the first time, erected labor exchanges, thus continuing and accelerating a trend of the last two prewar decades. In part, they responded to state encouragement, but more generally cities took the initiative in response to the chaotic conditions of their local labor markets. The number of municipal labor offices jumped from 361 in

1912 to 702 in the first year of the war and to 731 in 1916.⁶ Extant offices combined in regional networks, which multiplied from 22 in 1912 to 188 in 1916.⁷ These increases, however, did not translate necessarily into irreversible gains in terms of the number or overall share of job placements. In Prussia, the number of placements by public offices actually dropped, from 1.31 million in 1914 to 1.16 million and to one million in the following two years.⁸ Nationally, the prewar trend of concentration within the realm of not-for-profit exchanges continued, with public exchanges' share of this category of placements rising between 1913 and 1915 from 53 percent to 65 percent and 72 percent. In 1916, though, it fell again to 62 percent.⁹

Most other kinds of labor exchange, whether for profit or not, fared even worse. As war production ramped up and companies scrambled to find increasingly scarce workers, the vast majority of people easily could find work on their own. Because of the conscription of their own personnel, commercial job agencies suffered a severe blow.¹⁰ For the municipal offices' other main competitor, the employer-run agencies, the war likewise meant a serious setback. This resulted both from state action and, more importantly, from the breakdown of collective action under intense competition for labor. As early as 8 August 1914, the leading industrial organizations formed a joint War Committee of German Industry, one of whose functions was to be the distribution of workers among the sectors and firms.¹¹ Within months, however, companies' frantic search for workers, especially skilled ones, had undermined earlier professions of solidarity and even reduced the effectiveness of employer labor exchanges compared to other non-profit agencies. Additionally, sporadic bans by military authorities crippled some employer-run agencies.¹² Though their share of all non-commercial placements eventually stabilized at 15 to 20 percent, this represented a significant drop from prewar levels of more than 30 percent.¹³ Thus, both of the principal rivals of the municipal offices lost ground during the war, as the latter grew rapidly in number and increased their share, if not their number, of placements.

From an early stage, advocates of public job placement—above all, the socialist unions and the public labor office movement—saw an opportunity to press their case. Despite the authorities' only tentative measures to intervene in the labor market between 1914 and 1916, these advocates maneuvered to gain political advantage from the wartime circumstances. The unpreparedness of the government at the beginning of the war and the resulting chaos of the “adjustment crisis” became one of their main arguments for greater public involvement in the transition to peace—and beyond. The public labor offices (and their associations) welcomed the chance to work more closely with Prussian and Reich authorities. Indeed, they were even more eager to gain the government's backing than the latter was to give it. At the first meeting of the Prussian Association of Labor Exchanges since the outbreak of the war, the leadership unsuccessfully pressed the Prussian authorities to compel non-commercial exchanges to report their activities to the public offices in order to provide the latter “a comprehensive view of the labor market.”¹⁴ The public labor exchange advocates eagerly embraced

the Prussian authorities' call in October 1914 for the "substantial internal and external" development of public labor offices into "an irreplaceable factor in the labor market."¹⁵

The war, the boosters believed, had created especially propitious conditions for promoting the public offices. The accelerated movement of workers into locations, firms, and vocations necessary for the war industry strengthened support for municipal labor offices. While the iron was hot, the still numerous small, part-time placement offices needed to be converted into full-fledged, municipally run and funded, bureaus. In order to take advantage of this opportunity, the boosters sought to convince the Trade Ministry that seed money was crucial to overcome the cities' initial reluctance to invest.¹⁶ By the following fall, in fact, the Prussian Finance Ministry had approved 80,000 marks for the "expedited extension of the network of local labor offices."¹⁷

The war also provided the public labor office boosters a welcome opportunity to expand the scope of their work. Since the turn of the century, some advocates had been pushing the labor exchanges to look beyond their focus on placing the unskilled worker in the first job available, in particular by catering to skilled workers. The thousands of war-wounded, who streamed steadily from the front-lines back to Germany beginning in the fall of 1914, now provided the labor offices another opportunity to showcase their value. Roughly 5 percent of the injured soldiers could not be made fit to return to military service, but could still work again in some capacity.¹⁸ The leaders of the Prussian Labor Exchange Association urged their members to claim a role in the burgeoning field of "war cripple welfare." At their January 1915 meeting, which was devoted primarily to this topic, the chairman assessed the new tasks:

For the labor exchange, a broad, new, difficult, but promising, field can open up, if it is well prepared by the best healing-treatment and by counseling and psychological influencing of the wounded, as well as by vocational adaptation. [The labor office] must secure for itself influence over these preconditions, but above all improve its own capabilities, and [the various offices] need to appear on the scene in time and as simultaneously as possible.¹⁹

In addition to these efforts behind the scenes to expand the scale and scope of public labor office work, the advocates also joined a more public campaign to reorganize the labor market led by the social-democratic unions. The "domestic truce" between all parties, the indispensability of industrial workers for the war effort, and the general ethos of a great national endeavor together had emboldened socialist leaders to press their advantage. The unions' problems in wartime also reinforced their demands for a national labor organization. Union-run labor agencies, which already had been losing ground to the employer exchanges well before 1914, were hit hard by the outbreak of war. It will be recalled that ever since the turn of the century, the unions gradually had abandoned hopes for their own predominance in this field and increasingly favored publicly run offices with both union and employer participation as the next best alternative. During the war, the unions foreswore strikes, and in any case inductions and mass fluctua-

tions led to a severe weakening of local union power. As a result, union exchanges suffered the greatest reduction in placements per exchange.²⁰ These setbacks fueled the unionists' determination to promote public organization of the labor exchanges.

On the initiative of the socialist unions, in March 1915, all of the major union groups, the influential Society for Social Reform, and the Association of German Labor Exchanges presented their proposals for a national organization of the labor market. They demanded a national network of local and county labor exchanges to be run jointly by union and employer representatives and to be supervised by an Imperial Labor Office. In each district, the public labor office would supervise all of the others. These steps were to culminate in the creation of "an encompassing organization in which job placement can develop in a unified direction and which leads to an orderly cooperation of all labor exchanges."²¹ In 1910, all the parties of the *Reichstag* had supported the long-term goal of bringing the labor market under the control of local public offices, and the Social Democrats furthermore had emphasized the importance of centralization. Five years later, under the impact of the war, support for a centrally organized national labor organization, run jointly by the main economic interests and public authorities, extended beyond the union and Social Democratic camps. With the votes of the Social Democrats, Center, and Left Liberals—which was dubbed the "social policy bloc" and in 1919 would constitute the first government of the new German Republic—the Reichstag recommended the proposal to the Imperial government. In the midst of the great national war effort, even some National Liberals and Conservatives, who reassured themselves that a public network of exchanges would in no way impinge on the other forms of labor office, overcame doubts to support the measure.²²

At a major conference of all parties at the end of April, the government characterized a new system of labor exchanges as "premature," which dampened the prospects of immediate change, but left open the possibility of its accession to major reform over the long-term. The dissatisfaction of the unions and social reformers with what they perceived to be insufficient measures led to a further appeal to the Reichstag a year later. Since a labor exchange law seemed to them to be nowhere in sight and the local approaches threatened to diverge ever more, they demanded a "temporary regulation," including mandating labor exchanges in towns with more than 10,000 inhabitants, regional information centers, and state offices for job placement. Again the Reichstag recommended the measure to the Imperial government. Finally, in June 1916, the Bundesrat empowered the states to oblige communities to establish "neutral" labor exchanges. Only Bavaria, before the war already one of the more vigorous states in promoting labor exchanges, availed itself of the new option; Baden and Wurttemberg had gone further already on their own; Prussia gave discretion to its Regional Governors; and Saxony chose to do nothing.²³

The first two years of the war, then, saw the public labor exchanges gain at the expense of their main rivals, with persistent political maneuvering by their

backers, but only modest and tentative responses from the Prussian and Reich authorities. All of this changed in 1916.

Mobilizing for Total War

The ongoing military stalemate, exacerbated by unprecedently costly battles at Verdun and the Somme, brought about major changes in Germany's war effort in the third year of conflict. The new military leadership of Paul Hindenburg and Erik Ludendorff wanted to ramp up materiel production and fully mobilize the country's resources for what Ludendorff now called "total war." A new era of human conflict was dawning: industrialized societies would steer all possible resources toward victory. A lynchpin of the Hindenburg Program was the introduction of compulsory labor service through the Auxiliary Service Law, which the Reichstag passed in December 1916. This military innovation gave the German labor force projects a military cast for the next four decades.

The Auxiliary Service Law marked a turning point in the country's social policies. In exchange for the unions' acquiescence to universal labor duty for all men between the ages of 15 and 60, the employers had to permit the presence of labor boards, with extensive rights of consultation, in companies with more than 50 employees. This step did not just prepare the ground for the epochal agreement between labor and employers at the end of the war—the Central Working Association (*Zentralarbeitsgemeinschaft*, ZAG) of 15 November 1918—and for the Weimar Constitution's guarantee of workers' boards in industrial companies. More crucially for our purposes, the Auxiliary Service Law and corollary decrees for the first time created a national network of labor offices, if only in rudimentary form. Though the Service Law proved a disappointment in many ways and the labor offices never worked as efficiently as planned, this precedent played a formative role in the construction of the postwar labor administration.

The Service Law for the first time created a single national hierarchy of labor offices, which it put at the service of the war effort. The War Ministry explained the need for an encompassing organization:

The need for consolidation of all non-commercial job placements becomes ever more apparent. The requirement that the agencies report [their activities] no longer suffices; it needs to be complemented by an organization that encompasses *all* offices involved in supplying the labor market and which gives them the opportunity to exploit entirely all their labor material for the labor market.²⁴

The War Office's regional bureaus (*Kriegsamtsstellen*) assumed official responsibility for job placement. State and regional information exchanges (*Zentralauskunftstellen*) were set up, to which local offices were obliged to report. Non-commercial exchanges could continue doing their work; however, the law created a new office in each locality, the Auxiliary Service Station (*Hilfsdienstmeldestelle*),

which, thanks to its role in placing those affected by the law, became the core of the new network. Consultative boards, including employers, union representatives, and other interest groups, advised each of the new offices. In towns and districts with several extant non-profit exchanges, they would all have to agree on the “most appropriate” agency to assume the role of Auxiliary Service Station; otherwise the War Office would appoint the public exchange to that role.²⁵

Public labor exchanges benefited immensely from these measures. At the expense of their rivals, they achieved unprecedented official sanction and coordination. The backers of the public labor exchange movement, however, responded only ambivalently. On the one hand, they approved of the general trend toward public control of the labor market and called “above all for closer contact directly between the military authorities and the job placement associations.” Yet on the other, these largely municipal officials disliked the imposition of “schematic” regulations for the entire country, including the mandatory establishment of advisory boards.²⁶ Calling upon the power of the central state, it was becoming increasingly clear, was a double-edged sword.

This incipient national labor administration embodied the drive for “organization” and especially comprehensive control, the dawning aspiration of “complete control” (*Totalerfassung*). Before 1914, the promise of “organization” had exerted a powerful appeal for growing circles of bureaucrats and social policy advocates.²⁷ Now, domestic wartime politics and the imperative of victory—and even more so the specter of national collapse—vastly amplified this kind of thinking. Again, both democratic and technocratic impulses pressed toward organization and complete inclusion. The deep, emotional appeal of national unity, finally achieved after decades of domestic strife, produced a massive wave of support for the idea of a “common economy” (*Gemeinwirtschaft*), as outlined by Wichard von Moellendorf and Walther Rathenau, in which all interest groups would cooperate.²⁸ In addition to this domestic, quasi-democratic appeal of organization, technocratic imperatives of efficiency vis-à-vis the goal of strategic victory loomed even larger, at least for the government officials actually running the war effort.

The War Raw Materials Office, set up in the fall of 1914 at the suggestion of Moellendorf and Rathenau and led by the latter, aimed first to survey (*erfassen*) all available resources and then decide on their distribution.²⁹ These early steps pointed the way toward ever broader measures of central planning, what became known as “war” or “state” socialism. As early as January 1915, a year and a half before Ludendorff’s preparations for “total war” and three years before Walter Rathenau sketched the outlines of the postwar “new economy,” the Reich and Prussian Interior Minister responded to the English blockade by telling his colleagues: “The English starvation strategy must be opposed by the purposeful organization of all of economic life.”³⁰ Similarly revealing of the connection between the war and ideas of *Totalerfassung* was the justification of a law regarding the military preparation of youths. According to this, the voluntary youth welfare programs were insufficient since they “failed to include the entire popula-

tion.”³¹ The Hindenburg Program and Auxiliary Service Law of 1916, inspired by the goal of conducting a “total mobilization” of resources, aimed to carry these ideas into practice. Government officials and social reformers had become, by the second half of the war, so enamored of bureaucratic “organization” that Max Weber felt compelled to launch a blistering attack.³² The experience of national unity and the singular focus of a war of national survival, then, significantly reinforced the earlier appeals of organization, especially in the comprehensive form of *Totalerfassung*.

Vocational Counseling’s Tasks in the War

While the war increased the number of public labor offices and integrated their networks more tightly, it also allowed or compelled many of them to expand their activities, including forms of vocational counseling. Because of the unusual circumstances of war, however, vocational counseling, which aimed to promote regular apprenticeships, developed more haltingly and became the object of intense interest only in the last year of the conflict.

At the beginning of the war, the sharp spike in unemployment led municipal exchanges to actively search out open positions, to provide workers with necessary accoutrements (transportation and clothing, for example), and to make work. However, the return of invalids from the front and, from the spring of 1915, the worsening labor shortage inspired myriad efforts in other directions. With the growing length and human costs of the war, the future role of the war-wounded became a humanitarian and national economic issue of great import. Estimates of the percentage of war-wounded who would be unable to return to their earlier line of work ranged wildly, from 5 to 75 percent.³³ As we have seen, the leadership of the public labor office movement perceived the reintegration of war-wounded into work as a “broad, new, difficult, but promising, field.” Even without encouragement from above, many labor offices had joined spontaneous, broad-based efforts at the local level to address the challenge. As a representative of the Prussian Trade Ministry told a meeting of county officers in July 1915 after a tour of the Rhineland and Westfalia,

Vocational counseling occurs in small localities through vocational counselors from all circles of the educated classes that have sufficient contact with practical life. In larger towns, special vocational counseling committees have been set up, which usually consist of doctors, directors and teachers from trade schools, representatives of employers and employees from the particular vocation of the wounded person, representatives of professional associations, and of the labor exchanges.³⁴

War-welfare offices also established vocational counseling services. At the opening ceremony for one such office in Upper Silesia in May 1916, for example, the region’s industrial inspector Friedrich Syrup, who after the war would become the first head of the national labor administration, insisted that expert

vocational counseling be the foundation for the reintegration of the wounded into the working world and the *Volksgemeinschaft*.³⁵

Amidst these myriad initiatives, the Trade Ministry sought to strengthen the role of the public labor offices. When vocational counseling worked hand-in-hand with the labor offices, the Trade Ministry official impressed on the county representatives in July 1915, it was especially effective at placing war-wounded back in their old lines of work.³⁶ Partly for this purpose, the Trade Ministry pushed (successfully) to increase funding substantially for the public offices.³⁷

Public labor offices also began to evaluate healthy job seekers. In order to make up for the loss of skilled workers inducted to fight, industry was increasingly drawing women and youths into the factories. Due to the importance of maintaining war production, the drastic reduction or even abolition of the apprenticeship period, and the desire to reduce fluctuation to a minimum, labor exchanges sought to evaluate the workers before placing them with a firm. Vocational counseling offices sprang up, on local initiative, in numerous cities, for example, in Magdeburg, Elberfeld, Halle, Nuremberg, Leipzig, and Breslau.³⁸ Under the circumstances—it was generally thought that the new workers would only be employed for the duration of the war and the work that they did was usually un- or semi-skilled—these offices wanted to direct workers, on the basis of self-evaluations and evident physical characteristics, to positions where they could be productive, or at least to prevent egregious mismatches.

Such vocational offices, inspired by the long-term goal of maintaining Germany's skilled workforce, also sought to steer young people into regular-length apprenticeships. For this, however, as the association responsible for Berlin and Brandenburg reported in early 1918, times were not propitious. The high salaries paid for low-skilled factory work in the armaments industries and the high cost of living convinced a growing number of young people to forego training.³⁹ The war was exacerbating the very tendency the Prussian Trade Ministry sought to combat before 1914—youths opting for immediate financial gratification in unskilled work at the expense of a lifelong *Beruf*. Nonetheless, the public labor offices made sufficient inroads in placing apprentices to turn this into a bone of contention (among several) in their struggle with employers' exchanges, which flared up again after 1916.⁴⁰

Direct military intervention played a more decisive role. Just as the Auxiliary Service Law was instrumental in creating a national infrastructure of public labor offices, an important precedent in the establishment of a national network of vocational counseling offices was the War Office's order, on 29 February 1917, to all Auxiliary Service Stations to open vocational counseling offices.⁴¹

The war's exigencies, then, inspired numerous local efforts to steer invalids and the unskilled into appropriate positions. For the standard vocational counseling of candidates for regular apprenticeships in skilled work, however, wartime conditions were far from ideal. It remained to be seen whether the military's establishment of vocational counseling offices in the Auxiliary Service Stations would be carried over into the postwar.

New Production Strategies, New Workers?

The direction and success of Germany's labor force projects, we argued in the previous chapter, also would depend crucially on private interests, especially on industry and its production strategies, need for particular kinds of workers, and training programs. The war clearly shaped industry's short-term behavior, but it also, more subtly and ambiguously, altered perceptions about the longer-term.

Over the course of the war, the composition of Germany's industrial workforce changed substantially. The army's demand for male recruits, many of whom were skilled workers, compelled industry, especially after the turn in 1916 to total mobilization, to employ growing numbers of low-skilled women and youths. Between 1913 and 1918, the number of women and youths (of both sexes) younger than sixteen working in mid- and large-scale enterprises⁴² rose 52 percent and 6 percent respectively, while that of adult males fell 25 percent.⁴³ The thorough training of apprenticed skilled-workers, which in the years before 1914 had become more widespread in industry, generally fell victim to the exigencies of war production.⁴⁴

The curtailing of production for civilian consumption and export and the increases of war-related output meant reorganizing production within companies and consolidating whole industries. Firms responded with various measures to what they considered to be only temporary disruptions of their normal production patterns. Many companies tried to obtain exemptions from military duty for their skilled workers.⁴⁵ When such efforts proved to have only limited success—as, in the long run, was almost always the case—companies had to adjust to an influx of low-skilled female and youth workers. Numerous firms developed programs of rapid on-the-job training. Whenever possible, these programs were flanked by efforts to simplify production processes by dividing skilled work into simpler, separate tasks and to introduce automated machinery.⁴⁶ The nature of war materiel, especially of ammunition—identical pieces required in enormous quantities—lent itself to such low- or semi-skilled, automated work.

The enormous production increases mandated by the Hindenburg plan accelerated the shifts in manpower. Between the spring of 1916 and 1917, the skilled and semi-skilled share of the workforce at the machinery firm Borsig, for example, dropped from 61 to 50 percent, while that of women, who were generally unskilled, jumped from 20 to 37 percent.⁴⁷ Industrial associations, engineering organizations, and the War Office cooperated closely to facilitate the necessary adjustments. Negotiations between the Machine-Builders' Association (VDMA) and the War Office led, in March 1917, to “guidelines for the training of assistants for skilled work,” whose very first injunction was “the greatest possible use of [mass production] so that skilled workers are mainly needed in preparatory and machine building work.”⁴⁸ The VDMA, whose ranks were being swelled by mid-sized and small firms seeking shelter during turbulent times, spelled out the new priorities: due to the Hindenburg Program, war needs now had the highest

priority, and peacetime production simply would have to be postponed.⁴⁹ Under the auspices of the Berlin branch of the Association of German Engineers, representatives from leading firms subsequently held a series of well-attended meetings to disseminate best practices regarding “the use of unskilled workers by means of simplifying production … means for quickly training workers … and experiences with female labor.”⁵⁰ They energetically pursued questions of rationalizing production more generally. Topics included fixed-cost and unit-wage calculations, bookkeeping, the organization of supplies, precision work in workshops, and reducing waste in mass and series-production. Likewise on the initiative of the War Office, the Engineers’ Association (VDI) established a Norming Committee of German Industry in December 1917.⁵¹

There is little evidence that companies viewed many of these often hastily improvised measures as directly relevant for the resumption of their normal production in the postwar period. In addition to the extraordinary nature of production for the army, whose needs often had little relation to civilian goods, the conscription into the army of numerous company engineers, technicians, and managers, whose expertise would be indispensable for a more permanent transition, meant that companies viewed many of the wartime improvisations as only temporary.⁵²

Yet even as German industrialists adjusted to the immediate demands of the war economy, their thoughts turned to scenarios for the postwar world. Like their countrymen, few businessmen initially expected the war to last long. However, as early as the first year, speculation that the war would cost Germany many skilled workers and hurt its industry’s standing sparked a heated debate among industrialists, exposing some early anxieties about the postwar.⁵³ Anton Rieppel and Fritz Froelich, two of the prewar leaders of efforts to organize industry’s vocational training efforts, disputed the pessimistic assessment about damage to German industry. However, they too recognized that there likely would be shortages of skilled workers, shortages which would have to be compensated for by improvements in the “inner organization” of production and by the mechanization of transport and support services.⁵⁴

By the third year of the stalemated war, industry’s angst about the postwar remained, but it also remained within bounds. On top of concerns about a reduced supply of skilled workers, the war’s interruption of trade relations also brought fears about lost markets and new competitors, such as Japan.⁵⁵ VDMA members, the chairman Kurt Sorge reported, expected the postwar economy to be “different.”⁵⁶ Much attention focused on the likelihood that in the increasingly competitive international environment, German industries like machine-building, which had maintained an exceptionally broad palette, increasingly would have to specialize.⁵⁷ In regards to the makeup of the workforce, machine-building firms foresaw a more variegated composition than before. They reported having had “the most unfavorable experiences” with unskilled youths. And while they had some doubts about the precision and endurance of female laborers, as well as

about their broader political impact, they agreed that “working women will not disappear all that quickly. The rows of welding women created by the war will remain a phenomenon of peacetime for some time to come.”⁵⁸ The prospect was not especially worrisome: the chairman of the VDMA reported that the majority of firms, at least in the spring of 1917, still expected a “favorable” economic climate after the war.⁵⁹

Indeed, the wartime pressure for mass production coincided with a genuine eagerness for rationalization on the part of many German industrialists and engineers that built on prewar interest in the same. The veritable explosion of cooperative efforts in the last year of the war is otherwise hard to explain. If the War Office launched these initiatives with war production in mind, civilian authorities and industrialists embraced them with an eye to peacetime production. In the spring of 1918, the newly created Reich Economics Office of its own accord encouraged the Engineers’ Association to investigate the rationalization of production. The participating Berlin firms expressly viewed the work not primarily as part of the war effort, but as necessary in light of the anticipated problems of the postwar economy, especially the heightened international competition.⁶⁰

Unlike the often-improvised efforts to incorporate new workers and methods at the company level, these cooperative endeavors, launched by the War Office and enthusiastically pursued by (Berlin) industrialists, had a more lasting impact on the evolution of the labor force projects. The enthusiasm for reducing work to its simplest possible components, but especially for cooperating in establishing industrial norms and rationalizing various aspects of the organization of production, focused German industrialists’ interests on the possibilities of technical and organizational improvements. War production, then, gave an enormous intellectual and organizational boost to efforts by firms to cooperate on “rationalization” measures and on implementing national industrial norms, steps that had been pursued increasingly by individual firms since at least the turn of the century.

Industrialists’ commitment to mass production was neither universal nor unambiguous, however. Even for the sake of war production itself, some employers allowed for little possibility or desirability of replacing skilled workers. The meetings organized from March 1917 by the VDI in Berlin to consider rationalization measures revealed a split among participants. While one grouping wanted to reduce the number of skilled *Facharbeiter* as much as possible and utilize unskilled workers for mass production, another one “emphasized the difficulties and pointed to the impossibilities [of doing this] in some parts of the machine-building industry.”⁶¹ These disagreements over production for the war echoed the longer-term ambivalence about the future direction of Germany’s production and workforce that we saw earlier. During the national emergency, the advocates of skilled work organized in DATSCH had suspended, for all practical purposes, their activities.⁶² If many individual companies made efforts to preserve as much of their core skilled workforces as possible, it was only in the last year of the war that collective efforts to promote vocational training began again—largely on the initiative of the Prussian Trade Ministry, as we will see below.

Battling over the Postwar

Nobody knew, of course, when or how the war would end. But especially after the crises over war aims and domestic reform in mid 1917, preparations accelerated for the return of some kind of peace. More pressing than the question of the nature of the postwar society was that of the transition, and in particular of the demobilization and reintegration of millions of soldiers. Looming over the deliberations was the widespread expectation that organized labor would play a much larger role after the war.

Even assuming a German victory and hence greater control over the conditions of transition, which were common starting points for all of the planners, the demobilization of six million soldiers and the conversion from war to civilian production would be a daunting task.⁶³ It would also be tremendously important: the hordes of returning soldiers might pose a severe threat to public order, and failure to reintegrate them could threaten the country's economic well-being. The chaos of the adjustment crisis in 1914/5 served as a powerful stimulus to prepare more thoroughly for the reverse transition. Staff in the Reich Economics Office, which had been hived off from the Interior Ministry in October 1917 and favored the continuation of some kind of state socialism, and the War Office drew up assessments of how quickly civilian industries would recover and be able to absorb their former workers. Imbalances would be unavoidable, including unemployment due to a postwar depression alongside scarcity of workers in some sectors. The key, the planners thought, was to manage in as orderly a manner as possible a return to something like the *status quo ante* distribution of workers. As one War Office Board expressed this extension of the wartime mobilization mentality into demobilization, "the entire reconstruction of the German economy depends mainly on the proper allocation of the labour at our disposal."⁶⁴

Even as the Economics and War Offices and others drew up plans for an orderly demobilization, other ministries, politicians, and interest groups debated what would come after that transition. In regard to the labor market, at least, a measure of consensus existed about some general contours of the postwar situation: the working class, whose cooperation had been decisive in the war effort, likely would enjoy more influence, and public authorities would be even more prominent than earlier. However, even among those parties and interests supporting these general positions, telling differences remained about what they would mean in practice. This applied both to job exchanges, which were now discussed in relation to comprehensive chambers of labor (as they had been in 1909–10) and to vocational counseling.

Support for some kind of public labor exchange system, or at least the toleration of it, had spread beyond the "social policy bloc" of Socialists, Catholics, and Left Liberals. Since late 1917, industrialists, who regarded cooperation with organized labor as less objectionable than greater state interference in the economy, had been negotiating with the unions, among other things, over the future system of labor exchanges. In 1917, the industry-friendly National Liberals had

joined nearly every other party in the Reichstag in support of a resolution calling for parity-based labor exchanges. Even Conservatives in the Prussian Parliament, taking their cue from *Handwerk*'s volte-face (see below), had shown themselves open to negotiation on public labor offices.⁶⁵ If, in the 1910 legislation restricting commercial job agencies, all of the major parties only indirectly had expressed support for public labor offices, four years of war had produced a consensus of a more explicit kind.

Yet, a general agreement that public labor offices would be more important after the war than they were before it hardly resolved numerous divisive questions about particulars. Would the local offices be independent or subordinate to a national hierarchy?⁶⁶ What role would public authorities play as opposed to employers and unions? Would the public offices have a monopoly, or would others—in particular, the employers' exchanges—continue to function?⁶⁷ More generally, to what extent would the letter or spirit of the Auxiliary Service Law shape the peacetime labor administration?

Negotiations taking place outside of parliament provided at least some preliminary answers by the fall of 1918. As the German army's position on the western front deteriorated with increasing rapidity, power within Germany shifted away from the government and toward major interest groups, above all the labor unions. The bargain reached in November between the socialist unions and industry—the Central Working Association (ZAG)—would form part of the “real framework of the Weimar Republic”⁶⁸ and its corporatist compromise. In return for the unions’ acceptance of a basically capitalist economy, the employers granted their counterparts official recognition, the promise of an eight-hour workday, and arbitration committees to hammer out industrial social policy.

Since April 1918, representatives of the employers and unions also had met with the Imperial Economic Office to discuss the future system of labor exchange.⁶⁹ In early October, the Economic (or now Labor) Office wrote the Prussian Ministry of Trade to request the latter’s views on a draft of a law on labor exchanges agreed on by labor and employers at a meeting on September 28. The brief draft foresaw exchanges run on a parity basis by labor and employers, without addressing other questions.⁷⁰

By this date, however, at the request of the employers and unions, a new office with far-reaching powers had been created to supervise the potentially chaotic transition from a war- to a peace-footing: the Imperial Office for the Economic Demobilization.⁷¹ Its impact on the long-term nature of the labor exchange system remained to be seen.

In the meantime, significant progress had been made in regard to vocational counseling, at least in Germany’s dominant state. As we have seen, the war economy’s disruption of regular apprenticeships had left little room for the Trade Ministry’s program of promoting skilled work. However, in late 1917, a political initiative of crafts representatives provided the Prussian Ministry for Trade with the welcome opportunity to plan more consciously the postwar system of vocational counseling.

The occasion for the Trade Ministry's efforts came from *Handwerk*. The war economy, by steering demand away from smaller producers of civilian goods and toward the large-scale suppliers of military hardware, had caused the crafts sector particular hardship and exacerbated its sense of vulnerability to industry.⁷² At their convention in 1917, the Crafts and Business Chambers had abandoned their long-standing opposition to outside interference and called on the state to create a system of vocational counseling that would steer a sufficient number of youths to apprenticeship positions in the crafts. As the unions and even some in industry had done before the war in regard to labor offices, a particular group's weakness now led it to seek redress through the ostensibly neutral authority of the state. In mid November 1917, the Conservative Party in the Prussian House of Representatives proposed a bill based on the Crafts Chambers' demands, which would establish public offices at the local, regional, and state levels for the purpose of providing vocational counseling. Craft representatives would be guaranteed "an outstanding influence."

However, if the motivation for the bill was sectarian, its spirit was hardly a narrow one. Contrary to the still prevalent view of Prussian Conservative economic policy as invariably defensive-minded and backward looking, the legislation's sponsor, Representative Hammer, justified it in terms of a broadminded national strategy. After the war, he said, Germany would have to rely on selling "high quality goods on the world market."⁷³ This was precisely the strategy of modernizing Germany's handicrafts sector in the interest of exporting high-quality goods, which the Center Party, led by Karl Trimborn and the Prussian Trade Ministry, had been promoting for two decades.

After the Conservative Party conceded an equal voice in the local committees to other industrial interests, the Prussian House of Representatives voted unanimously for the bill calling on the Prussian authorities to create a system of universal vocational counseling.⁷⁴ Coming at a time of growing concern about the war's effects on the fabric of German society, these parliamentary discussions about integrating youths into the economy resonated widely.

The Conservative initiative on vocational counseling was most welcome, of course, to the Trade Ministry. Before parliamentary negotiations had taken place, the Ministry took the opportunity of the Conservatives' motion to pursue a "fundamental" discussion of vocational counseling.⁷⁵ The Ministry's position, as first laid out by the head of the State Industrial Office (LGA), began by arguing in broad terms for the imperative of a new "ordering of the labor market." These arguments made the case for the failure of a system of purely free trade and, instead, proposed a significantly expanded role for the state in ensuring the quality of Germany's workforce. This position paper represents the first exposition of the rationale and scope of at least part of Germany's future labor force project. In particular, it showed how the war had brought the individualistic and "organizational" strands of thought much closer together.

The paper opened with a consideration of the necessary limits to economic freedom:

The present order of labor is based since the Stein-Hardenberg legislation on the fundamental of commercial freedom. The hope of an earlier time that economic life would regulate itself for the best through the free play of forces has not been fully fulfilled. Substantial reductions of freedom, therefore, became necessary for the protection of the common good and the weak. What remains are the foundations of legal equality, free movement, and the freedom to choose a vocation. The individual can search out the position in economic life that seems to him to be the best and to be achievable.... The individual must himself support the success of his economic work. With vocational counseling it cannot be a matter of relieving the individual and his family of this responsibility; quite the opposite, one must try to enable the counseling to stand, much more than at present, with professional advice at the side of the individual, who has no idea how to take advantage of the almost unlimited possibilities.

It then distinguished the modern developments relevant for vocational choice:

[W]hile in rural and small-town conditions the young person knows his future vocational work through his own activity or at least through his own observations, in the big city this is no longer the case. Workplace and home are usually separated and the factory walls almost totally close off the most important work places from youths. Especially the rural workers who look for work in the city do not know [their] future living and working conditions. Above all, people who are entering a vocation and their parents lack an overview of the labor market, working conditions, and economic prospects of the individual vocations. Individual fashionable vocations (such as machinist, electro-technician, and during the war also food trades) are preferred. The crush into untrained work, which promises rapid earnings but correspondingly poor future chances, is overly large. Desk jobs are sought since they are seen as refined. For other promising branches, including especially crafts, the next generation is missing. In choice of vocation the particular requirements placed on the physical and mental suitability are often disregarded.

The ramifications could be severe, both for the individual and for the society as a whole.

The consequence of such an ill-considered vocational choice is that economic damages for the apprentice and the master occur, that the health of the young people is endangered above and beyond the unavoidable, and that much good will is wasted and the hoped-for success of the apprenticeship does not materialize. The damages thus inflicted on economic life and on the *Volk* cannot be quantified, but they are undoubtedly extraordinarily great.

The war now made it all the more imperative to address these problems, in particular by distributing workers efficiently.

[T]he construction of our economy after the war demands the most purposeful distribution of labor possible and a vocational selection which brings the most suited into the right vocation. This means, first of all, obtaining the necessary number of workers for agriculture, who can replace the work of the fallen and the badly-wounded and who make the work of the prisoners-of-war unnecessary. Furthermore, the crafts branches urgently need more young people, as due to wartime conditions the number of apprentices has dwindled

and the quality of training has suffered gravely. Equally, industry must insure that a sufficiently numerous stock of trained workers is created, which can adapt quickly and produce high-quality work. Furthermore, it will be necessary to give good advice to those women who may need to change vocations in case their work becomes available thanks to the return of the men from the field, and to make sure that they can be used in the right place in agriculture, household-work, trade or business. For all of these tasks, a planned vocational counseling is absolutely necessary.⁷⁶

The Trade Ministry's paper articulated the program it had pursued for at least the past twenty years. It wanted to prevent as many young people as possible from taking the "easier" route into unskilled work and into sectors that distorted the balance of the economy. Instead, it aimed to lead them into skilled work, where they could contribute to high-quality production.

However, in addition to these obvious continuities, some new emphases had emerged under the impact of the war. The Trade Ministry now acknowledged more frankly than before the necessary limits to economic freedom. It also adopted an "organizational" and "distributionist" way of thinking: as with raw materials or soldiers for the war, workers needed to be put in the proper place. These latter tendencies would only be amplified when the defeat in the war made the economic recovery considerably more difficult.

The position paper went on to delineate the "tasks of vocational counseling":

Seen from the standpoint of the economy as a whole, vocational counseling is a matter of purposefully fitting people into the vocational world. For a start the basic principle of supply and demand is decisive; above and beyond that a distribution should be sought that, according to the principle of vocational selection, directs the most suitable workers to the individual vocations.

Again, the Ministry acknowledged the potential conflict between the needs of the individual and of the collectivity.

Seen from the point of view of the individual, vocational counseling has the task of supplying to each person as much as possible the position in economic life that best corresponds to his inclinations, his abilities, and his economic situation and that offers advantageous possibilities of development. Both purposes can undoubtedly come into conflict.

It assumed, however, that economic circumstances—in short, the economy's need for particular kinds of workers and the individual's need for security—would overcome any discrepancies: within the limits set by their abilities, workers would choose—or could be guided to—the most materially rewarding work, regardless of their "inclinations."

In reality, the opposition will only rarely become sharply apparent for vocational counseling, since for the individual as well as for the totality normally the economic situation will be of decisive importance. This [situation], therefore, must be observed above all by vocational counseling.

Finally, the memo expressed the Ministry's views on the necessarily comprehensive scope of the program: it needed to be established on the basis of "complete inclusion" (*Totalerfassung*).

[All people entering the vocational world must undergo vocational counseling.] Only thus will it be possible to work to keep the number of untrained workers as low as at all possible given the economic situation, to prevent ill-considered changes of vocation, and to assure a purposeful choice of new work.

And the memo justified achieving *Totalerfassung* by law. Without legal compulsion, the Ministry argued, the development of a system of vocational counseling "would take years and years." As early as its 1910 position paper advocating expansion of vocational counseling, the Prussian Trade Ministry had argued for a "comprehensive" approach. Still, before the war there was no overt call for "complete inclusion." By 1918, however, the wartime example of the mobilization of the country's resources for total war and the much more tangible sense of the threat to the nation had converted the advocates of individual improvement into fervent supporters of a legally mandated *Totalerfassung*.

The paper laid out plans for the organization of comprehensive vocational counseling. A nationwide system of uniform vocational counseling stations should be created. These needed to exist not only in large cities, but most crucially in the countryside as well, which still needed to maintain a farm population, but which would in the coming years transfer laborers to industry.

Important questions, however, remained unsettled even in the Ministry's eyes. The question of financing would be decisive, the paper noted tersely. The memo argued for a three-tiered structure: field and provincial bureaus, as well as an Imperial Office. However, the memo only suggested that the national office might be associated with the Imperial Office for Labor Statistics. As for the field stations, the paper limited itself to noting several possibilities: they could be part of the youth offices now in planning (though the task of the latter seemed quite different); or part of the labor exchanges; or they could exist as independent institutions. On this matter, the other departments of the Ministry expressed their only significant disagreement with the State Industrial Office's analysis: vocational counseling, they argued, should be associated with the labor exchanges. Their reasoning was, above all, pragmatic: the labor offices already existed in the countryside.⁷⁷

The Trade Ministry acted quickly to capitalize on the new consensus in support of vocational counseling. Within days of the Prussian Lower House's approval of the bill authorizing the establishment of universal vocational counseling on 10 March 1918, the Trade Minister informed the regional governors that "in order to counteract the threatening spread of unskilled labor among the young and to promote the supply of apprentices to the crafts, industry, and trade, I intend to promote the planned expansion of vocational counseling stations."⁷⁸

Key Prussian ministries met on September 11 to hammer out a proposal for a Federal Council Order—or at least for a Prussian solution. Representatives

from the Ministries of Trade, Finance, Education, and Agriculture all agreed on key elements: a Federal Council Order, which after the war was to be replaced by a Reich law in conjunction with one on a national system of labor exchanges, would mandate vocational counseling centers that were to be attached to labor exchanges. Their purpose would be to encourage the young to begin skilled apprenticeships and, conversely, to limit land-flight and entry into unskilled work.

In addition to these ministerial maneuverings over labor administration and vocational counseling, the last year of the war also witnessed efforts, however modest, to revive the prewar project of coordinating industry's vocational training. The Prussian Trade Ministry took the initiative. In October 1917, its Industrial Office (LGA) invited the managing director of DATSCH and VDMA, Friedrich Froelich, to discuss its worries that, after the war, young industrial workers would not receive sufficient training because industry would be facing stiffer international competition and hence not have the resources to support training. Among other things, it broached the possibility that, under the auspices of the Trade Ministry, larger firms might contribute to a fund allowing medium and small-sized firms to train young workers.⁷⁹ The Trade Ministry furthermore secured the agreement of the Prussian and Reich financial ministries that endowments established for such a purpose would be tax deductible,⁸⁰ and applied renewed pressure on *Handwerk* to cooperate with industry in the perennially tricky issue of testing and certifying apprentices.⁸¹

In the last year of this transformative war, then, it became increasingly clear that some kind of national (or at least Prussian) systems of public labor exchanges and vocational counseling would dominate the postwar. Yet many particular features, above all regarding the degree of central control and the balance between interest groups and government, remained undecided. How strongly would the Auxiliary Service Law, the embodiment of military subordination, also influence peacetime? Even less clear was whether German industry would develop a coherent policy in regard to its workforce. All of these plans and measures assumed a German victory in the war and a more or less controlled demobilization. It remained to be seen how the labor force projects would develop when events turned out otherwise.

Defeat, Demobilization, and National Survival

Germany's military and then political collapse in the fall of 1918 came unexpectedly for most Germans, including the authorities. The rapid dissolution of the army and then armistice on November 11 confronted the authorities with enormous practical problems. Above all, they had to demobilize six million soldiers and help place them back in work, while facilitating the economy's shift from war- to civilian production. As the authorities had only drawn up demobilization plans for the aftermath of a German victory, all of these measures had to be improvised under the most difficult of circumstances.⁸² For all that, the transition

occurred remarkably smoothly: unemployment did jump quickly, but at its peak, in January 1919, it still amounted to only 6 or 7 percent of the workforce. Five months later, it had fallen to 2.5 percent.⁸³ The Reich Office (later Ministry) for the Economic Demobilization, created in November 1918, and endowed with far-reaching powers, resorted to many of the measures the government had used in August 1914 to combat that surge of unemployment: it sought to “stretch” the available work by limiting working hours, creating make-work programs, and eventually compelling employers to rehire their former workers who had returned from the war. Though the central Demobilization Ministry was dissolved in April 1919, the measures described above, as well as others regulating company behavior, remained in effect longer, some until as late as 1924.⁸⁴ The demobilization regulations, which in effect extended aspects of the wartime control of the economy several years into peacetime, conditioned the establishment, between 1919 and 1922, of the centralized labor office system. Many of the practices of the Auxiliary Service Law, in other words, survived the end of the war.

If the demobilization procedures applied wartime controls, often in ad hoc ways, to the practical problems of transition, Germany’s political and economic travails in the postwar also promoted grander visions of national salvation, reinforcing the tendency to perpetuate wartime institutions and mentalities. Even for many of the Germans who welcomed the prospects of constitutional and social reform, the shock of defeat engendered a persistent, terrifying sense of the vulnerability of the nation. The moderate German Democratic Party captured the bleak mood in its December 1918 election rally: “The old governmental system in Germany has collapsed. Three million dead and invalids, the sacrifice of the greater part of our national wealth, the losses of our merchant fleet and foreign trade, hunger and misery—all this characterizes the field of rubble that a failed foreign and domestic politics has left us with.”⁸⁵ Such despair offered fertile ground for promises of comprehensive recovery.

The political upheavals of postwar Germany that began in the fall—from parliamentarization of government in October to the fundamental agreements between the Social Democrats and the Army, and between the unions and the employers in the Central Working Association (ZAG), and the soldiers’ and workers’ revolts across the country and subsequent proclamation of a republic in November—facilitated the establishment of a vocation-centered reform program in several ways. For the business community, as for the entire *bürgerlich* camp, the prospect of a political lurch into socialism seemed deeply troubling, if no longer avoidable. While the agreements of November suggested that the Social Democrats and socialist unions were intent on compromise and not revolution, the specter of socialism continued to haunt the bourgeoisie. The Spartacists and the new German Communist Party (KPD), radicalized by the war, revolution in Russia, and the cautious and conciliatory policies of the mainstream Social Democrats, rallied revolutionary forces throughout Germany. In the winter of 1918/19, radicals took power in numerous cities, asserted control of factories, and fought on the streets. Opposition to these radicals united moderate Social

Democrats and Free Trade Union, represented by men such as Friedrich Ebert and Carl Legien, with the bourgeois parties. Furthermore, both the moderate Social Democrats and the middle-class parties traced much of the support for radicalism to the untrained youths whose numbers had proliferated during the war. They agreed that allegiance to a vocation—the prescription that had been at the heart of municipal and academic reformers’ and the Prussian Trade Ministry’s vision since the Kaiserreich and which the skilled workers who dominated the Free Trade Union supported—could stem the tide toward revolution. Comprehensive vocational counseling, they thought, could be an essential element in restoring the order that so many Germans longed for after 1918.⁸⁶ In such calculations, central control of such a program often appeared—even to bourgeois elements otherwise opposed to planning—as a necessary component.

In fact, centralization and planning per se attracted adherents from well beyond the socialist left, as they already had before 1914. The war had evoked a schizophrenia in this regard among the German public and its moderate political parties. At war’s end, most individuals yearned to be free of the particular compulsory measures (food rationing, job restrictions) they had lived with since 1914 or 1916.⁸⁷ Yet when it came to debates over the future economic order, there was considerable public pressure in the form of press commentary and street demonstrations for *Vergesellschaftung*—socialization—of some kind.⁸⁸ The *bürgerliche* parties in the Weimar coalition—the center and the left liberal DDP—were themselves riven over the future organization of the economy, with a considerable fraction especially of the Center supportive of a new direction.⁸⁹ The strongest single party, the Social Democrats, of course, advocated moving toward socialism in principle, but in practice the party had given little thought to concrete economic questions, and its leadership vacillated—leaving plenty of room for bureaucratic inertia and initiative.⁹⁰

Plans to nationalize heavy industry were buried in a commission, but until mid 1919, the Economics Ministry propagated Wichard von Moellendorf’s ideas for an immediate transition to a corporatist “common economy.”⁹¹ While the SPD itself ultimately rejected Moellendorf’s ambitious plans, in July 1919 it nonetheless called for the socialization of those industries ready for it and for monopolization of others.⁹² The Weimar Constitution of August 1919, which had to strike a balance among the divergent views of the three coalition partners, promised a considerable growth of centralized power and the welfare state, as well as a diminution of owners’ prerogatives, and it held the door open for economic coordination on a national scale (through a Reich Economic Council). Both the possibility of far-reaching socialization and the actual, in their eyes exorbitant, expansions of the welfare state and encroachments on managerial sway contributed to a bourgeois sense of vulnerability. However, the possibility of *state* interference in the economy could make corporatist cooperation with the unions appear to be the lesser of two evils in employers’ eyes.⁹³ As we shall see when we consider the creation of the Labor Administration, this calculation made restrictions on the free market for labor more palatable to the industrialists.

Even more than the political threats to order, however, it was Germany's dire economic situation after the war that dramatically intensified visions of cultivating the nation's human resources. This was especially the case after the imminent threat of revolution had been banished by the spring of 1919. Even before the Versailles Treaty, many costs of the war were apparent, and they reinforced the widely held sense that Germany, and in particular its postwar economy, would bear a heavy burden. Between 1914 and 1918, Germany had spent or squandered its wealth in various ways: most obviously, in terms of its physical capital, its people, its trade connections, and the value of its money. The conversion from civilian to war production and the imperative of immediate output had distorted and run-down Germany's machine-park.⁹⁴ Besides the war dead, the most visible reminder and instance of the costs of war, however, were the roughly 2.7 million war-wounded with a permanent disability,⁹⁵ who would require either a pension or help in reentering the workforce. The war had also severed Germany's ties to its export markets, which had fueled the economic expansion of the Kaiserreich and whose restoration remained uncertain. Finally, the government's financial policies during the war had reduced the value of the German mark by nearly three-quarters.⁹⁶ This inflation, which continued after 1918 and would reach far more dramatic proportions in 1923, undercut the financial maneuvering-room of the state and the ability of industry to make capital investments.⁹⁷ Each of these losses, to its physical capital, people, trade, and currency, significantly reinforced the old German, and especially Prussian, conviction that the country would have to utilize most economically its remaining resources.

The Treaty of Versailles, which the Germans reluctantly agreed to in July 1919, dramatically strengthened this grim conviction. With the exception of the radical left, Germans united in excoriating the terms of the "diktat." In addition to the war-guilt clause and the drastic reduction in the size of its army, the immediate and longer-term economic costs seemed to many Germans to threaten the very survival of their country. Germany lost significant portions of its territory, including the Polish Corridor and part of industrial Silesia in the east and the ore-rich Alsace-Lorraine and coal-endowed Saarland in the west; the Rhineland would be occupied for fifteen years.⁹⁸ From this lessened material base, Germany would have to pay war reparations over seventy years that were initially pegged at 269 billion marks, or nearly thirty times the annual GDP.⁹⁹ Even before these figures had been determined, the joint condemnation of the treaty by the employers and unions of the ZAG suggested both the depth of bitterness to the terms of the peace and how that opposition could draw different German camps to a common position:

The industrious Volk stands deeply shaken under the impression of the enemy's peace conditions ... Before us ... we see the death sentence of German economic and collective life. The theft of our colonies and all of our foreign possessions as well as a hundred other stipulations of the peace conditions deprive us of our rights internationally. The taking of the most indispensable German raw materials areas and of our trading fleet, along with the

other aspects of the paralyzing of our economic life, deprives us of work. The tearing away of great and fertile territories, the imposition of monstrous burdens, and the cutting-off from the world market deprives us of bread.¹⁰⁰

This dire situation produced and sustained that rarest of things in polarized postwar Germany: a broad consensus. Almost without exception, political parties from across the spectrum, interest groups, the press, and public acclaimed the optimal use of Germany's most significant remaining resource—its people and their labor—to be of vital national interest. When all of the parties in the Prussian parliament agreed in 1920 to increase the funding for vocational counseling, for example, a representative of the SPD put the measure in the context of Walther Rathenau's ideas on the "new economy": under current circumstances, the head of the electrical giant AEG and leading planner of Germany's wartime centralized economy had argued, "no machine may pause, no material resource may go unused, no hand may rest."¹⁰¹ The widespread conviction of the vital national importance of the conscious husbanding of Germany's human wealth found expression through the suddenly ubiquitous—and apparently immediately comprehensible—terms "human economies" (*Menschenökonomie*) and "economizing with people" (*mit Menschen wirtschaften*). The former term was, in fact, not new. In 1908, Rudolf Goldschied had coined the phrase in the title of his book *Development Value Theory, Development Economics, Human Economies: A Program*, in which the reform-minded sociologist had argued against the utilization of human labor for maximal short-term gains, and instead pleaded for a broader and longer-term conception of productivity and human well being. As we argued in earlier chapters, the idea of utilizing Germany's resources more—or most—efficiently had gained ground in numerous spheres, especially since the 1890s. After World War I, however, these and similar phrases became a universal leitmotiv of German thinking. They appeared frequently and with wholly positive connotation in the literature of the employers' associations, of the free unions, of leading social reformers, in the popular press, and in government circles.¹⁰²

The ideas these terms expressed and the elements of the human economies were expressly linked to the most serious questions of Germany's future: while before the war, vocational counseling had been seen primarily in terms of youth welfare, the head of the Labor Office explained in September 1920, now "serious macroeconomic considerations" had to be considered.¹⁰³ That his comment in fact misrepresented the motives of earlier reformers, especially in the Prussian Trade Ministry, suggests the perceived direness of the current situation: it was inconceivable that they previously had faced such a crisis. Somewhat later, the Labor Office's position paper on a draft of the Labor Exchange Law started from the "recognition that the distribution of work according to the principles of economic purposefulness and social justice is a question of vital importance for our *Volk*."¹⁰⁴

Compared to earlier, the war boosted the confidence among German government authorities, especially in the Prussian Trade Ministry and the Reich Labor

Ministry, as well as union and employer representatives within the Labor Administration, that optimizing the labor force—*Menschenökonomie*—was a key to national salvation. In the leadership and policies of these ministries, the revolution and transition to democracy brought surprisingly little change. The first Labor Minister was the moderate Social Democrat August Müller. His successor, the Catholic union leader Heinrich Brauns, in office from 1920 to 1928—the key years for the Labor Administration—was a staunch advocate of working-class interests, yet unlike the Social Democrats, he favored consensus over confrontation. In the area of labor administration, at least, he would find ample grounds for agreement. The Prussian Trade Ministry was led, except for the period 1921 to 1925, by ministers from the left liberal German Democratic Party, which enjoyed support among moderate business interests. Between the stabilization of Germany's economy in 1924 and the onset of Depression in 1929—the period when the Labor Administration and industry made significant strides in vocational counseling and training, as we will see in chapter 4—the foreign minister and single most important parliamentary leader, Gustav Stresemann, and the president of the Reich Bank, Hjalmar Schacht, helped to sustain a favorable climate for these workforce projects. They believed that the key to Germany's rehabilitation lay not in renewed military confrontation, but in a return to economic strength and reintegration into the world economy.¹⁰⁵

Just as important as the ministers on top, long-serving deputy ministers and directors—men such as Friedrich Syrup, who had served as a factory inspector for the Trade Ministry and became the first, long-serving head of the Labor Administration (1920/1922–1945), Alfred Kühne, and Ernst Schindler, both of whom served in the Trade Ministry—ensured substantial continuity from the Kaiserreich into the Weimar Republic.

However, turning the general idea of “human economies” into laws, institutions, and real policies could sometimes be a more fractious process. Power over the incipient labor force projects was at stake, as were different visions of how to apply or develop Germany’s human capital. Creating the program would require compromises between unions, employers, the state, and political parties. The rest of this chapter analyzes in detail the emergence of the institutions of national systems of job placement and vocational counseling.

Demobilization and the Labor Exchanges

The development of the labor exchange system, which backers of vocational counseling regarded as the most promising institutional support, naturally had a profound effect on the fortunes and prospects of vocational counseling and apprenticeship placement. That system began to emerge under the pressures of demobilizing and reintegrating soldiers into a peacetime economy. In its final form, it represented a compromise between two potentially contradictory principles—labor-industry coordination, a form of economic democracy, on the one hand,

and bureaucratic control, on the other. Both of these, however, represented the major models of “organization,” which shared much in common, as we have seen.

In the immediate postwar period, the main factors shaping the labor exchange system were the agreement between labor and employers sanctified in the ZAG and state intervention in the labor market in the context of conversion to a peace-time economy. Industrialists, anticipating greater union participation in economic decision making in the future and regarding it as less objectionable than further encroachments by the state, had begun negotiating with labor representatives at the end of 1917. The collapse of the old regime in November 1918 and the threat of radicalization of the revolution then drove the industrialists into the arms of moderate labor leaders. In the Stinnes-Legien pact of 15 November 1918, which set the parameters for economic cooperation in the coming order, the unions and employers had agreed on “the common settlement and parity-based administration of the labor exchange.”¹⁰⁶ With this, the decades-old struggle over the labor exchange as political weapon in the labor market came to an abrupt end. Employer-run offices, for years the main rival to the public exchanges, shut down operations or switched to a parity basis, as did the less successful union-led offices. But, in fact, few of the jointly run exchanges flourished, largely for financial reasons and due to the chaotic conditions, thus leaving an ever-greater share of total placements to the exchanges run by municipal officials.¹⁰⁷

Just as the state had favored the public exchanges during the war (particularly in the Auxiliary Service Law), so too did it throw its weight behind them in the demobilization. The Demobilization Ministry and its regional and local subsidiaries cooperated closely with public exchanges to carry out their dirigiste and distributive measures: for example, dictating whom employers had to let go and whom they had to rehire.¹⁰⁸ After the Labor Ministry in May 1919 had assumed the responsibilities of the now disbanded Ministry for Economic Demobilization, it took the initiative in creating a more effective national network. In contrast to its predecessor, which had disavowed any “grand and visionary ideas” about the economy’s future and instead hoped only to restore the status quo ante 1914,¹⁰⁹ the Labor Ministry was, along with the Economics Ministry, much more sympathetic to ideas about “state socialism.” Perhaps more important in this regard than its moderate Social Democratic Minister, August Müller, were the officials inherited from the Reich Interior Ministry, who had been devoted to maintaining domestic order, and the ideas and experiences of war socialism. Drawing largely on models and organizations from the wartime control of labor, the Ministry established Provincial Offices for Labor Exchange (Prussia) and State Offices for Job Placement (outside of Prussia) by absorbing the infrastructure of the Labor Exchange Associations and the wartime Central Information Offices.¹¹⁰ In 1919, preparations also began for a national office; a Reich Office for Job Placement was established within the Labor Ministry in January 1920, which on May 5 became an independent Office. The new German republic was taking a decisive step in extending the centralized wartime control of the labor offices to peacetime.

Thanks to the official support under the peculiar conditions of demobilization, public exchanges dramatically increased the number of job placements from 1.64 million in 1913 and 1.98 in 1918 to 4.75 in 1919, thus capturing 84 percent of all placements by labor exchanges.¹¹¹ But the success of such high numbers came at a price. In many cases, the Labor Ministry later acknowledged, the labor exchanges' implementation of demobilization policy seemed like a "command economy"¹¹²—which did not please the many Germans, workers and employers alike, who had grown weary of outright state control.¹¹³ As a result, the public labor exchanges never gained the trust of many employers and workers. Thus, as Labor Ministry officials discussed the consolidation of a national network of labor exchanges, they returned to the idea of a far-reaching and equal participation of the unions and employers. From this early point on, the German Labor Administration embodied a dual basis, and potential tension, characteristic of much of Weimar social policy: corporatist cooperation and state power. In the eyes of the proponents of vocational counseling, this potential concession may have eased some doubts about an alliance with the labor offices, which seemed necessary in any case. Yet those offices' complicity in the "compulsion economy," along with their longstanding reputation for serving the unskilled worker and for working bureaucratically, made cooperation with them still appear fraught with danger.

The 1922 Labor Exchange Law

In the absence of clear or consistent guidance from the cabinets of the Weimar coalition or its first *bürgerliche* successors as to the economic order, it was often left to individual ministries to begin to hammer out the contours of the postwar and post-transition world.¹¹⁴ This was the case with the 1922 Labor Exchange Law (*Arbeitsnachweisgesetz*, ANG), which established the permanent structure of the Labor Administration, one that the 1927 Law on Job Placement and Unemployment Insurance preserved even as it gave it a new financial basis. The ministerial in-fighting and the interest group and parliamentary debates over the 1922 law, its terms, and its impact therefore deserve careful study. The dilemma in which (the largely Prussian) advocates of vocational counseling found themselves—on the one hand, favoring an institutional home in the already extant network of labor offices, but on the other, keen on insulating vocational counseling from the poor reputation of those offices as bureaucratic people-shufflers—emerged full blown during the negotiations over a Labor Exchange Law from 1919 to 1922.

The language of the Reich Labor Office's first draft of the law (November 1919) revealed the vast scope of the proposed system as well as its roots in the war- and postwar command economy: "The labor exchanges are responsible for job placement, vocational counseling, labor distribution, and labor creation in accordance with this law."¹¹⁵ The most fundamental question was whether the compulsory measures that had been adopted frequently in the transition to peacetime would become a permanent feature of the labor exchanges: these included, most im-

portantly, a monopoly for the public labor exchanges, mandatory use by all job seekers, and mandatory reporting of open positions by companies. The socialist unions and the Association of Labor Exchanges, since the first decade of the century allies in demanding public control of the labor market, were the most enthusiastic backers of these proposals.¹¹⁶ Only on this basis, the representative of the socialist umbrella union (ADGB) argued at a meeting in the Labor Ministry in September 1920, could Germany achieve a “strict planned economy of people.”¹¹⁷ Employers’ organizations objected strongly to what they perceived to be the socialists’ attempt to gain control of the economy by means of the labor exchange, as well as to the “schematism” and “bureaucracy” that would stifle the economy’s dynamism.¹¹⁸ Importantly for the outcome of negotiations, the Christian unions, who favored cooperation over compulsion, and the powerful white-collar union DHV, whose own labor exchange functioned increasingly well, joined the employers in opposing compulsion.¹¹⁹

The Labor Ministry shared the socialist unions’ long-term goal of achieving a comprehensive economy of people. Remarkably little changed after the June 1920 election, which dealt the original Weimar coalition a resounding defeat and introduced a series of weak bourgeois governments. The new Labor Minister, the Center politician Heinrich Brauns, would encourage cooperation between social groups rather than state compulsion.¹²⁰ As much as possible, such reforms had to be accepted by all sides: thus, the Labor Ministry, echoing an argument made by the Prussian Trade Ministry’s Ernst Schindler in another context,¹²¹ insisted that rather than relying on legal compulsion, the labor exchange should “gain the trust” of those involved.¹²² Yet it was on Brauns’ eight-year watch as Minister that the Labor Administration would be created. Long-serving, knowledgeable bureaucrats from the Kaiserreich’s Interior Ministry, who had implemented the policies of war socialism, helped to sustain continuity in the Weimar Ministry of Labor.

The expository paper the Ministry’s bureaucrats sent in December 1920 to the Reichstag explaining the proposed law presented a sweeping vision for the future. It argued for the vital importance of a centralized, encompassing system: the distribution of labor according to the principles of economic purposefulness and social justice were matters of life or death for the German *Volk*. The proposed central *Reichsamt* would bind together the whole network, ensuring the smooth working of central planning of the labor market.

Through this unity, through the encompassing overview of the situation of the labor market that the central agency possesses and constantly updates, emerge the possibilities of equilibrating from vocation to vocation, from place to place, from region to region, possibilities for a generous and planned vocational transition, for a sufficient foresight and care in the transfer of laborers.

The paper repeatedly emphasized the importance of an “encompassing” system and explicitly supported the goal of universal coverage.¹²³ The difference from the comparatively tentative steps in regard to public “organization” of the labor

market in the 1910 law and the echoes of the wartime Auxiliary Service Law are unmistakable.

The bill proposed to ensure the public labor office a monopoly by integrating into it all other nonprofit exchanges and by eliminating—after a ten-year grace period intended to forestall indemnity claims—commercial agencies and newspaper classifieds. Furthermore, on the question of the labor offices' relations to employers—a matter of crucial importance to any form of labor administration—the proposed law did not directly compel employers to report all of their job openings. It would, however, have given state governments the power to do so. Finally, contrary to the wishes of the socialist unions and in acknowledgement of the changed political landscape since the election, the proposal did not make use of the exchanges mandatory for all job seekers. However, it left little doubt about the Labor Ministry's long-term goals, as it characterized the goal of mandatory use as "desirable."¹²⁴

The proposed law's reserve on the matters of compelling employers and job seekers reflected a number of factors in addition to the vociferous objections of the employers and the socialists' losses in the election. Along with Heinrich Brauns' preference for consensus, the parlous condition of many labor exchanges suggested restraint. In response to wartime legislation, numerous exchanges had been created on paper but still lacked adequate infrastructure or personnel.¹²⁵ In the vast majority of offices, job placement still occurred by the "calling out" of openings, rather than by individual matching. The responsibility of administering jobless benefits, which after the war had been assigned to the public labor exchanges, increased the pressure on offices to give highest priority to those who had been unemployed longest, not to those most suited for a particular job. In the years 1920 and 1921 and thereafter, not only the industrialists complained about "intolerable conditions" in the exchanges, even a senior counselor in the Labor Ministry could despair:

The increased difficulty of individual placement, the destructive effect on the psyche of the unemployed of simply monitoring [their availability for work] without the simultaneous possibility of placement, the long distances, the expensive commutes and the hours of waiting in the labor exchange, the danger of a collection of great masses of unemployed—lead one really to ask where the advantages of public labor offices lie.¹²⁶

Such political and practical considerations shaped the Labor Ministry's more cautious tactics, even as the long-term goal remained complete control of the labor market. In a similar fashion, the Prussian Ministry of Trade, whose officials consulted closely with the Labor Ministry during the negotiations on the Labor Exchange Law, balanced their long-term goal—the central control of vocational counseling and apprenticeship placement—with the immediate possibilities.

We must briefly describe the Labor Exchange Law as it was passed on 22 July 1922 and the system it established, as well as the modifications effected by the 1927 creation of the Reich Agency for Job Placement and Unemployment Insurance. In mid 1922, economic and political conditions might not have appeared

to be ideal for legislation extending central control and planning. Thanks largely to the government's inflationary policies, unemployment was practically nonexistent.¹²⁷ The elections two years earlier, while not leading to stable cabinets, had produced a center-right, *bürgerlich* Reichstag. The recent rapprochement between the SPD and moderate Independent Socialists, after the left wing of the Independents had gone over to the Communists earlier in the year, alarmed the middle-class parties, and seemingly made compromise on economic and social matters all that much harder.¹²⁸ And in fact, the Reichstag took an equivocal view of the elements of a command economy contained in the draft of the ANG. On the one hand, the *bürgerlich* parties rejected the public exchanges' monopoly position, insisting that this would lead, in the words of the Center Party, to the "uniformization and schematization" of the labor exchange system.¹²⁹ Thus, in the law passed, existing nonprofit exchanges were explicitly safeguarded. Under particular circumstances, new ones might even be created. On the other hand, the weak position of the nonprofits deprived this protection of any real significance. Also, all exchanges were to operate according to guidelines written by the Labor Office (in consultation with the groups) and supervised by it. As the Labor Ministry proposal had suggested, the law phased out commercial job agencies and newspaper ads—the most serious competition for the public exchanges—by 1931. The power to compel companies to report their openings was preserved (though only for the Reich Labor Minister, not the state governments). Though the Ministry never invoked this prerogative, its threat to do so in 1923 pressured the employers into a more conciliatory stance vis-à-vis the public exchanges.¹³⁰

The Reichstag thus accepted much, though not all, of what the Labor Ministry had proposed, demonstrating the degree to which belief in "organization" and planning had over the previous four decades permeated nearly the entire political spectrum. While the 1922 Labor Exchange Law expressly protected philanthropic and other non-commercial exchanges, it promised to eliminate the public offices' most serious remaining competition—the commercial agencies and newspaper ads. By keeping open the possibility of compelling employers to report all openings, the law implicitly endorsed the Labor Administration's ultimate goal of a centralized, universal control of the labor market. Even within the Labor Administration and related circles, there were a variety of views on how this goal was to be achieved, but consensus on that ultimate purpose. With the 1922 law, the Reichstag created a German Labor Administration with more limited powers of compulsion than some desired—but with ample opportunities to pursue its vision of centralized and comprehensive control of the labor market. By the middle of the decade, the public labor offices dominated placement activity. They accounted for 81 percent of all placements, while the other, still-tolerated non-commercial offices claimed 10 percent, and the commercial agencies, whose licenses would expire in six years, captured 9 percent.¹³¹ A de facto, if not de jure, monopoly for the public offices had been achieved.¹³²

The 1922 law established the contours of the German Labor Administration, as it has existed to the present day. The Administration was to consist of a

three-tiered hierarchy. Each local administrative district (town or rural county) was to have a labor office; above them, state offices (*Landesämter*, within Prussia *Provinzialämter*) would coordinate and supervise; finally, the Reich Office for Job Placement (*Reichsamt für Arbeitsvermittlung*) would unify the entire structure. The resolution of the competing claims of the unions and business, on the one hand, and public authorities, on the other, came in the form of a compromise: at each level an administrative board, composed of representatives of employers, labor, and the public authority, would oversee the “operational direction” of the offices. In practice, the communal authorities, who appointed the director and officials of the labor exchange, always had the upper hand, while the administrative boards remained feckless.¹³³ Effective local control meant that local conditions—traditions of labor offices, economic structures, and municipal finances—played a decisive role in the establishment of the labor administration until 1927.

The 1927 Law on Job Placement and Unemployment Insurance marked a watershed in regard to Germany’s social insurance system.¹³⁴ Job placement and vocational counseling, however, remained clearly within the paradigm established by the 1922 ANG. Resolving a decades-long struggle over unemployment insurance, the 1927 law maintained the essential components of the earlier law: the Labor Administration’s tripartite hierarchy and the role of unions, employers, and public authorities in the governing bodies at all levels. Compared to the Reich Office for Job Placement, the *Reichsanstalt* created in 1927 did gain greater independence vis-à-vis the Reich Labor Ministry; however, the latter still maintained important “supervisory rights” over the *Reichsanstalt*, which would remain a bone of contention over the coming decades. Shortly after its founding in 1927, the *Reichsanstalt* would sacrifice a good deal of its independence when the Great Depression undercut its financial solvency and the National Socialists imposed further restrictions.¹³⁵

By tying the job placement wing (and within it vocational counseling) to unemployment insurance—and hence to insurance contributions—the 1927 law for the first time put the labor offices on a more secure financial footing.¹³⁶ The new financial basis weakened the influence in the labor offices of municipal authorities, who between 1922 and 1927 had used their budgetary powers to restrict expenditures. However, as we shall see, for a number of reasons, central control of the local labor offices remained tenuous even after 1927, and the local offices continued to pursue policies suited to their districts—especially to the demands of local employers.¹³⁷

The Prussian Development of a System of Comprehensive Vocational Counseling

We now return to the immediate postwar and to the second labor force project, the development of a system of comprehensive vocational counseling. In the last

year of the war, the Prussian government had taken the first steps to establish a system of vocational counseling, which the Trade Ministry envisaged as a crucial element of Prussia's—and Germany's—postwar economy. These efforts did not originate in the war, which only had heightened the apparent importance of a longer-term goal of the Prussian Trade Ministry, and, in the form of handicrafts' change of heart, provided a crucial political opening. Nor did the change in political system or the general divisiveness after the war disturb the continuity of thinking and effort within the Prussian Trade Ministry. As we have noted, the leadership of the ministry lay until late 1921, that is during much of the negotiations over the ANG, in the hands of the German Democratic Party, which pursued a generally business-friendly line, and for several years thereafter the leadership lay with a moderate SPD minister, himself a former skilled metal-worker. More importantly, the same group of energetic sub-ministerial bureaucrats as before 1918, especially Alfred Kühne and Ernst Schindler, continued to exert decisive influence. The preparations for implementing a system of vocational counseling, begun in early 1918, continued apace.

Negotiations over the precise nature of Prussia's vocational counseling unfolded under the most trying of circumstances. In its order of 9 December 1918 on labor exchanges, the Imperial Office for Economic Demobilization had included a provision that permitted the states to issue laws compelling the public labor exchanges to perform vocational counseling, partly at the insistence of the Prussian Ministry.¹³⁸ On 18 March 1919, the Trade Ministry as primary ministry issued a historic directive that would form the basis for vocational counseling in Prussia and, ultimately, throughout Germany. The directive instructed all Prussian counties (*Kreise*) to establish vocational counseling offices; in industrial areas, the direction was to be granted to the parity-based labor exchange, but "care is to be taken that the vocational office is developed as an independent agency." In largely rural areas, where no labor exchanges existed, the directive recommended that the vocational office be joined to the youth welfare organization (*Jugendamt*)—a reminder that the Trade Ministry saw the labor offices as mere instruments serving its priority of vocational counseling.

The Prussian system of vocational counseling and apprenticeship placement was to serve ambitious purposes. As the Trade Ministry position paper from early 1918 had suggested, it was to be comprehensive and to assume an important distributive function. Not only was the vocational counseling network to span all of Prussia; it was to evaluate and counsel all job seekers, those entering both skilled and unskilled work. Its purpose was to "strive for a distribution of the labor power in a way that corresponds to the macro-economic situation and for a purposeful utilization of the existing apprenticeship opportunities and to promote in vocational choice the appropriate regard for the physical and psychic fitness, the inclination, and the economic situation of the one choosing." Thus, despite the disruptions of the revolution and postwar and the failure to achieve a nationwide regulation, Prussia quickly had realized its designs for a comprehensive vocational counseling system—at least on paper.

In a period of bitter dispute, indeed even armed conflict, about the country's future political and economic direction, the Prussian creation of a system of vocational counseling enjoyed rare, almost universal, support. *Handwerk*'s reversal had, of course, provided the occasion for the Trade Ministry's "fundamental consideration." The socialist unions, acknowledging that previously they had given all questions of vocational training short shrift,¹³⁹ had become fervent supporters of comprehensive vocational counseling. At its 10th Congress, held in June 1919, the Free Trade Union (ADGB) recommended:

In cooperation with other appropriate bodies (teachers, physicians, psychologists), appropriate measures for vocational counseling should be taken in such a way that every child is advised before it leaves school about which vocation is appropriate for it on the basis of its physical and psychic fitness as well as being especially suitable for economic reasons.¹⁴⁰

Around the same time, a debate in the Prussian Constitutional Convention on greater state support for vocational counseling, particularly in the face of the overcrowded professions and the reintegration of millions of soldiers, revealed astonishing accord. Despite minor differences, the SPD and the more radical USPD found themselves concurring with the conservative DNV in support of the Catholic Center Party's motion to "organize vocational counseling on a wider basis with help of the state and including the establishment of a central institute for the entire vocational counseling system."¹⁴¹

Thus, the Prussian Trade Ministry seemed to face an exceptionally favorable political climate, despite the general political uncertainty and strife. Numerous issues remained unresolved, however. The Ministry intended universal vocational counseling to be but one part of a larger reform including vocational training. It remained unclear how the political contention surrounding these further-reaching proposals, which eventually ended in stalemate (see chapter 4), would affect vocational counseling. Further questions pertained to how, in fact, the Prussian directive would be implemented, i.e., which offices would conduct the counseling? In which form? Would the Prussian system be extended throughout Germany? The establishment of the Labor Administration in the 1922 ANG played a critical role in answering these questions.

During the ministerial deliberations over the ANG, significant rifts had emerged between the Reich Labor Ministry and the Office for Labor Placement, on the one hand, and the Prussian Trade Ministry, on the other, over the guidelines for vocational counseling. In the Trade Ministry's eyes, the Labor Ministry's priorities remained too closely tied to those of the Interior Ministry from which it had emerged: above all, Labor seemed to care most about control and order, rather than development and improvement. For the *Arbeitsministerium* disappointingly rejected the Trade Ministry's demand to make vocational counseling offices mandatory.¹⁴² Its draft law furthermore subordinated vocational counseling offices administratively and financially to the labor exchanges.¹⁴³ Finally, the Labor Ministry proposed to issue detailed regulations without consulting key constituencies such as crafts, industry, and labor.¹⁴⁴ More broadly, the Trade

Ministry accused the Labor Ministry of lacking the necessary ambition in regard to developing a productive workforce.¹⁴⁵ These disagreements precluded a uniform national system of vocational counseling for another five years and hampered Prussia's pioneering efforts.

By contrast, as these criticisms implied, the Trade Ministry's own vision focused on these latter goals: a system of vocational counseling that encompassed all youths and matched individual and jobs in the interests both of a macro-economically optimal distribution and of individual contentment and development. As we shall see in chapter 4, these comprehensive vocational counseling and apprenticeship placement programs were to be complemented by other elements, including a vocational training law being prepared at this time. Crucially, however, all aspects of the efforts to create a skilled workforce were to be achieved, not by force, but with the willing support of the economic interests. In order to gain and maintain this support, the vocational system's development, the Trade Ministry reiterated, was to be "gradual."¹⁴⁶ This emphasis on constituents' free cooperation and the necessarily slow realization of the program contrasted, of course, with the Trade Ministry's earlier position, as expressed in the "fundamental considerations" of January 1918, in which the ministry had argued for immediate and legally compulsory *Totalerfassung*. While a final explanation of the Trade Ministry's equivocations between 1918 and 1922 eludes us, it seems plausible that the Labor Ministry's and nascent Labor Administration's own designs for centralized control may have induced the Prussian ministry to return to its original, more liberal position.

The bitter disagreements in the fall of 1922 over the institutions and rules of the system of public vocational counseling revealed lingering mistrust between the authorities supervising the national labor exchange network, within which vocational counseling would operate, and those Prussian officials most committed to the idea of vocational counseling. Apparently, it did not matter that many in the new Labor Administration, such as its head, Friedrich Syrup, had themselves originally come from the Prussian Ministry of Trade. The Prussians' doubts reached such levels that the Ministry "expressly" confronted the *Reichsamt* with the question whether the latter intended to "eliminate vocational counseling."¹⁴⁷ Even as they became administratively intertwined, the different visions of *Menschenökonomie* – of optimizing the workforce - could still clash.

The 1923 Prussian Guidelines

The 1922 Labor Exchange Law permitted the states to issue more extensive guidelines on vocational counseling. With the Reich Labor Office rejecting nearly all appeals for modification, the Prussian ministry determined to act on its own in order to promote as skilled a workforce as possible, at least in the largest German state. It thus began to prepare directives for the Prussian territories that would implement the Labor Exchange Law and Labor Office guidelines in the most

expansive way and, in some cases, even bypass them.¹⁴⁸ Prussia would make vocational counseling stations obligatory for all labor exchanges; within the exchange, the vocational counseling office would have its own budget and distinct designation; advisory councils would be mandatory.

The Prussian proposal elicited mixed reviews from important economic and political interests. All sides agreed on the necessity and importance of vocational counseling; they disagreed on the best organization. While the Prussian Conference of Municipalities approved the draft without reservation, the Association of Rural Communities insisted that the costs must be borne by the Reich and Prussia. With a couple of important exceptions, interest groups criticized the Prussian proposal, though for different reasons. The Chambers of Trade expressed support for the proposal, as did, most crucially, handicrafts. Yet both the Social Democratic General Free Association of White Collar Employees and the independent Associated Union of White Collar Employees, as well as the socialist Free Trade Union and the Christian German Trade Union Association, objected to the plan, in particular to the obligation of all labor exchanges to open vocational counseling offices. Echoing the Reich Labor Office, they noted the dire straits of many labor exchanges and predicted their almost certain inability to carry out vocational counseling and, in consequence, the discrediting of the whole idea of vocational counseling. The German Employers' Association, increasingly emboldened in its opposition to the ZAG with the unions, now returned to its earlier position and strenuously opposed the proposal, but for a different reason: vocational counseling and apprenticeship placement, the employers argued, must be kept separate from job placement, as the former demand "individual" treatment and knowledge of the different vocations, coupled with statistical overviews of the vocations and an "appropriate vocational policy in the interest of the entire Volk"—prerequisites which were simply not given in the "mass treatment" of the labor exchanges. Even if vocational counseling could not be transferred to an entirely different institution, but instead remained within the labor exchange, it should enjoy there maximal independence.¹⁴⁹ The fact that the Prussian Trade Ministry pressed ahead with its proposal reflected not just the tactical importance of the approval of handicrafts, which still trained two-thirds of all skilled workers. By 1923, hyperinflation and the resulting breakdown of economic order was undermining both unions' and employers' bargaining positions. The Prussian Trade Ministry's action underlined its strategic determination to promote its vision—even over particular objections of various interests—of an economy of skilled workers placed in the "right" vocations.

Thus, when the Labor Office promulgated its own guidelines on vocational counseling in May 1923, the Prussian Trade Ministry was prepared to establish a more ambitious framework. On May 15, three days after the national policy was announced, the Prussian ministry asserted its right to craft more specific rules. As in previous cases, this Prussian ordinance tried to balance the goals of a unified system and willing cooperation of all parties; it sought to ally vocational counseling with the network of labor offices, and also to preserve the former's autonomy.

All labor offices in Prussia were obliged to perform vocational counseling and apprenticeship placement, though the Prussian ordinance acknowledged that, especially in the countryside, conditions might warrant a temporary suspension of this principle. On the one hand, all other vocational counseling offices (for example, those attached to youth offices) were to be absorbed into the labor offices; on the other, this should be done “to as great an extent as possible” with the cooperation of these offices, and the absorption should preserve elements of the previously independent offices. Within the labor office, vocational counseling and apprenticeship placement would require the greatest possible freedom. Though officially the new guidelines made older ones moot, the Prussian Ministry noted, the “tried and tested” principles of the March 1919 regulation still contained “the essential elements for the establishment, activity, and range of tasks of the vocational offices.”¹⁵⁰

The swift action by the Prussian government demonstrated its resolve to press ahead with universal vocational counseling, a resolve rooted in the Trade Ministry’s decades-old program. Until 1927, when the law on the Reich Agency adopted the Prussian model for the entire Reich (at least on paper), Prussia remained the pioneer in vocational counseling. Still, the struggles over the Labor Exchange Law and its codicils revealed that, despite broad consensus on the need for public administration of the labor market, the Prussian Trade and Reich Labor Ministries disagreed on the tactics to pursue.

Much of the substance of the labor force projects, including their institutions, purposes, and formative ideas, we argued in chapters 1 and 2, had been developing in pre-1914 Germany, if still somewhat inchoately. The war imposed its own rigid form on this substance, especially in regard to labor administration. The great challenges to Germany, in waging a new kind of war, now connected the optimization of the workforce to national purposes more directly and exclusively than had been the case even in the period since the 1890s. The projects were subordinated more decisively to a single, overriding purpose: marshalling the nation’s workers for victory in war. “Organization” became the universal solution to all problems and the mobilization for “total war” entailed a *Totalerfassung* of all resources, including people.

During the conflict, the networks of neutral labor offices that had been expanding and connecting from the bottom up were turned, from above, into a national Labor Administration. The wartime Labor Administration persisted even after the end of the war. The conflict’s central impact on the balance of power in German society—strengthening labor at the expense of business—tilted political conditions in favor of a monopolistic Labor Administration. The sometimes conflicting principles embedded in the Weimar constitution—interest group coordination or state socialism—both pointed toward “organization” of the labor market. But even after the balance of power shifted again back toward industry, a remarkably broad intellectual constellation sustained organization as the best, indeed, the only, solution to the country’s problems. Since the war, the nature of those problems and of the Labor Administration’s purpose had shifted somewhat:

from victory in conflict to efficiency and orderly survival in defeat. Regardless, the national infrastructure of the Labor Administration and its vision of *Totalerfassung* lived on.

With some misgivings, the advocates of vocational counseling and training allied themselves with the network of labor offices. The Prussian Trade Ministry became, at least for a time, one of the strongest advocates of *Totalerfassung*. The harsh economic conditions of the postwar seemed to demand more authoritarian measures. How the ministry would achieve complete inclusion in practice—and, more importantly, how it would encourage training in skilled work—remained to be seen. The Trade Ministry's hopes for creating a nation of skilled workers would depend to a great extent on the policies of German industry. During the war, with its emphasis on mass production of armaments, many employers had become more enamored of the potential for rationalization at different levels (industry, company, individual). Like the elaboration of universal vocational counseling, the further development of industry's labor policies during a difficult peacetime was another important question in regard to the optimization of the German workforce. It is with them that the next chapter is concerned.

Notes

1. See Martin L. van Creveld, *Command in War* (Cambridge, 1985), ch. 5: "The Timetable War," on the sources—and the folly—of this kind of thinking.
2. For these figures see Faust, *Arbeitsmarktpolitik*, 194; Führer, *Arbeitslosigkeit*, 119–120.
3. Faust, *Arbeitsmarktpolitik*, 210–11; Uhlig, *Arbeit–amtlich*, 233.
4. Faust, *Arbeitsmarktpolitik*, 195–96.
5. Ibid., 210–11.
6. See the chart in *ibid.*, 290.
7. *Ibid.*, 290.
8. GStA PK, I. HA, Rep. 120 Ministerium für Handel und Gewerbe, BB VII, 1, Nr. 17, Adhib. 54, 28–29, 65.
9. Faust, *Arbeitsmarktpolitik*, 291.
10. *Ibid.*, 50n13.
11. *Ibid.*, 201.
12. *Ibid.*, 211.
13. Uhlig, *Arbeit–amtlich*, 219. Between 1909 and 1912, employer agencies had raised their share of not-for-profit placements from 22 to 33 percent, while that of the public exchanges had fallen from 40 to 36 percent.
14. See the record of the meeting on 14 November 1914, in GStA PK, I. HA, Rep. 120 Ministerium für Handel und Gewerbe, BB VII, 1, Nr. 17, Adhib. 43, 95.
15. See the letter from the Association to the Trade Ministry on 22 December 1914, in GStA PK, I. HA, Rep. 120 Ministerium für Handel und Gewerbe, BB VII, 1, Nr. 17, Adhib. 43, 102.
16. *Ibid.*, 102.
17. See the letter from the Trade Ministry to the Prussian Association on 9 September 1915, in *ibid.*, 128.

18. Estimated from figures in Richard Bessel, *Germany after the First World War* (New York, 1993), 6, 275.
19. Record of the meeting on 22 January 1915, in GStA PK, I. HA, Rep. 120 Ministerium für Handel und Gewerbe, BB VII, 1, Nr. 17, Adhib. 43, 109.
20. Faust, *Arbeitsmarktpolitik*, 291. From 1913 to 1918, placements per exchange fell by a total of 71 percent. This was, however, not much worse than the employer-exchange figure of 68 percent.
21. Ibid., 212.
22. Ibid., 226–27.
23. Ibid., 213–14.
24. Correspondence from the War Ministry to the Prussian Labor Exchange Association in August 1916, in GStA PK, I. HA, Rep. 120 Ministerium für Handel und Gewerbe, BB VII, 1, Nr. 17, Adhib. 43, 159.
25. Faust, *Arbeitsmarktpolitik*, 214–15.
26. See the subtle expressions of concern at meeting on 18 August 1916 of the Prussian Association of Labor Exchanges, in GStA PK, I. HA, Rep. 120 Ministerium für Handel und Gewerbe, BB VII, 1, Nr. 17, Adhib. 43, 167–70.
27. See chapter 1.
28. See Friedrich Zunkel, *Industrie und Staatsozialismus: der Kampf um die Wirtschaftsordnung in Deutschland 1914–1918* (Düsseldorf, 1974), 53, 57, 86, on the role of the domestic truce and the desire for national integration in the growing enthusiasm for a “common economy.”
29. Hans Gotthardt Ehlert, *Die wirtschaftliche Zentralbehörde des Deutschen Reiches 1914–1919: das Problem der “Gemeinwirtschaft” in Krieg und Frieden* (Wiesbaden, 1982), 42.
30. Jürgen Kocka and Wolfgang Neugebauer, eds., *Die Protokolle des Preussischen Staatsministeriums, 1817–1934/38*, vol. 10, record of Prussian cabinet meeting on 18 January 1915, 127.
31. Ibid., record of meeting on 8 May 1915, 135.
32. Ringer, *Max Weber*, 63–72.
33. Otto Lipmann, *Psychologische Berufsberatung: Ziele, Grundlagen, Methoden* (1917), 3.
34. See the report from 1 July 1915 in GStA PK, I. HA, Rep. 120 Ministerium für Handel und Gewerbe, LGA, Nr. 10, 57.
35. BAB, R3901 (Alt R41)/ 450 Microfiche 4, 16 May 1916. By the fall of the same year, Syrup was the director of the welfare station.
36. GStA PK, I. HA, Rep. 120 Ministerium für Handel und Gewerbe, LGA, Nr. 10, 58.
37. Ibid., 8.
38. Faust, *Arbeitsmarktpolitik*, 221.
39. See the report of the Brandenburg Association of Labor Exchanges (*Verband märkischer Arbeitsnachweise*) to the Prussian Trade Ministry on 15 January 1918, in GStA PK, I. HA, Rep. 120 Ministerium für Handel und Gewerbe, BB VII, 1, Nr. 17, Adhib 6a, Bd. 2, 214. Below, we will come back to the effect of wartime production on the composition of the workforce.
40. See the discussion of these tensions in GStA PK, I. HA, Rep. 120 Ministerium für Handel und Gewerbe, BB VII, 1, Nr. 17, Adhib. 43.
41. Faust, *Arbeitsmarktpolitik*, 221n.
42. I.e., in firms with 10 or more employees.
43. Jürgen Kocka, *Facing Total War* (Cambridge, 1984), 17. The shift within individual sectors and plants could be far more dramatic: in Siemens' Elmo factory, the proportion of female workers rose between August 1914 and August 1917 from 31 to 71 percent. Homburg, *Rationalisierung*, 529–30.
44. Adelmann, “Die berufliche Ausbildung,” in Pohl, *Berufliche Aus- und Weiterbildung*, 28; Reichsarbeitsministerium, *Deutsche Sozialpolitik 1918–1928: Erinnerungsschrift des Reichsarbeitsministeriums. Mit fünf Bildnissen und zwei Ansichten* (Berlin, 1929), 152.
45. Feldman, *Army*, 63–72, 163.
46. Kocka, *Facing Total War*, 19, 33.

47. See the letter from Borsig to the VDMA on 15 May 1917, in BAB, R 8099/122 (VDMA), 153.
48. See the documents in BAB, R 8099/122 (VDMA), 313ff.
49. See the circular from the VDMA to its firms on 29 January 1917, in BAB R 8099/22, 195–197.
50. BAB, R 8099/122 (VDMA), 243.
51. Homburg, *Rationalisierung*, 256–63.
52. Ibid., 277.
53. See the responses to the February 1915 article, “Eine Folge des Krieges für die deutsche Wirtschaft,” in the journal of the German Engineering Association, in BAB, 8099/111 (VDMA), 61.
54. See Rieppel’s response to the ZVDI article, in BAB, 8099/111 (VDMA), 61.
55. BAB, R8099/22, 203.
56. See the report on the VDMA general meeting on 11 May 1917, in BAB, R8099/22, 131.
57. See, for example, the suggestion to this effect by the director of the Frankfurt Maschinenbau-Aktiengesellschaft, which the VDMA appears to have endorsed. BAB, R 8099/122 (VDMA), 178.
58. BAB, 8099/123 (VDMA), 11-12.
59. BAB, R8099/22, 131.
60. Homburg, *Rationalisierung*, 256–63.
61. See Froelich’s talk at the opening meeting on 13 March 1917, in BAB, R 8099/122 (VDMA), 224.
62. G. Lippert, “Einleitender Bericht über zukünftige Lehrlingsausbildung in der mechanischen Industrie,” in DATSCH, *Abhandlungen und Berichte über technisches Schulwesen*, vol. VI (1919), 2.
63. For the following see Bessel, *Germany after the First World War*, 49–68.
64. Ibid., 57.
65. See the debates in January 1918 in the Prussian Lower House, in *Wörtliche Berichte über die Verhandlungen des Preuss. Hauses der Abgeordneten. 22. Legislaturperiode, III. Tagung 1916/18*, vol. 7, 7604ff.
66. See *ibid.*, which showed that the “social policy bloc” parties favored centralization.
67. Not only were the employers themselves understandably concerned about this (see, for example, the article “Woher und Wohin?,” in the *Deutsche Arbeitgeberzeitung* from 17 December 1917, in BAB, R3101/2017, 82–83). The Prussian Trade Ministry itself had consistently expressed its belief in the importance of the employers’ exchanges. See, for example, the discussion in the Prussian Association of Labor Exchanges on 11 March 1918, in GStA PK, I. HA, Rep. 120 Ministerium für Handel und Gewerbe, BB VII, 1, Nr. 17, Adhib. 43, 213–215.
68. Maier, *Recasting*, 57.
69. Talks between labor and employers on demobilization had begun even earlier, in October 1917, and without the participation of the government. See Feldman, *Army*, 437–38.
70. GStA PK, I. HA Rep 120 Ministerium für Handel und Gewerbe, E I Spez., Fach 1, Nr. 61, Bd. 1, 5 October 1918.
71. Created on 7 November 1918. For an analysis of the Office’s short- and long-term impact on the German economy, see Bessel, *Germany after the First World War*, 91–124; Günther Mai, “Arbeitsmarktregelung oder Sozialpolitik?,” in *Die Anpassung an die Inflation*, eds. Gerald D. Feldman et al. (Berlin, 1986), 202–36.
72. Kocka, *Facing Total War*, 102–103.
73. Discussion in the Prussian Abgeordnetenhaus on 17 November 1917, in *Stenographische Berichte über die Verhandlungen des Preuss. Hauses der Abgeordneten. 22. Legislaturperiode, III Tagung 1916/18*, vol. 6, 6250.
74. GStA PK, I. HA Rep 120 Ministerium für Handel und Gewerbe, E I Spez., Fach 1, Nr. 61, Bd. 1, 23 April 1918.

75. Ibid., 21 January 1918.
76. Ibid., 21 January 1918.
77. See handwritten response by Meyeren from Section III in *ibid.*, 8 March 1918.
78. GStA PK, I.HA Rep. 120 Ministerium für Handel und Gewerbe, EI Spez., Fach 1, Nr. 61, Bd. 1, 18 March 1918.
79. See Froelich's account of the meeting in his letter to Kurt Sorge from 1 November 1917, in BAB, R8099/122, 15–19.
80. Letter from the Trade Ministry to the VDMA on 9 July 1918, in GStA PK, I. HA, Rep. 120 Ministerium für Handel und Gewerbe, BB VII, 3, Nr. 1a, 137.
81. See the letter from the Trade Ministry to the German Handicrafts and Commerce Association on 23 May 1918, in *ibid.*, 136.
82. Bessel, *Germany after the First World War*, 49–68.
83. *Ibid.*, 129.
84. *Ibid.*, 109–110; also Mai, "Arbeitsmarktregulierung," in Feldman, *Die Anpassung*, 202–36.
85. Herbert Michaelis et al., eds., *Ursachen und Folgen: Vom deutschen Zusammenbruch 1918 und 1945 bis zur staatlichen Neuordnung Deutschlands in der Gegenwart: eine Urkunden- und Dokumentensammlung zur Zeitgeschichte*, vol. 3: *Der Weg in die Weimarer Republik* (Berlin, [no date]), 175.
86. On the yearning for order after four years of war and in the midst of the postwar chaos, see Bessel, *Germany after the First World War*, 56–57, *passim*. For the implications of this desire on a Europe-wide scale, see Maier, *Recasting*.
87. Detlev Peukert, *The Weimar Republic: The Crisis of Classical Modernity* (New York, 1993), 47; Bessel, *Germany after the First World War*, 101.
88. Ehlert, *Die wirtschaftliche Zentralbehörde*, 139.
89. *Ibid.*, 229, 345–46.
90. Zunkel, *Industrie*, 69; Ehlert, *Die wirtschaftliche Zentralbehörde*, 364.
91. Zunkel, *Industrie*; Ehlert, *Die wirtschaftliche Zentralbehörde*.
92. Ehlert, *Die wirtschaftliche Zentralbehörde*, 363.
93. Gerald D. Feldman and Irmgard Steinsch, *Industrie und Gewerkschaften, 1918–1924: die überforderte Zentralarbeitsgemeinschaft* (Stuttgart, 1988).
94. Bessel, *Germany after the First World War*, 91–92.
95. *Ibid.*, 275.
96. *Ibid.*, 31.
97. Dieter Lindenlaub, *Maschinenbauunternehmen in der deutschen Inflation 1919–1923* (Berlin, 1985).
98. Germany lost, for example, nearly 15 percent of its arable land, three-quarters of its iron-ore deposits, and a quarter of its coal. Gustav Stolper et al., *The German Economy, 1870 to the Present* (New York, 1967), 74.
99. Peukert, *The Weimar Republic*, 53.
100. Fritz Tänzler, *Die Deutschen Arbeitgeberverbände, 1904–1929: ein Beitrag zur Geschichte der deutschen Arbeitgeberbewegung* ([s.l.], 1929), 168.
101. Walther Rathenau, *Die Neue Wirtschaft*, 50–54th. ed. (Berlin, 1921), 61.
102. In addition to the discussion in Prussian Parliament cited earlier, see, for example, the Prussian Trade Ministry's "fundamental consideration" on vocational counseling from January 1918; the Labor Office's widely disseminated position paper in support of an early draft of the *Arbeitsnachweisgesetz*, in BAB, R 3901/689, December 1920; and Young-Sun Hong, *Welfare, Modernity, and the Weimar State, 1919–1933* (Princeton, 1998), 34, on the leading welfare advocate Wilhelm Polligkeit.
103. Friedrich Syrup, "Zum Entwurf eines Arbeitsnachweisgesetzes," in *Zeitschrift für Soziale Praxis und Archiv für Volkswohlfahrt*, nr. 48, 1 September 1920.
104. BAB, R3901/689, December 1920. See Bessel, *Germany after the First World War*, 125–65, on the centrality of work and the labor force in the deliberations about the return to peacetime.

105. Manfred Berg, *Gustav Stresemann und die Vereinigten Staaten von Amerika: Wirtschaftliche Verflechtung und Revisionspolitik, 1907–1929* (Baden-Baden, 1990); Adam Tooze, *The Wages of Destruction: The Making and Breaking of the Nazi Economy* (Oxford, 2006), 3–11.
106. Gerald D. Feldman and Irmgard Steinisch, eds., *The Origins of the Stinnes-Legien Agreement: A Documentation* (1973), 85.
107. Tänzler, *Die Deutschen Arbeitgeberverbände*, 155–56; see also Reichsarbeitsministerium, *Deutsche Sozialpolitik*, 144. To avoid possible confusion, it should be noted that the public offices might also include union and employer representatives, but this was not necessarily the case. In any case, since the 1916 Auxiliary Service Law, these public offices had come under the ultimate jurisdiction of authorities in Berlin.
108. Mai, “Arbeitsmarktregeleierung,” in Feldman, *Die Anpassung*, 207; Bessel, *Germany after the First World War*, 133–34.
109. Quoted in Bessel, *Germany after the First World War*, 105.
110. Reichsarbeitsministerium, *Deutsche Sozialpolitik*, 143.
111. Ibid., 144.
112. Ibid., 143–44.
113. Bessel, *Germany after the First World War*, 107.
114. On the Weimar coalition cabinet’s lack of initiative in economic matters, see Ehlert, *Die wirtschaftliche Zentralbehörde*, 147, 196, 231, 364; Zunkel, *Industrie*, 68–69; on the vague nature of the Weimar constitution’s economic and welfare promises, see Peukert, *The Weimar Republic*, 37, 40–41.
115. BAB, R 3901/687, November 1919 “Entwurf eines Arbeitsnachweisgesetz.” The terms are *Arbeitsvermittlung*, *Berufsberatung*, *Arbeitsverteilung*, and *Arbeitsbeschaffung*.
116. Führer, *Arbeitslosigkeit*, 238–39; BAB, R 3901/688, 7 September 1920.
117. Führer, *Arbeitslosigkeit*, 239.
118. Ibid., 239.
119. Ibid., 240–41.
120. Hubert Mockenhaupt, ed., *Katholische Sozialpolitik im 20. Jahrhundert: Ausgewählte Aufsätze und Reden von Heinrich Brauns* (Mainz, 1976).
121. BAB, R 3901/688, 9 February 1920.
122. Ibid., 7 September 1920.
123. BAB, R 3901/689, December 1920.
124. Führer, *Arbeitslosigkeit*, 241–42.
125. Uhlig, *Arbeit–Amtlich*, 244–45.
126. Margaret Ehlert on 16 February 1920, quoted in Führer, *Arbeitslosigkeit*, 237–38.
127. Bessel, *Germany after the First World War*, 130.
128. Maier, *Recasting*, 294–95.
129. Führer, *Arbeitslosigkeit*, 242.
130. Ibid., 242–43. Given this threat and response, Führer’s summary—“This determination [the Labor Minister’s right to compel reporting] had no political significance, as the Minister subsequently made no use of it”—seems sustainable only on a very narrow reading of political significance and use-making.
131. Schmuhl, *Arbeitsmarktpolitik*, 117.
132. Führer’s claim, *Arbeitslosigkeit*, 243, that the ANG’s failure to make use of the public offices mandatory represented a “return to pre-revolutionary conditions” is unsustainable, since it ignores the de facto monopoly—if not *Totalerfassung*—achieved after the public offices’ two main rivals, employers’ placement agencies and commercial agencies, had been banned and given a death sentence, respectively.
133. Führer, *Arbeitslosigkeit*, 244–45.
134. Ibid.
135. Friedrich Syrup, *Hundert Jahre staatliche Sozialpolitik 1839–1939*, ed. Otto Neuloh (Stuttgart, 1957), 341–46.

136. This independence would last only briefly, however, as the steep rise in unemployment during the Depression soon would force the *Reichsanstalt* to rely on the national government to cover its costs.
137. See Führer, *Arbeitslosigkeit*, for a thorough treatment of the debates and negotiations leading up to the adoption of a system of unemployment insurance and its institutional connection to the labor offices.
138. *Reichsgesetzesblatt*, 1918, 1421–1422.
139. Ebert, *Zur Entstehung*, 262; for similar comments at the 1919 Nürnberg union conference, FES, ADGB NB 532, 30 June 1919.
140. FES, ADGB NB 532, 30 June 1919.
141. GStA PK, I. HA Rep. 169 D Preussischer Landtag, Xe, Nr 12, vol. 1, 25 March 1919; 3 June 1919; 10 July 1919.
142. GStA PK, I. HA Rep. 120 Ministerium für Handel und Gewerbe, EI Spez., Fach 1, Nr 61, vol. 3, 20 September 1922.
143. GStA PK, I. HA Rep. 120 Ministerium für Handel und Gewerbe, EI Spez., Fach 1, Nr 61, vol. 4, 11 November 1922.
144. BAB, R 3101/10277, 11 November 1922.
145. GStA PK, I. HA Rep. 120 Ministerium für Handel und Gewerbe, EI Spez, Fach 1, Nr. 61, vol. 4, 11 November 1922.
146. GStA PK, I. HA Rep. 120 Ministerium für Handel und Gewerbe, EI Spez., Fach 1, Nr. 61, vol. 3, 21 February 1922.
147. Ibid., 20 September 1922. The Reich Labor Office denied any such intention.
148. See the contentious meeting on 2 November 1922, in which Prussian authorities, by making clear their intentions to promulgate far-reaching directives for Prussia, gained the acquiescence of Reich Labor Office officials to the purely Prussian measures as well as to several general proposals. Still, the basic differences remained. GStA PK, I. HA Rep. 120 Ministerium für Handel und Gewerbe, EI Spez, Fach 1, Nr. 61, vol. 4, 6 November 1922.
149. For these responses, see *ibid.*, 12 December 1922; 7 December 1922; 14 December 1922; 7 December 1922; 11 December 1922; 7 December 1922; 11 December 1922; 8 December 1922; 9 December 1922.
150. *Ibid.*, 15 May 1923.