

## CONCLUSION

### The Age of Organization



*T*he familiar dates and concerns of modern German history help us little to understand the Labor Administration and its program to control and improve the German workforce. The turning points were not 1933 or 1945, but 1910, when the Law on Job Placement gave preference to neutral, public control of the labor market, and 1961, when the Labor Administration finally abjured *Totalerfassung*. Other pivotal moments included 1916, when the turn to total war prompted the authorities to create the first centralized network of labor offices and greatly heightened the sense of national threat, and 1925, when German industry began to commit itself to producing a high-skills workforce.

Nor did the Labor Administration project replicate the uncontrolled, catastrophic chain reactions occurring in other realms of the fissiparous German society. Irreconcilable conflicts of interest and murderous ideologies played no role here. Certainly, interest groups fought over access to labor and jobs, but increasingly these clashes led before and during World War I to all sides preferring or at least tolerating some kind of neutral intervention. The corporatist framework of the Labor Administration, which the major interests easily lived with even after their cooperation in other areas had ended, cemented this *modus vivendi*. Rather than major conflict, the astonishing continuity of the Labor Administration resulted from two basic areas of consensus. During these decades, Germans agreed that their nation was at risk, whether from domestic strife or from outside threats. Complementing this consensus about the goal of national survival was widespread, passionate belief in the best, indeed only, means to overcome the threat. Germany had to optimize its workforce, by “organizing” and improving it. The unanimous or nearly unanimous approval of the legislation undergirding the Labor Administration—laws in 1910 (Job Placement), 1922 (Labor Exchanges), 1927 (Unemployment Insurance), and 1949 (restoration of the Labor Admin-

istration)—attests to this widespread support. However, the salience of the goal (saving the nation), its relationship to the means (optimization), and finally, the balance between different forms of optimization (organization and improvement)—all of these aspects changed continually, especially with the onset of total war in 1916.

The roots of the Labor Administration project stretched back to the 1890s, when Germany was in the midst of its first economic miracle. The main challenge in this era was domestic stability. Unprecedented internal migration and urbanization overwhelmed city resources and made control of access to jobs and workers the subject of increasingly bitter disputes between agriculture, industry, and labor. Reformers and politicians from across the spectrum pinned their hopes for a resolution on the neutral “organization” of the labor market, an aspiration fueled by the real successes of technocratic control in other areas (corporations, state-building, science) and the apparent inevitability of democracy. The unanimously supported 1910 Law on Job Placement gave public labor offices priority over commercial or partisan ones and anticipated the former’s eventual “predominance.” As yet, however, the authorities took no steps to centralize control of the labor market, though some interest groups (SPD, labor office movement) called for exactly that.

Not only matching men and jobs, but improving the workforce was also on the agenda of the authorities. The Prussian Ministry of Trade pioneered efforts to encourage more young people to enter apprenticeships and more industrial firms to train them. A skilled workforce, the ministry and its allies believed, promised much: it would assure Germany’s success in foreign markets; at the same time, the *embourgeoisement* of the working class would provide another path to domestic stability. Not organized from above, such stability would rest instead on the economic, and thus political, independence of individual Germans, a necessary condition for a sustainable democracy. However, before World War I, indeed, before the mid 1920s, authorities and industry did not stake out as clear a path in worker training as in the case of job placement. Germany’s booming economy, at least until 1914, made the urgency for reform appear to be weaker than in domestic matters. Additionally, German manufacturers themselves remained ambivalent about the future of their workforces. Many discounted the role of the skilled worker and instead were enamored of an “American” vision of productivity, built around technology, mass production, and scientific management.

Despite their differences, the two projects of labor force reform already were demonstrating some mutual affinities of purpose and means even before World War I. The backers of vocational training aimed to improve not only Germany’s economic power, but also its domestic stability. From the turn of the century, as Germany’s international rivalries heated up, many social reformers and politicians extended the purpose of reform beyond domestic stability to also include the country’s strategic power, moving from “Christian” to “national socialism.” The boosters of skilling and individual improvement, on the other hand, began to adopt ideas about the best means available from the “organization” camp. Their

1910 call for a national system of vocational counseling thus emphasized the necessarily “comprehensive” nature of such measures.

World War I recast Germany’s labor force programs. The total mobilization in the second half of the war established the infrastructure of a central, nationwide authority to distribute labor most efficiently. Politically, the contributions of labor to the war effort meant that its union and political wings, the most adamant advocates of public control of the job market, would hold great sway afterwards. More importantly, the loss in the war united nearly all Germans in the feeling that they were an embattled nation. For the next forty years, foreign adversaries or economic calamity, and sometimes both, threatened the country’s very survival. While many deep disagreements festered and some exploded in Weimar Germany, the need to mobilize the workforce for the sake of national survival found widespread, indeed, nearly unanimous, support. For Germany’s opponents, France and Britain, by contrast, the war was devastating, but it did not produce a national trauma as it did in Germany. It was no accident, then, that in those countries the war did not redirect and concentrate previous efforts to control and improve the workforce.

In addition to elevating the *goal* of survival, the war greatly reinforced previous convictions about the best *means* as well. They would involve “organization,” the conscious steering of resources, and more ambitiously, “*Totalerfassung*,” the manipulation of *all* resources. Survival and organization intrinsically were connected, for the latter presupposed a purpose, a telos of *Totalerfassung*. And no goal could be as motivating as survival.

Concretely, this consensus produced the Labor Administration, a Weimar-era institution that would survive largely unchanged for almost four decades. The Administration enjoyed a monopoly on job placement and aspired to the “complete inclusion” of all movements in the labor market. Tensions persisted between organization and improvement: the Administration’s job placement and vocational counseling wings, subscribing to these different visions of optimization, mistrusted each other. Yet the latter, in its effort to create a high-skills workforce, had become one of the staunchest defenders of *Totalerfassung*.

For all of the bureaucrats’ efforts, the project of skilling the German workforce only took flight when German manufacturers saw its value. In the mid 1920s, after wartime restrictions finally had lapsed, the fog of an inflationary mark given way to the hard realities of a new currency, and the Germans recognized the challenge of US mass production, leaders of German industry reevaluated and reconceptualized the potential contribution of skilled workers. Even as efforts to draft a law on vocational training foundered, manufacturers launched an effort to standardize and significantly expand vocational training and certification. The German “skills machine” began to roll.

Both labor force projects, now tightly intertwined, flourished in the anarchic authoritarian Nazi state. After it had conquered mass unemployment, the new regime wanted a labor force of highly skilled workers to compensate for the country’s quantitative deficits vis-à-vis future military opponents. The encroachment

by hyperactive Nazi deputies, such as Robert Ley, on the prerogatives of both the Labor Administration and industry spurred both to cooperate even more closely. By the late 1930s, the Labor Administration's vocational counseling had finally achieved near-*Totalerfassung* of boys and girls leaving school. It cooperated closely with industry to ensure that the latter now offered more apprenticeship positions than there existed people to fill them.

After a second, even more devastating war, not much changed—at least at first. Despite constitutional promises of the free choice of vocation, the restored Labor Administration used its old methods—above all, cooperation with the schools—to ensure itself the same level of “complete inclusion” it had achieved in the late 1930s. By now, there was much less enthusiasm for “organization” than there had been after the first war. Indeed, there was a new hunger for individual responsibility. However, Germans still felt themselves an embattled nation. If the Labor Administration could no longer promise national regeneration, as it had after World War I, at least the familiar institution promised an orderly domestic labor market.

By the mid 1950s, finally, the strategic security provided by Germany's place in the western alliance and, especially, the unfamiliar experience of sustained economic growth in the economic miracle ended the Labor Administration's forty-year-old labor project. In the face of an effervescent seller's market for labor, the Administration reluctantly had to abandon its hold—its *Totalerfassung*—on the German workforce. Hundreds of thousands of young West Germans continued to find apprenticeship positions on their own. The two sides of the Labor Administration project—controlling the workforce and giving it skills—had come undone. The skilled workforce created with the help of the Labor Administration no longer accepted the terms of *Totalerfassung*. Workers, increasingly thinking of themselves as middle-class *Bürger*—as the boosters of vocational counseling and training had long hoped—now could help themselves.

A paradox is evident: one period of economic dynamism ended the project of organizing the labor force, just as another, sixty years earlier, had witnessed its birth. What had changed in the meantime? Answering this question helps us to place the Labor Administration projects in the larger perspective of Germany's tortuous modernization.

In several ways, both of the dominant features of the age of organization—the sense of national embattlement and the confidence in organization itself—had lost their motive force by the 1950s. Germany was, and felt, more secure. After two wars and defeats, the second as decisive as possible, the country was no longer the focus of fears in a continent brimming with rivalries. Rather, Germany was increasingly well ensconced in the security sphere provided by the United States. Certainly, the Cold War spawned its own worries—but these fears Germany did not have to face alone. Domestic dangers also seemed less threatening, as both extreme right and extreme left had been discredited. The single most divisive economic trend from earlier—the growth of socialism—belonged to the past. If the first economic miracle around 1900 had fueled the growth of the SPD and the

socialist unions, the second was doing precisely the opposite. The heady sense of *individual* opportunity in the 1950s and 1960s—deproletarianization—began to unravel the ties binding socialist organizations together. While alarming downturns had repeatedly (1873–80, 1891, 1900–1902, 1907–1908) interrupted the earlier period of growth, the economy expanded after 1950 for more than fifteen years before the first, mild recession hit. In addition to this steadiness of growth, the sheer levels of affluence and technology mattered as well. The economy had not grown quickly between 1914 and 1950, but it had grown. After taking care of the basic necessities (housing, food, clothing), the average worker in 1950 had 25 percent of his income available for discretionary expenditures and in 1970, he would have as much as 40 percent—rather than the 10–20 percent he had had around 1900.<sup>1</sup> By the 1950s, new or newly cheap technologies—car, radio, television—held out the promise of *individual* enjoyment. Not least, industry’s “great cooperative endeavor” with the Labor Administration since the 1920s and 1930s to build a vocational system now yielded more attractive apprenticeship positions than could be filled. The economic growth around 1960, as opposed to that around 1900, brought many working-class Germans to the threshold of middle-class aspirations and even lifestyles.

Like the threat of national peril, the promise of organization also had waned by the 1950s. The reality of the Labor Administration itself hardly demonstrated the effectiveness of centralization on a large scale. Despite *Totalerfassung* and the single, ineffectual attempt around 1940 to implement a national vocational plan, forty years after the founding of the Labor Administration, its business of job placement and vocational counseling remained largely a local affair, with local *Arbeitsämter* determining how to woo local employers.

More generally, the turbulence and suffering of the decades since 1914 had spread doubts about the desirability of organization per se. Its main supports in fact were implicated deeply in the failures of those years. Earlier, the march of science had seemed to demonstrate the superiority of expert knowledge, potentially in any realm. The real achievements of large enterprises, above all, the nation state, justified the growing confidence in organization. But both had failed since 1914, and their joint failure had led to the very worst developments of the mid twentieth century. States had become authoritarian or totalitarian and plunged their people into terrible war. They had turned science to the production of terrifying new weapons and the abuse of individuals in the name of collective purification. Understandably, after 1945, organization held much less appeal for many Europeans than it had earlier. Or at least it did for Germans: both the French and the British governments now tried to organize their labor services on a comprehensive basis. Few German politicians and opinion-leaders argued after the defeat of the Nazis, as Friedrich Naumann had half a century earlier, that “[a]ll relations are pervaded by the thought of organization, that is, the regulation of the masses.” Instead, many of them longed, however vaguely, for a society in which individuals were more robust, their rights “untouchable,” as the Basic Law put it.

These shifts in sentiment did not lead, as we have seen, to the end of the Labor Administration overnight. However, when the economy began to expand again and job seekers exulted in their opportunities, there was little support for maintaining the traditional Labor Administration. The intellectual shift away from organization and toward the individual, already in the air, now found confirmation in the lived experience of millions of upwardly mobile Germans.

If ideational constellations around organization and individual independence long sustained the Labor Administration projects, who were the most important carriers of those ideas? Who stood behind the age of organization and who, if anybody, behind its demise?

Even more than was the case in other policy arenas, elites drove the Labor Administration project from beginning to end. The political parties repeatedly and unanimously (or nearly so) had sanctioned the creation of the Labor Administration. In the crucial years after 1918, unions and industrial associations also put their imprimatur on the corporatist compromise. Yet it was not these partisan groups so much as those elements standing above party—or at least claiming to—who forged the German human economies. Modernizing bureaucrats from the Reich Interior (and later Economics and Labor) and Prussian Trade Ministries pushed first and hardest for a labor administration, complete inclusion, and universal vocational counseling and training. In the Kaiserreich, whose Reichstag lacked the right to initiate legislation, this was bound to be the case. But even in Weimar, when the groundwork for these projects was laid, long-serving ministry officials provided the necessary continuity of vision and detailed knowledge, while ruling coalitions and ministers changed regularly. The same applied even across regime boundaries. In the last year of World War I, the Prussian Trade Ministry had helped to shepherd a law on vocational counseling into effect. Even after the Kaiserreich fell in the revolution and the ministry came under the influence of the liberal German People's Party, the same high-level bureaucrats used the authority of the old law to pioneer universal vocational counseling in the new Germany.

Above all, when the laws remained silent, the bureaucrats played a key role in implementing their plans. This was the case with *Totalerfassung*, which, aside from the period of 1938 to 1951, had no legal backing. The Labor Administration had to compensate for its legal impotence—and, after 1949, even its violation of the spirit of the Basic Law—by obtaining the cooperation of the schools. Nor was a national law achieved in regard to vocational training.<sup>2</sup> Here too it was up to the bureaucrats from the Prussian Trade Ministry and later the Reich Economics Ministry to cajole industry and *Handwerk* into crafting a national system of training.

By contrast with these ambitious modernizing bureaucrats, ordinary Germans stood out for the longest time thanks mainly to their silence. In the dynamic economy of the Kaiserreich, and throughout the 1920s and even into the 1930s, the majority of them found jobs and chose vocations without any intervention from the authorities (World War I was an exception, of course). Once the net-

work of labor offices was established after the war, many Germans gave generic support to their mission. They thought the nation, in fact, did need to husband its human resources. However, many of those who had occasion to visit their local labor office criticized its “bureaucratism.” Too often, people were not treated individually, according to their abilities and preferences, but merely according to their place in line. In the years of consistently high unemployment (even before the Depression), when the labor office might have knowledge of or access to one of the rare, coveted jobs, this grumbling did not pose a serious threat to the Administration. Additionally, at least in regard to first time job seekers, the Labor Administration was in the 1920s and 1930s assiduously building its key instrument of “complete inclusion”—its connection to the local schools. The compulsions of the Nazi era, especially the 1938 laws of *Totalerfassung*, only crowned a development long underway. And even grumbling now became risky.

In the early years of the *Bundesrepublik*, most Germans evinced the same mixed reaction they had for the previous decades. They cursed the offices’ size and anonymity, but apprenticeship seekers, in particular, had almost no other alternatives. Besides, their teacher would take them to the labor office en masse, or the counselors would come visit their classroom. For the average German, the Labor Administration was never an especially beloved institution, but during the period from the 1920s to the 1950s, it became a fixture of working life, tolerated, at least, by most.

In the late 1950s this changed. The Labor Administration had helped to create a nation of skilled workers. Now, in the economic boom, those increasingly independent, middle-class citizens dared to reject or simply bypass their institutional forebear. The obsolescence of the Labor Administration—perhaps planned by its founders, at least those advocating a program of skilling, but now regretted as a self-inflicted wound by many within—thus marked a stage in the coming of real German democracy, what Tocqueville would have called its democratic social state.

## Notes

1. Görtemaker, *Die Geschichte*, 175–76; Nipperdey, *Deutsche Geschichte, 1866–1918*, vol. 1, 312
2. One would be, finally, in 1969.