



Volume 8. Occupation and the Emergence of Two States, 1945-1961 The Ahlen Program of the CDU (February 1947)

Issued in February 1947, the Ahlen Program of the CDU in the British occupation zone was openly critical of the capitalist economic system. With its support for economic planning and guidance, the decartelization and nationalization of large-scale industry, and extensive codetermination rights for workers, the program constituted the clearest expression of the Christian Socialist position within the CDU, even though the term itself was avoided. The CDU put the Ahlen Program to successful use in the campaign against left-wing parties in the *Landtag* elections in North Rhine-Westphalia on April 20, 1947.

The CDU Zone Committee in the British Occupation Zone issued the following programmatic declaration at its meeting on February 1-3, 1947, in Ahlen:

The *capitalist* economic system has served neither the state's nor the German people's vital interests. After the terrible political, economic, and social collapse that resulted from criminal power politics, a new order is required, and it must be built from the ground up.

The content and goal of this new social and economic order can no longer be the capitalistic pursuit of power and profit; it must lie in the welfare of our people. A socialist economic order must provide the German people with an economic and social framework that accords with the rights and dignity of the individual, serves the intellectual and material development of our nation, and secures peace both at home and abroad.

Based on this realization, the CDU party platform of March 1946 put forth the following principles:

The goal of all economic activity is to meet the needs of the people.

The economy must unlock the productive forces of both the individual and the community. The starting point of all economic activity is the recognition of the individual. Personal freedom in the economic sphere is closely related to freedom in the political sphere. Efforts to shape and guide the economy must not deprive individuals of their personal freedom. Therefore, it is necessary to:

Strengthen the economic position and freedom of the individual and prevent economic forces from becoming concentrated in the hands of individual persons, corporations, or private or public organizations, as this could endanger economic and personal freedom. Coal is the most crucial product of the entire German national economy. We demand the nationalization of mines.

In pursuit of these principles, the CDU has decided on the following program for the reordering of the economy.

1. The German industrial economy in the past

1. Both technologically and scientifically, the German industrial economy peaked between 1918 and 1945. At that time, it could stand up to every comparison with the economies of other countries. This was also true of mining. The most compelling evidence of the technological and scientific heights reached by German industry can be found in statements by foreign statesmen and by newspapers describing the enormous value of the German patents and secret production processes they confiscated. They explain that German science, technology, and industry was in the lead in many areas.

2. There were many grave flaws in the relationship between the German industrial economy and the state, on the one hand, and the people and individual employees, on the other. Here, it is important to realize that many sectors of Germany's industrial economy were publicly owned before 1933, when there was a transition to a disguised state socialism: this affected nearly all the railways, including the local and streetcar lines, the post office, the telegraph network, broadcasting, gas and water companies, most electric power stations, a large portion of mining in the British Zone, and all of mining in the Saar region.

The cooperative system was also highly developed in all sectors of the German economy, including the financial system. The influence of non-profit organizations was considerable in the financial and banking sector thanks to the Reichsbank, the Staatsbank, regional banks, and savings bank associations. This was also true of the insurance industry due to state and regional insurers.

Yet there were also severe defects in key industries and in the important sectors of mining. The period following 1933 saw the emergence of powerful industrial conglomerates that functioned as monopolies. Their operations became opaque to the public, and they eluded public control. Even if, with a few exceptions such as Krupp, stock ownership of the major industrial corporations was broadly distributed, the composition of the supervisory and management boards was determined by a relatively small circle of men because the shareholders, though large in number, were represented by a limited number of banks. As a result, those belonging to this narrow circle representing the major banks and large industrial conglomerates wielded far too much economic and political power.

Prior to 1933, the relationship between the employee and his company was beginning to develop in a way that took the interests of the employee into account. By 1933, however, this development had not yet come to satisfactory fruition. Between 1933 and 1945, the larger industrial companies were in effect, if not in name, state owned. The Nazi state retained for itself the right to remove, without further ado, any senior executives that resisted it politically or economically. It awarded contracts and allocated raw materials and workers accordingly. It also fixed prices, set wages, and so on.

Employees were powerless in dealings with their companies. There was no such thing as wage movements, wage increases, the chance to switch jobs, or the right to participate in company management [*Mitspracherecht*]. A disguised state socialism existed on a large scale.

II. The new structure of the German industrial economy

The new structure of the German economy must be based on the assumption that the unrestricted reign of *private capitalism* has come to an end. Yet we must also prevent private capitalism from being supplanted by state capitalism, which would be even more dangerous for the individual's political and economic freedoms. A new economic structure must be established, one that avoids past mistakes and opens up the opportunity for technological progress and individual creative initiative.

1. Conglomerates and similar economic entities that are not absolutely necessary for technical, social, or economic reasons must be broken up into independent companies. Due to technological developments, some companies may require a certain minimum size so that, among other things, they can compete effectively with their foreign counterparts. These companies must by all means be allowed to retain this minimum size.

2. Companies that are monopolistic in character or companies that have to exceed a certain size may impart an economic and thus also a political power that can jeopardize freedom in the state. This danger must be eliminated by the passage of appropriate anti-trust laws. Furthermore, these companies must operate under the principle of power-sharing in order to prevent the state, private persons, or groups of people from dominating key branches of the economy, which would be incompatible with the common good.

- a) To this end, public bodies such as the state, the individual federal states, local authorities, associations of local authorities, as well as cooperatives and company employees, must all have a stake in these companies. Nevertheless, entrepreneurial initiative is urgently needed and must be given the necessary latitude.

- b) Furthermore, legal limits must be placed on the private ownership of stock in these companies so as to prevent the concentration of ownership or voting rights in one hand.

3. Mining: coal mines have a clear monopolistic character simply by virtue of the basic product they extract, which is vital to the entire nation. It is therefore of utmost importance that they be subject to the principles laid out in II.2: they must be nationalized.

If, in special cases, the more advisable legal form for these companies is that of a *Staatsbetrieb* (state-owned company), the above-mentioned principles must not stand in the way of the adoption of this form.

4. Large-scale iron-producing industry: the large-scale iron-producing industry must also be nationalized.

5. Every effort must be made to expand the cooperative sector, and the legal form of foundations must be strongly promoted in the commercial economy.

6. The legal regulation of the financial and banking system as well as the insurance industry, which already began before 1933, must be further expanded.

7. Efficient small and medium-sized businesses must be promoted on account of their national economic value and the opportunities they offer for social advancement. In industry, commerce, and the skilled trades, private entrepreneurship must be preserved and further promoted.

8. Legally acquired property that was not used in a politically abusive manner must be respected within the framework of general laws when this new economic order is implemented.

III. Redefining the relationship between employer and employee in the workplace

In companies whose size precludes a personal relationship between the employee and the employer, the employees' right to codetermination [*Mitbestimmungsrecht*] in fundamental questions of economic planning and social organization must be assured. Initially, this must be achieved by granting company employees due representation on the company's advisory bodies, such as the supervisory board. To this end, it will be necessary to reform corporate law. In particular, the supervisory board should be given a stronger position vis-à-vis the management.

In large companies with multi-person executive boards, employees who have served the company for many years should be granted participation in the management of the company through appointment to the board of directors. This appointment will be based on the recommendations of workforce members, who must present the supervisory board with at least three candidates.

The chairman of the works council, who is elected by the workforce, must be given the opportunity to participate in all decisions that concern the social interests of employees.

Furthermore, and in any case, company management must give monthly reports to the works council on the state of the company, and members of the works council must be granted the right to learn details at these meetings.

Suitable measures must be taken to ensure that employees share in company profits. The plans may vary and will be regulated by special agreements.

IV. Planning and guidance of the economy

will be necessary on a large scale for a long period of time; but there is a difference between whether planning and guidance is carried out with a view toward economic difficulties, whether it is considered necessary on a case-to-case basis, or whether it is seen as an end in itself. Even in normal times, the planning and guidance of the economy is necessary to some extent. This view follows from our belief that the economy must serve the basic needs of the people.

The tasks of planning and guidance should be carried out by autonomous bodies within the economy in the form of economic chambers. Of secondary importance is whether these economic chambers will be identical to the chambers of industry and commerce. In any case, it is necessary that the broad masses of employees and consumers participate as equals alongside entrepreneurs in carrying out planning and guidance within these autonomous bodies. The final decisions made by these bodies must be subject to parliamentary control.

V. In all reforms of the German economy,

regardless of whether they concern land reform, rebuilding the industrial economy, or redefining the relationship between employees and companies, the first and foremost goal must be the welfare of the people. The primary goal of the German economy is neither to serve the welfare of a particular stratum of society nor to serve foreign countries. After the basic needs of the German people have been met, the Allies in particular have a right to and an interest in disposing of the blatant war industry and in receiving reparations. They do not have the right to curtail German industry or to organize it in a way that meets the export needs of their own countries while disregarding the needs of the German people. The dismantling of factories that were not part of the war industry and the transfer of ownership of large industries to the German state would serve this purpose, as this would make it possible to achieve any desired economic objective by applying political pressure to a politically weak state.

Furthermore, one must bear in mind that the German economy is not based solely on industry; its key sectors include the industrial economy, the agricultural economy, the skilled trades, commerce, transport, as well as the financial and banking system.

All sectors of the economy are intertwined and interdependent. No sector may be viewed in isolation from the others. Thus, links to other economic sectors must be taken into account when the industrial economy is planned.

Source: The Ahlen Program (February 1-3, 1947), from a pamphlet by the National Office of the CDU (Bonn, n.d.); reprinted in Ossip Kurt Flechtheim, *Die Parteien der Bundesrepublik Deutschland* [*The Parties of the Federal Republic of Germany*]. Hamburg, 1973, pp. 157-62.

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