



Volume 8. Occupation and the Emergence of Two States, 1945-1961
The Economic State of Families, Examples from Berlin (1946/47)

Berlin was a prime example of the poor economic state of the Germans in the winter of 1946/47. Only half of the families surveyed had an income from work that allowed them to procure at least the basic necessities. The other half lived below the real survival minimum or had to rely on other sources of help. The prices of many goods and basic necessities were noticeably higher than before, even in a regular retail setting. Black market prices for goods in short supply exceeded official prices a hundredfold and could not be purchased with a normal income.

1. To what extent are family incomes adequate?

Let us try and determine the extent to which salaries, wages, and other sources of family income are sufficient to cover living costs. What have family fathers and mothers themselves said about that?

In around 100 cases, until the fall of 1946, they described their income as inadequate. In the other 100 cases, the families could “get by,” because they either limited themselves to rationed and controlled goods, or because they had access to various kinds of help in addition to their wages and salaries.

[. . .]

The average wage of a fully paid worker or the monthly salary of an employee or a teacher is usually sufficient – in addition to paying for rationed food, rent, gas, light, the few allotted centners [hundredweight] of coal and the allotted wood – to subscribe to the paper, and to pay for the running household expenses. A few visits to the movie theater, this or that item on ration coupons can also be squeezed in, or, on the outside, 1 loaf of bread or 1 pound of flour from the black market. If several family members are earning an income, additional foodstuffs can be purchased more often, unless, as happened in the winter of 1946/47, the earners become unemployed when their companies are shut down for weeks (as with family M.) or the prices on the black market rise excessively (one loaf of bread, for example, costs 60 RM instead of 40 RM).

[. . .]

In many cases, tradesmen and skilled workers are in the best position today, because their practical and often versatile skills make them highly sought-after people, who can supplement their fixed earnings considerably with side income.

If side income is not possible, either savings or tradable goods must be present or other kinds of help (monetary support from relatives, packages from abroad, connections to the countryside, and so on) to effectively improve a family's livelihood.

[. . .]

2. The worsening of the economic conditions in the winter of 1946-47

Since savings and existing tradable goods are dwindling, a growing number of families must limit themselves to rationed goods and a few minor supplements. A report in the spring of 1947 said: "The income of family H. is unchanged, and yet the earnings this winter are less sufficient than last winter (1945/46), since various things must be purchased in addition and the family no longer has any tradable goods. Additional food can no longer be procured because of a lack of money. What money could still be spared went for coal lighters and a few light bulbs" (one box of coal lighters = 40 tablets cost 26 RM in drugstores and other shops in the winter of 1946/47; in the late summer of 1947, I was offered the same coal lighters in the same store for 60 RM).

How many families could still buy light bulbs in the winter of 1946/47 (for 5 to 10 RM a piece) in order to find their way around their dark apartments during blackouts? Articles of daily use that can be purchased with ration coupons or freely in retail stores also cost, for the most part, several times more than before, for example:

- 1 simple wool sweater 50–75 RM (previously 6–15 RM),
- 1 simple cotton dress for a child 110 RM (previously 7 to 15 RM),
- 1 kitchen towel 10 RM (previously 0.60–0.90 RM),
- 1 scouring cloth 4–5 RM (previously 0.30–0.50 RM),
- 1 simple teacup 10–20 RM (previously 0.30–0.50 RM),
- 1 shopping bag for housewives, depending on quality 7–75 RM (previously 2–5 RM),
- 1 writing book for business purposes 3 RM (previously 0.30 RM),
- 1 liter liquid soap 2.50 RM (previously 0.30 RM),
- 1 pound of soap powder 8 RM (previously 0.75 RM),
- 1 candle 5–10 RM (previously 0.20 RM),
- 1 roll of darning yarn with a ration coupon 0.75 RM (previously 0.10 RM),
- 1 board on wheels with shaft = so-called wagons to transport coal or potatoes 45–100 RM (previously about 7–10 RM).

[. . .]

Let us supplement this survey with a few average prices on the black market from the spring 1947:

1 pound butter: 250–350 RM
1 pound bacon: 350–460 RM
1 pound rye flour: 18– 25 RM
1 pound wheat flour: 40– 60 RM
1 rye bread (3 pounds): 35–45 RM
1 pound barley groats: 25–40 RM
1 pound of sugar: 80–100 RM
1 pound meat: 120–150 RM
1 egg: 15– 20 RM
1 pound onions: 10– 12 RM
1 centner briquettes: 50– 80 RM
1 roll of sewing thread: 30– 50 RM
[. . .]

Nearly all these prices represent a more than hundred-fold increase over official prices.

[. . .]

Already this cross section should prove that the great majority of wage and salary earners cannot pay these black market prices from their earnings.

[. . .]

Source: H. Thurnwald, *Gegenwartsprobleme Berliner Familien* [*The Current Problems of Berlin Families*]. Berlin, 1948, pp. 63-67; reprinted in Christoph Kleßmann, *Die doppelte Staatsgründung. Deutsche Geschichte 1945-1955* [*The Founding of Two German States: German History, 1945-1955*]. Göttingen: Vandenhoeck & Ruprecht, 1986, pp. 379-81.

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