



~~CONFIDENTIAL~~

Nº 265

# CENTRAL INTELLIGENCE AGENCY

Senior Research Staff on International Communism

## COMMUNISM IN EASTERN EUROPE Post-Stalin Developments in the Satellites

CIA/SRS-7  
PART II/C

JOB NO. 80-01445R  
BOX NO. 1  
FOLDER NO. 9  
TOTAL DOCS HEREIN 1



DOCUMENT NO. 1  
NO CHANGE IN CLASS.   
~~X~~ DECLASSIFIED  
CLASS. CHANGED TO: TS S C  
NEXT REVIEW DATE: \_\_\_\_\_  
AUTH: HR 70-2  
DATE: 26 MAR 80 BY: SP-7/STW/CL/557

16 June 1958

# RECORD COPY

~~CONFIDENTIAL~~

9



**WARNING**

This material contains information affecting the National Defense of the United States within the meaning of the espionage laws, Title 18, USC, Secs. 793 and 794, the transmission or revelation of which in any manner to an unauthorized person is prohibited by law.

~~CONFIDENTIAL~~

COMMUNISM IN EASTERN EUROPE:  
Post-Stalin Developments in the Satellites

CIA/SRS-7

PART II/C

EAST GERMANY

This is a speculative study which has been discussed with US Government intelligence officers but has not been formally coordinated. It is based on information available to SRS as of 31 May 1958.

~~CONFIDENTIAL~~

~~CONFIDENTIAL~~

TABLE OF CONTENTS

	<u>Page</u>
Foreword	iii
Part II/C - EAST GERMANY	1
German Reunification July 1955-March 1956	1
The 20th Congress and East Germany	6
The October 1956 Crisis in East Germany	12
Reunification by Confederation	19
Party Factionalism	20
East German Leadership Unaffected by the June 1957 Soviet Purge	23
The Khrushchev Visit	25
October 1957 Plenum Foreshadows a Tightening of the Screw	27
Internal Party Conflict and the February 1958 Plenum	31
Review of the February 1958 Purge	39
Significance of the SED Crisis	45
The Outlook	48

~~CONFIDENTIAL~~

~~CONFIDENTIAL~~

FOREWORD

This report on East Germany is the fourth installment of a series of studies being produced by the Senior Research Staff under the general title Communism in Eastern Europe: Post-Stalin Developments in the Satellites (CIA/SRS-7, CONFIDENTIAL). The three previous installments, labelled Part I, Part II/A and Part II/B, have dealt respectively with general trends in the satellites and with Poland and Hungary. Developments in the other satellites will be considered in future reports, and the series will be concluded with an appraisal of conditions and prospective trends in Eastern Europe as a whole.

~~CONFIDENTIAL~~

~~CONFIDENTIAL~~

PART II/C

EAST GERMANY

German Reunification July 1955-March 1956

1. The German Democratic Republic occupies a special position among the Soviet satellites, inasmuch as it is the state itself - not merely the government - which is an artificial creation of the USSR, viable only with its continued support, and inasmuch as its ultimate fate is a problem of world political importance. Developments within the GDR are therefore inseparable from their international context.

2. It may be recalled that the directives of the heads of governments to their foreign ministers, agreed upon at their Geneva meeting in July 1955, had specified that the "solution of the German question and the reunification of Germany by means of free elections must be carried out in accordance with the national interests of the German people and the interests of European security."

3. From Geneva, Khrushchev proceeded straight to Berlin. In a speech before a rally of East German workers on the Marx-Engels Platz on July 26, 1955, he said:

"The German problem cannot be solved at the expense of the interests of the German Democratic Republic. We are convinced that the working people of the German Democratic Republic will never agree to the abolition of all their democratic reforms". "

In other words, the Kremlin repudiated the Geneva directives. The paramount considerations were no longer the national interests of the German people and European security, but

~~CONFIDENTIAL~~

~~CONFIDENTIAL~~

the interests of the German Democratic Republic, voiced by the working people through the Communist Party leader. Free elections were of course no longer mentioned, at any rate, in connection with the GDR.

4. On the other hand, it did not follow that the interests of the Federal Republic deserved similar respect. Premier Grotewohl, in his speech at the same rally, appealed to the West Germans to overthrow their government - whether by force or by free elections, he did not specify. "Brothers, join hands now . . . It is high time," he said, "that Social Democratic, Communist and non-Party workers, trade unionists and Christian workers in West Germany stood together and united their entire strength against monopolists and their like, against exploitation and hardship . . . Then an understanding among the Germans will become a fact and the reunification of our Fatherland in a peaceful and democratic way will be achieved."

5. Having hit upon the simple expedient of washing their hands of responsibility for the reunification of Germany by passing the buck to their East German comrades who could be trusted not to abolish their own jobs, the Soviet leaders belatedly did whatever they could to enhance the status of their creation. A treaty on relations between the GDR and the USSR, confirming full equality in relations between the two states and granting the GDR full responsibility for its frontiers and lines of communication, was signed in Moscow on September 20, 1955. It drew a strong protest from the Western Powers, who continued to refuse to recognize the existence of a state in the Soviet Zone.

6. On the occasion of the signature of the treaty, Bulganin declared with a straight face that "the Republic is developing successfully because the state has deep roots in the entire history and life of the German people." Khrush-

~~CONFIDENTIAL~~

~~CONFIDENTIAL~~

chev was on firmer ground when he asserted that the "building of socialism in the German Democratic Republic is such an important undertaking that it is impossible to find words to describe its full significance and greatness at this moment." On the theory that attack is the best defense, part of the treaty's significance was revealed by Neues Deutschland of October 6, 1955, the eve of the republic's sixth anniversary;

" . . . our German Democratic Republic lives and flourishes and will one day spread out and encompass the whole of Germany, since such is the will of the people."

7. In the meantime, the status of the GDR was deemed by the Kremlin to have grown so rapidly between July and November 1955 that Molotov at the Foreign Ministers Conference felt obliged to reject the Western proposals for the implementation of the agreement on free all-German elections, on the ground that they were "in obvious contradiction to the actual situation in Germany." In his final statement, Molotov emphasized once again that the German question could not "be solved now without taking into consideration the fact that there exist two German states with different social structures. . . ."

8. The solution, attributed to the East German government, which allegedly gave due consideration to the fact of the existence of two German states, had been submitted by Molotov on November 2. It proposed the establishment of an all-German Council composed of parliamentary representatives of East and West Germany as a consultative body on matters of common interest. Mixed committees would discuss matters relating to economic and cultural ties between the two German states. Molotov asserted that the establishment of the All-German Council would not "violate the interests of either of the existing states," nor must it "affect the social order obtaining in the German Democratic Republic or in the German Federal Republic." However, Molotov maintained it was

~~CONFIDENTIAL~~



~~CONFIDENTIAL~~

necessary "that their representatives should finally start a joint discussion of all problems which disturb the German people. It is necessary that a rapprochement and cooperation start between the two republics. Without it, it is impossible to prepare the unification of Germany. "

9. At the end of November 1955, steps were taken to ensure even firmer control over the government by trusted Party members. Three new deputy chairmanships of the Council of Ministers were created, six of the ten posts being held by members of the Socialist Unity (Communist) Party, the SED, with Walter Ulbricht, the First Party Secretary, as first deputy chairman.

10. The law of January 18, 1956, for the creation of East German national armed forces and a Ministry of Defense, ostensibly motivated by the rearmament of West Germany, was a further step in the process of endowing East Germany with the formal attributes of sovereignty and equality with the other "sovereign" satellites. The communiqué issued on January 28, 1956, upon the conclusion of the Prague sessions of the Political Consultative Committee of the Warsaw Pact, announced that the East German People's Army had been formally accepted into the command of the Warsaw military organization.

11. The new Soviet position with regard to East Germany was made unmistakably clear by Khrushchev's statement to the 20th Congress of the CPSU in February 1956:

"In Germany herself the alignment of forces is different from what it was in the past. The German Democratic Republic . . . has gained in strength to such a degree that today it is no longer possible to speak of settling the German issue without its participation or at its expense. "

[REDACTED]

And Tass, taking the West German Foreign Minister to task for "spreading illusions about the methods of re-unifying Germany," stated on March 1, 1956, that

"in view of the fact that two sovereign states have been internationally recognized to exist in Germany, the only way to re-unification must be by negotiations between the GDR and the Federal Republic. Taking into account the actual situation in Germany, one must realize that there is no other way to solve this problem."

12. Tass failed to explain what had happened since July 1955 when the reunification of Germany not only could, but must be effected by free elections. It was for obvious reasons reluctant to mention the only event having any bearing on the subject, the treaty concluded by the USSR itself with the GDR, for Moscow was apparently unable to think up a plausible justification for this step, or to explain why this particular gesture was so important or irrevocable.

13. However, in order to avoid the otherwise inevitable conclusion that the Communist line on Germany amounted to a veto of reunification, - for who could expect the East German Communists to negotiate the loss of their jobs and power? - they were careful to reiterate their profession of faith in the validity for West Germany too of the basic tenet of the inevitable universal triumph of Communism. Ernst Wollweber, Minister for State Security, said on February 22, 1956:

"The victory of Socialism in the whole world no longer lies in the distant future . . . In Germany, the path is to secure and strengthen the workers' and peasants' power in the GDR and to carry out a democratic transformation of Western Germany."

~~CONFIDENTIAL~~

Ulbricht told the members of the Third SED Conference (March 20-30, 1956):

"We are not at present raising any Socialist demands for the whole of Germany, but we declare not only that the Socialist achievements of the GDR must be safeguarded when reunification is brought about, but also that they are a prerequisite for a peaceful and democratic future for the whole of Germany. As Socialists, however, we say openly that a Socialist Germany is our objective, for this conforms to the conditions determining the development of society."

The 20th Congress and East Germany

14. In the meantime, in line with the "popular front" tactics for Communist takeovers resurrected by the 20th Congress of the CPSU, the Third SED Conference invited the West German Social Democrats (SPD) to cooperate in forming such a front, stressing the SPD declarations against rearmament and participation in military blocs. It was presumably with the intention of paving the way for this cooperation with the evolutionary wing of socialism that Ulbricht, in his report on the proceedings of the 20th Congress he had attended, had emphasized the "new situation." The Congress had recognized, Ulbricht said, that the Socialist camp had become strong enough to be henceforth comparatively safe from attack. Hence, Communist theory no longer considered violent revolution a necessary step on the road to socialism.<sup>2</sup>

---

<sup>1</sup>Published in the East German papers of March 4, 1956.

<sup>2</sup>Applying this theory to German conditions, the resolution adopted by the 23d session of the West German Communist Party (KPD) meeting in East Berlin on March 17 and 18, 1956,

~~CONFIDENTIAL~~

~~CONFIDENTIAL~~

15. East Germans presumably also read with some satisfaction Ulbricht's reference to the rejection by the Moscow Congress of Stalin's view that with the advance of Socialism class war was intensified, but for the rest, Ulbricht, like the other holdovers from the Stalinist era in the satellites, naturally enough soft-pedalled de-Stalinization. Concerning Stalin himself, Ulbricht merely voiced the opinion that, in spite of his significant services in the building of Socialism, he had, when he "later placed himself above the Party and fostered the cult of the individual, " caused considerable damage to the Soviet Communist Party. Consequently, one could not "reckon Stalin among the classics of Marxism." But even this relatively mild criticism of Stalin was not repeated by Ulbricht in his March 24 speech to the SED Conference. The Party meeting reflected the Moscow developments by stressing the merits of collective leadership and of broader responsibilities for legislative bodies, and by setting up a "Commission for Measures for Broad Development of Democracy in the GDR." The Commission's chief task seemed to be to review cases of un-

---

dropped the demand for the revolutionary overthrow of the Adenauer regime contained in the November 1952 "Program of National Reunification of West Germany." Instead, it demanded the creation of a "democratic people's movement, " since the former slogan, under present conditions and considering the degree of maturity of the classes of the Federal Republic, would prevent a rally of the masses of workers and of all other democratic forces. In practice this meant that in future the KPD would follow the tactic of collaborating with the SPD instead of fighting it, in order to achieve "unity of action of the working class" with the hope of winning the 1957 Bundestag elections. The Communists allegedly hoped thus to contribute to the realization of fundamental social reforms, but their real aim, it is safe to assume, was to prevent the re-arming of Western Germany and to achieve its withdrawal from NATO.

~~CONFIDENTIAL~~

justified removal from the Party of "workers and working peasants, " which seemed to limit its activities to low-level Party members, particularly as there had been nothing comparable to the Rajk case in the GDR. The widespread but illogical hopes that the very unpopular Ulbricht would be the chief victim of de-Stalinization were effectively dashed by Deputy Premier Heinrich Rau and SED Central Committee Secretary Karl Schirdewan. Rau defended Ulbricht against the "hysterical attacks of the enemy, " and Schirdewan made it clear that "the decisive turning away from the personality cult does not mean the negation of the role of personality within the elected organs of the Party. "

16. In general the Party, as in most other satellites, took the line that corrective action against the most glaring abuses had been taken as far back as 1953, that some improvement was, however, still possible and would be carried out, but that the chief task was the improvement of economic conditions, a problem to which Ulbricht devoted the greater part of his speech. The standard of living in the GDR, he claimed, had improved since 1953, when it had been largely responsible for the June revolt, but it was still admittedly low, especially in comparison with West Germany. The regime was natur-

<sup>1</sup>  
A rough idea can be gained from the following figures:

	<u>Consumer Goods</u>		<u>Food Industries</u>	
	<u>GDR</u>	<u>FR</u>	<u>GDR</u>	<u>FR</u>
1936	100	100	100	100
1950	56	113	88	108
1953	76	152	113	154
1955	83	184	115	178

(Wolfgang Stolper in The Quarterly Journal of Economics, Cambridge, Mass. November 1957, p.540).

~~CONFIDENTIAL~~

~~CONFIDENTIAL~~

ally lavish in its promises of betterment: the end of rationing in 1957, a shorter work week, more and better consumer goods, larger pensions, additional housing facilities - all of them to be achieved without cutting back industrial development plans. The regime was, however, careful to add that any radical improvement depended upon an increase in productivity - a precaution which greatly increased the credibility of the promises, but by the same token reduced their morale building value considerably, a factor of particular importance for East Germany. For during the seven years from 1948 to 1955, the GDR's net loss of population as a result of migration to West Germany had amounted to over 1.6 million, mostly young men, that is about 10% of the population. The consequences of this manpower loss for production, the armed forces, the demographic structure of the country, and for Communist propaganda, were serious.

17. In the fraternal greetings sent by the Third Party Conference to the CPSU, the term "People's Democracy" was used for the first time to describe the East German state. It was obviously meant to indicate that the Communist Bloc considered the situation final, regardless of eventual reunification.

18. The fact that Ulbricht and his associates had made it very clear that they - and the Kremlin - had no intention of drawing the consequences for East Germany from the indictment of Stalin and his methods and of making room for a more liberal and humane team did not mean that the matter was closed as far as the East German people in general and the SED rank and file were concerned. What they resented and what they wanted are revealed by reproofs and statements of the Party leaders.

---

<sup>1</sup>  
Ibid., p. 524.

~~CONFIDENTIAL~~

19. On April 29, 1956, for example, Neues Deutschland carried a Party statement denying that personalities had been glorified in the SED. "The emphasis put on the role of leading and particularly outstanding labor leaders like Wilhelm Pieck, Otto Grotewohl, and Walter Ulbricht, " the statement explained, had "nothing to do with the cult of personality, " but had been "an important symbol and a beneficial and uniting element in the relations between the Party and the working class and the people . . . " Neuer Weg of June 27 declared that disciplinary measures would be used to check rank and file agitation against the Party leadership and demands for secret elections of Party officials. Unrest and dissatisfaction were particularly widespread among members of the intelligentsia and students. In June 1956 Ulbricht complained to Party activists at the Humboldt University in Berlin that "bourgeois opinions regarding freedom, uncertainty about democratic centralism in the Party, and even nihilist views which negate the role of the Party and state leadership" had been apparent at Party meetings in the academic sphere.

20. On two points only was the leadership prepared to make actual concessions to the spirit of the times. Several hundred thousand of the lowest paid workers received wage increases, and on June 4, prices of textiles, shoes, clothing and a number of luxury items were cut 25 to 60 percent. Furthermore, following upon sharp criticism by Premier Grotewohl of the methods of the State Security Service and the judicial organization in the GDR, steps were taken to correct some miscarriages of justice in the past.

21. These concessions were hardly sweeping enough to curb the general discontent. Something more was needed. To obtain the indispensable help, virtually the whole top level of the East German government journeyed to Moscow for two days of conversations. The joint communiqué, issued on July 17, 1956, betrayed the intent to enhance the prestige

~~CONFIDENTIAL~~

of the Ulbricht regime by strengthening the obstacles to the reunification of Germany. It reasserted the Soviet-East German aspiration for German unity, which, as the Council of Ministers subsequently explained in East Berlin, was "not simply a matter of the preservation and inviolability" of East Germany's socialist achievements, but of "the realization of these principles in Germany as a whole." In the meantime the East German regime was to be helped to raise the standard of living by the halving of Soviet occupation costs, by increased deliveries of modern machinery, and by long term credits on favorable terms.

22. In his subsequent report to the 28th Plenum of the SED Central Committee, Ulbricht explained that the Soviet assistance was designed to enable the GDR to compete with and even to surpass West German achievements in science, technology, and living standards, since, he now admitted, "this economic competition will be decisive for the future of Germany." But Ulbricht was careful to point out that the abolition of rationing, promised for 1957, would depend upon an increase in agricultural production, and that during the Second Five-Year Plan there would be "a contradiction between the rapid growth of the needs of the population for consumer goods and the development of productive forces."

23. In the political sphere, Ulbricht at last admitted that Khrushchev's exposure of Stalin had "moved Party members to the very depths and at the beginning led to bewilderment among some members." The organizations primarily affected were those "in technical schools, universities, theaters, and press representatives." Ulbricht further conceded that although the Central Committee had worked to eliminate manifestations of the personality cult since 1953, "there have been errors repeated in this connection," and that "collectivity in the Politburo could be constantly strengthened by continued critical evaluation of its work."

~~CONFIDENTIAL~~



~~CONFIDENTIAL~~

24. Presumably needed by Khrushchev, as Rakosi had been in Hungary, the Central Committee announced the reinstatement of 89 out of 115 Party members who had been expelled in 1952 and 1953, among them Franz Dahlem and Anton Ackermann, the principal exponents of a "German road to Socialism," but not of Wilhelm Zaisser and Rudolf Herrstadt, who had challenged Ulbricht's Party control most openly.<sup>1</sup> It was further announced that 691 Social Democrats, 330 war criminals, and 15,000 guilty of "criminal and other offenses," had been released, the review of their harsh sentences passed under cold war conditions having been made possible by the improvement in East-West relations. But demands for loosening of regime controls, ascribed to "imperialist agencies," were branded as attempts by the enemy to promote "counter-revolution." Two noteworthy admissions were made - collectively - by the Central Committee: the first, that slavish adherence to Stalinist policies had led to a paralysis of personal initiative and prevented an objective study of social and political problems in East Germany. The second, that "the bureaucratic and soulless attitude of state officials which violated the private interests of citizens," was at least partially responsible for the flight to West Germany of a growing number of badly needed technicians, skilled workers, and prospective conscripts. Who bore the remaining responsibility was of course left unsaid.

#### The October 1956 Crisis in East Germany

25. All available evidence shows that even the relative liberalization of the Party Line failed to allay the dissatisfaction with the Ulbricht leadership prevailing in the Party as well as in the population at large, particularly in the

---

<sup>1</sup>It may be interesting to recall that Karl Schirdewan had been foremost in 1953 in denouncing the "group and fraction" activities and the "miserable menshevist tactics of the Party-hostile Herrstadt-Zaisser group."

~~CONFIDENTIAL~~

~~CONFIDENTIAL~~

Universities. Hopes that Ulbricht would be purged persisted for a long time, at any rate up to the Polish upheaval and the Hungarian uprising in October. Except for a certain effervescence among the students and intellectuals, the critical period from October 18 to November 5, 1956, had passed without disturbance in East Germany. It had to be recognized that, whether by luck or by design, Ulbricht had successfully avoided the Scylla of allowing the opposition too much rope and the Charybdis of unyielding Stalinism. He had therefore, from the orthodox Communist point of view, done a good job. It is true that he had been greatly helped by the fact that no militant factionalism had developed in the upper Party echelons and that the population as a whole had remained passive. There was evidently no general disposition to repeat the experience of June 1953, and the most recalcitrant elements of the population simply swelled the ranks of those escaping to West Germany.

26. However, if it was true that the failure of the Hungarian uprising had once more brought home to the satellite peoples the futility of attempts to throw off the Russian-Communist yoke, the success of the Poles in achieving a measure of liberalization did encourage manifestations of similar aspirations in the GDR. The atmosphere in a number of meetings of workers and students which were addressed by Party activists during that period is reported to have been tense, and sharp complaints were voiced. A meeting called on November 2 by a group of students of the Veterinary Faculty of Humboldt University to protest against the compulsory study of Marxism-Leninism and of Russian, was particularly stormy. Although no overt acts of insubordination occurred, the leadership found it advisable to hold out prospects of additional economic concessions, while obstinately - and evidently wisely, from its point of view - refusing any relaxation in the political field. On the other hand, only few arrests were made, and these were limited to the most strongly revisionist intellectual circles, Wolfgang Harich,

~~CONFIDENTIAL~~

lecturer in social science at the Berlin Humboldt University, and some of his friends being the most notable victims, but a number of students were also included. Ulbricht apparently had drawn the conclusion from the happenings in Poland and Hungary that "liberal" Communist intellectuals represented the greatest threat to Communist regimes. It was they who prepared the ground for violent upheavals carried out by students and workers.

27. It remained nevertheless true that economic conditions had a great deal of influence on the effectiveness of the intellectuals' spade work. Moreover, if East Germany was ever to be able to lure the West Germans into the Communist fold a substantial improvement in the standard of living had to be achieved. However, Ulbricht was able to do remarkably little: worker-management councils with very limited rights, but broad duties to help increase production, were promised to state enterprises at a Central Committee meeting on November 12-14, pensions were somewhat increased, and the 45-hour week was adopted, a concession practically offset by the unofficial requirement of 2-3 hours a week of "voluntary" work. It was true that the Polish and Hungarian developments had raised new and serious problems for the East German economy. Polish coal deliveries and Rumanian oil shipments via Hungary had been seriously reduced; a visit to Warsaw on December 11, 1956, by an SED Politburo delegation remained fruitless, judging by the reproach of selfishness raised against the Gomulka regime in Neues Deutschland (December 14, 1956). Considering the sharp polemics on the subject of the correctness of the respective policies of the Warsaw and Pankow regimes in which the press of the two countries had been engaged since October, Poland's refusal to subordinate her interests to those of the GDR was not surprising. In the end, it was the USSR which had to step in with increased coal deliveries to save the situation in this vitally important satellite. At the same time, the GDR production plan for 1957 was revised downward.

~~CONFIDENTIAL~~

~~CONFIDENTIAL~~

28. Although its attitude by that time could hardly have been considered ambiguous, the Ulbricht regime found it useful to restate its complete loyalty to the CPSU, expressly recognizing its leading role. This statement was issued in a joint communiqué after a meeting of delegates of the GDR and Czechoslovak Communist parties, December 9-10, 1956. The communiqué also reaffirmed a firm decision to combat "alleged national Communist tendencies."

29. A comprehensive restatement of the "Basic Questions of SED Policy" was given by Ulbricht in his report to the 30th session of the Central Committee on February 3, 1957. As was to be expected, Ulbricht dealt at great length with the thorny problem of "different roads to socialism," concluding that the general principles of socialism must of course be the same in every country, variations called for by differences in concrete conditions being permissible only with regard to "the forms and methods of the political seizure of power by the working class, the pace and methods of socializing the most important means of production and of the other socialist transformations, the forms of socialist democracy, and so forth." In such matters socialist construction had to be "creative" and take specific conditions into account. Ulbricht did not miss the opportunity to pay tribute to "the CPSU Politburo under the leadership of Comrade Stalin," which had "particularly called our attention to the fact that we in Germany cannot simply take over the forms of Soviet power and other Soviet forms."

30. Ulbricht could not resist the temptation to pat himself on the back inferentially, by drawing some lessons from "the Hungarian events." They had occurred because the Hungarian Party leadership had not "consistently carried out the dictatorship of the People's Democracy." It had failed, on the one hand, to "unite closely with the worker class" and to maintain the "alliance with the working peasants" but had, on the other, "permitted the activities of counter-

~~CONFIDENTIAL~~

~~CONFIDENTIAL~~

revolutionary forces, " led by the Petöfi Circle, and had paid insufficient attention to the "military preparations of foreign agencies. "

31. In the GDR too, Ulbricht had to admit with regret, there "had been some misunderstandings" in evaluating the decisions of the 20th Congress of the CPSU and the 3rd SED Conference. Luckily, they had now been supplanted by a "realistic evaluation of the situation." Ulbricht conceded, however, that Khrushchev's "report on the results of the cult of the individual had a shattering effect upon many, " and that there had been in the GDR "discussions which looked upon the 20th Congress as an appeal for liberalization and adoption of bourgeois democracy"; moreover, "there were those who felt that the Central Committee of the SED adhered too firmly to Marxist-Leninist theory." These demands, Ulbricht implied, were quite unjustified, most of the mistakes having been "abolished after Stalin's death." The real problem which the SED had tried to solve was a "relaxation of the tension in Germany" which failed as a result of the revival of West German imperialism. But a "series of regulations and practices" stemming from the severity of the cold war had been eliminated, and "every effort was made to see that democratic legality was strictly adhered to." Measures had also been taken "to meet the SPD half way and to facilitate the creation of a bloc of the workers' parties and labor unions. "

32. Ulbricht also revealed that requests for the publication of the full text of Khrushchev's report had been made. They could not be granted, he argued, because the Congress resolutions had been published verbatim and "themselves contained the conclusions on which future policy was to be based" - thus relieving the Germans of the trouble of drawing their own conclusions. Furthermore, the report was limited to the question of the cult of the individual, "particularly the violation of Soviet legality"-presumably none of the Germans' business. Moreover, Ulbricht felt, "we, as Ger-

~~CONFIDENTIAL~~

mans, have the least right to discuss mistakes which occurred in the Soviet Union at a time when the Soviet Union was threatened by fascist Germany . . . The Soviet government and Comrade Stalin were right in taking certain internal and external security measures after Hitler came to power. In this process, Comrade Stalin violated the Soviet laws for a time . . ." However, "after the abolition of the cult of the individual, Comrade Stalin has been correctly appraised. We will continue to respect his works and to learn from them . . . "

33. As for the GDR, Ulbricht declared that "neither the agitation of the enemy against Stalinism, nor revisionist theories, nor certain experiments in Poland, which were recommended to the GDR, could divert us from the right way" which had been followed since the 3rd Party Congress. Ulbricht admitted that "the socialist camp had suffered somewhat through the counterrevolutionary putsch in Hungary, " but he claimed that "many citizens who previously had thoughtlessly demanded 'liberation' are thankful today that events such as those in Hungary or certain developments in Poland were made impossible." What Ulbricht obviously meant to imply was that it was thanks to his wisdom and firmness that the East Germans had been saved from foolishly following the same course as the Hungarians, leading to the same results.

34. One of the chief mistakes made by the Hungarian Party leadership had been, in Ulbricht's opinion, its failure "to carry on the ideological struggle against the revisionism of Nagy, Losonczy and other members of the Petöfi faction and of the Writers Association. The Hungarian Party and working class had to pay dearly for this mistake." Ulbricht's prescription was intensification of "individual Party work with the leading representatives of the intelligentsia, " explanation of "unclear questions in personal conversations, " and similar remedies. If Ulbricht expected factory workers to emerge victorious from debates over problems of

~~CONFIDENTIAL~~

~~CONFIDENTIAL~~

economy, sociology, philosophy, and so on, with a Herr Professor and to convert them to their views by the sheer force of superior logic and knowledge, he was certainly over-optimistic, particularly as he himself conceded that the Party cadres were deficient both in political education and in technical knowledge. Personally, Ulbricht does not seem to have tried to use the method of persuasion when he had the opportunity with the members of the Harich group, for he never mentioned any such attempt. He found it simpler to deal with them "administratively," although they were charged with no open "counterrevolutionary" act. Their crime was to have pursued "the elimination of SED leadership and the separation of the GDR from the Soviet Union," and the abolition of the economic ministers, the Ministry of State Security, and the MTS.

35. There was apparently another only slightly less dangerous group of "comrades of Party organizations at institutes," whose basic heresy was the elimination of "democratic centralism by independence and by deciding general questions through discussions and comments in the basic Party organizations." This, Ulbricht declared, meant nothing less than "the destruction of the workers' and peasants' power." Some economists - Ulbricht mentioned Professors Benary, Behrens, and Vieweg - demanded a return to a market economy based on supply and demand and frankly admitted their belief that it was time for the state to begin to wither away. This heresy, Ulbricht explained, meant putting the "alleged contradiction between the democratic interests of the working masses" and the "bureaucratic dictatorship of the state" ahead of the struggle between imperialism and socialism. Its source was to be found, he said, in the erroneous views expressed by Yugoslav comrades, such as Kardelj, which, if applied, would mean the "liquidation of the workers' and peasants' state." Other comrades went so far as to demand "open meetings" in which non-members could participate on an equal footing with Party members, and there were even "several" party members who - horribile dictu - had disseminated enemy slander against

~~CONFIDENTIAL~~

~~CONFIDENTIAL~~

leading comrades in the Party! But, Ulbricht reassured his audience, "the deliberation and decision of these basic questions of SED policy will lead to the consolidation of the worker-peasant power in the GDR."

#### Reunification by Confederation

36. Ulbricht seized the opportunity to reformulate the GDR demands concerning German reunification. His involved and often ambiguous statement on the subject seemed to mean that the "only" preconditions on which the GDR insisted now were "the abolition of compulsory military service in West Germany, the bilateral limitation of armed forces, and the removal of the leading Nazi functionaries from the state and economic apparatus." Moreover, a European collective security system and a zone of reduced armaments would have to be created.

37. "The GDR does not demand as a precondition" Ulbricht continued, "that Socialist transformations take place in West Germany." All it did demand was that "the worker class create by itself, in alliance with the middle class and with circles of the national bourgeoisie, the foundations . . . of the United Germany." For this it would be necessary to hold a plebiscite on the transfer of key industries into people's property, on a democratic land reform, and on a school reform." It was explained that small stockholders should be given full compensation for their shares, large stockholders partial compensation, and only holdings exceeding 100 hectares should be expropriated - presumably without compensation.

38. Once the necessary preconditions had been fulfilled and the foundations built, the next step was to set up an all-German council, composed of an equal number of representatives from both states, which would exercise the functions of a government of a German Confederation and



~~CONFIDENTIAL~~

"prepare . . . the establishment of a uniform administration, " i. e. uniform currency, customs union, unified transportation and communications system, etc. It would also prepare "on the basis of negotiations between equals" the "free all-German elections for the National Assembly, " which would be truly democratic, because "the financing of parties by monopoly capital, the buying of deputies, and the control of press and radio by the big capitalist monopolies" would have been eliminated. The National Assembly would then form a new government and adopt a constitution.

39. It should be added, however, that even Ulbricht felt obliged to explain that the preconditions for the fulfillment of his precondition were a defeat of Adenauer's CDU at the next Bundestag elections and "the strengthening of the will for action of the worker class."

40. Considering the Communist aversion against plebiscites, it may be interesting to note that Ulbricht recommended that most of the preconditions, namely, withdrawal from NATO, nationalization of key industries, land reform, and school reform, should be decided by plebiscites in Western Germany. In East Germany, of course, everything had to be decided by representatives chosen on the basis of the "valid election regulations."

#### Party Factionalism

41. The course followed by Ulbricht to restore the "monolithic" unity of the Party showed some flexibility, superficially at any rate. Besides Dahlem, two other Communist leaders, Hans Jendretzki and Alexander Abusch, who had been considered opponents of Ulbricht with national Communist leanings and had been in disgrace since 1952, were admitted to the Central Committee of the SED, but, judging by their subsequent attitudes, only at the price of assurances of their future loyalty. This impression is confirmed by the fact that Ulbricht showed

~~CONFIDENTIAL~~

no sign of a conciliatory spirit toward those intellectuals who did not recant. Harich was sentenced to 10 years' penal servitude (March 9, 1957). Professors Benary, Behrens, and Günther Kohlmey, of the Institute of Economic Science, who had also criticized the predominance of administrative over economic pressure in the state-owned enterprises, got away merely with a refutation of their defeatist views in a special issue of Wirtschaftswissenschaft and a critical rebuttal by orthodox economists in Einheit (No. 2, 1957), which revealed on the same occasion that these revisionist views had been "spreading in the Institute of Economics of the Academy of Science for over a year without meeting opposition." Professor Vieweg, who had advocated abolition of the MTS - and thus like Professor Harich committed the mistake of anticipating Khrushchev - and of farm collectivization as well, was expelled from the executive of the Peasants' Mutual Aid Association and at the end of March found it advisable to flee to the West.

42. Among the philosophers, besides Harich, Professor Ernst Bloch, of the Karl Marx University in Leipzig, was accused in the student newspaper Forum of having propagated a "mystic philosophy of hope" which had provided "an ideological basis for . . . destructive criticism of our social and state order," although it falsely represented itself as Marxist. Professor Bloch resigned his professorship in February 1957. Professor Havemann, of the Humboldt University, had propounded the theses that the study of Marxist philosophy was unnecessary for those not specifically concerned with philosophical studies, and that to "assess a scientific result only according to whether or not it conforms to dialectical materialism is fruitless and philosophical dogmatism."<sup>1</sup> Professor Havemann got away with a retraction of his views, published in the same paper (March 20, 1957).

---

<sup>1</sup> Neues Deutschland, July 8, 1956.

~~CONFIDENTIAL~~

~~CONFIDENTIAL~~

43. The radical "revision" of the curricula in political theory and social science, besides the elimination of the Russian language from the list of compulsory subjects, had also been among the reforms most insistently demanded by the students, but the Ulbricht regime was no more inclined to make concessions to the students than to the faculty members. The Party Central Committee warned that "only those can study at our universities who are devoted to the Workers' and Peasants" State<sup>1</sup>, and on March 16, the authorities announced that before being admitted to study at a university, young people would first have to work a year in industry and produce a favorable report from the plant management, the Party, the trade union, and the youth organization.<sup>2</sup> Nevertheless, student unrest continued, particularly at the Humboldt University. In May Professor Schuetzler, dean of the Veterinary Faculty, who had shown considerable sympathy for the organizers of the November protest, and one of his colleagues defected to the West. Over a hundred students who boycotted the lectures of his successor were suspended, and twelve students, threatened with arrest for their role as ringleaders of the "opposition," also fled to the West. To reduce contacts with the West as well as the number of students "visiting" West Germany and failing to return, a regulation requiring a special permit from the educational authorities to visit NATO countries was issued on May 29.

44. Reports of a "tense atmosphere" among some workers in coastal areas and of tumultuous scenes in shipyards, provoked by economic grievances, which appeared in the Neue Zürcher Zeitung of March 29, 1957, seemed con-

---

<sup>1</sup> Neues Deutschland, December 14, 1956.

<sup>2</sup> General enforcement of the decision seems, however, to have been held in abeyance, serving meanwhile as a sword of Damocles.

~~CONFIDENTIAL~~

~~CONFIDENTIAL~~

firmed by the staging of "exercises" in many East German cities by newly organized armed workers' detachments (Kampfgruppen). These "exercises" were evidently intended to intimidate the malcontents. The existence of serious shortages and therefore of grounds for discontent seemed also to be borne out by the GDR Economic Plan for 1957, which called for an increase in industrial production of only 6% and a concentration of the available resources on the lagging raw material and fuel bases. Under the circumstances, production of consumer goods could not be increased, and the promised abolition of food rationing had to be postponed once again. It was widely asserted that the plan, however unsatisfactory from the consumers' point of view, nevertheless represented a retreat by Ulbricht, who had demanded larger investments in long-range industrial projects.

East German Leadership Unaffected by the June 1957 Soviet Purge

45. The announcement over the East Berlin Radio, on July 3, 1957, of the purge of the "anti-Party group" of the CPSU Presidium, headed by Malenkov and Molotov, gave a vivid illustration of the degree of real East German sovereignty. The broadcast included the reaction of the SED Politbüro - not signed, as was customary, by Ulbricht - to the effect that it backed the CPSU decision completely, although it soon became obvious that the SED leaders were at sea as to its implications for the GDR. On July 5, Neues Deutschland carried an article by H. Matern, member of the Politbüro, in which he enlarged on the theme of Party unity, but carefully refrained from the usual assurances of loyalty to Ulbricht, or even to the Party leadership in general. The other newspapers, not wishing to take any risks, prudently abstained from any comment. Hopes were running high in GDR party circles that the unpopular Ulbricht would not survive the condemnation by the CPSU of dogmatists and sectarians, i. e. Stalinists, and would be replaced by the more conciliatory

~~CONFIDENTIAL~~

~~CONFIDENTIAL~~

Karl Schirdewan, Secretary of the SED Central Committee, but one never could tell. Ulbricht, after all, had never opposed Khrushchev, as far as was known, and had steered the GDR through the crises of the preceding autumn without major disturbances, so there was no reason for him to have incurred Khrushchev's displeasure. Events were soon to prove that Ulbricht's credit in Moscow remained as good as ever.

46. The 32nd Plenum of the SED Central Committee (July 10-12, 1957) proceeded uneventfully under Ulbricht's unruffled guidance. One of the most striking revelations was made by Party Secretary Alfred Neumann, when he took the labor unions (FDGB) to task for their strong tendency to deal exclusively with social and economic questions "bluntly speaking - to adopt a position of political neutrality . . . their executive boards conducted an unsatisfactory fight against revisionism."

47. After a strong speech by Heinrich Rau, Minister of Foreign Trade, who blamed the deficiencies of the GDR economy on the structure of the economic apparatus, Ulbricht announced that proposals for the simplification and improvement of planning and of the working methods of the state apparatus were being actively prepared. Economic planning was to remain centralized, but greater operational responsibility was to be granted to local authorities. This course happened to be in line with the industrial reorganization initiated by Khrushchev in the USSR, and was by no means a concession to the economic "revisionists" such as Benary and Behrens, whose views were on the contrary, once again sharply criticized in Neues Deutschland (July 10, 1957). During the last weeks of July, a number of well publicized trials of individuals - including four members of the Harich group - accused of conspiring to overthrow the government, bore witness to the regime's adherence to the policy of repression. Indeed, the public prosecutor was at pains to

~~CONFIDENTIAL~~

convey the impression in his indictment that had it not been for the leadership's exceptional firmness and vigilance in November 1956, the GDR would have been the scene of events similar to those in Hungary.

48. The regime's efforts to subjugate the East German Evangelical Church culminated in the creation of a special Secretariat for Church Affairs and a regulation, effective July 1, 1957, transferring the responsibility for dispensing the state subsidy to the Church from the Finance Ministry to the District Councils. The object was to circumvent the authority of the Central Office of the Church, headed by Bishop Dibelius in West Berlin, and to provide the local authorities with a lever to be used on the lower echelons of the Clergy.

#### The Khrushchev Visit

49. The GDR program for the reunification of Germany, based on a negotiated confederation after the withdrawal of all forces and troops, was once again set forth in a statement issued on July 27; this was followed on August 7 by the visit by Khrushchev, who naturally strongly endorsed the program. Khrushchev, moreover, made it clear that those who favored the mutual withdrawal of foreign troops from Central Europe in the hope that the satellites would then be able to choose their own form of government and institutions, free from foreign coercion at least, were mistaken.

50. Premier Otto Grotewohl, in a speech delivered at Rostock on August 11, 1957, expressed approval for Khrushchev's statement that restoration of German unity was a matter for the German people to decide, adding:

"Comrade Khrushchev said something else which is of the utmost importance to us. He told the People's Chamber: 'You can be certain that the USSR, and the other socialist countries will,

~~CONFIDENTIAL~~

~~CONFIDENTIAL~~

in case of need, do their duty by the German Democratic Republic and defend its democratic achievements, freedom, and independence.'

"Well, dear friends, this is not a mere diplomatic declaration of friendship. It is more, it is a very grave warning to all those in the Western world who believe that the German Democratic Republic can be softened up and integrated into NATO. It is, I think, a very effective cold shower for all hot heads harboring such criminal plans. Anyone pondering the matter must reflect: he who tries after this declaration to raise his hand against the German Democratic Republic will not merely have his hand knocked down, but will suffer a crushing defeat."

51. One of the purposes of the Khrushchev visit was obviously to squelch the current rumors concerning Ulbricht's impending demotion and to strengthen his authority by a public show of confidence. At a private reception at President Wilhelm Pieck's official residence on August 7, Khrushchev is reported to have described Ulbricht as "the most faithful of all the faithful." And addressing an East Berlin crowd on the 13th, he stated: "The Party and government delegation of the Soviet Union declares we are in full and complete agreement with the policy being followed by the SED and its leadership headed by Comrade Ulbricht," and denied Western reports of friction between Soviet and SED or GDR leadership.

52. Soviet political support of the Ulbricht regime was complemented on 27 September by the granting on favorable terms of additional loans and credits totalling \$175 million - making a grand total of \$785 million since 1953 - and the conclusion of a trade agreement on equally advantageous terms for the GDR. Nevertheless, the government

~~CONFIDENTIAL~~

~~CONFIDENTIAL~~

had to resign itself to reducing its annual gross industrial output growth target, for the 1957-1960 period, from the 9% established in 1956 to 6%.<sup>1</sup> But increased production of consumer goods and food to permit the abolition of rationing - now set for 1960 - was promised once again, without allocation of additional funds, however, and with heavy industry retaining priority. A further indication of the regime's economic difficulties was provided by the currency conversion effected on October 13, which provided for the confiscation of all sums considered as having been acquired by "speculation," and the cancellation of East marks held in West Germany.

October 1957 Plenum Foreshadows a Tightening of the Screw

53. Presumably stung by the sensational defection to the West of Professor Alfred Kantorowicz, one of the GDR's best known intellectuals, Ulbricht, in his speech to the 33rd Plenum of the Central Committee of the SED (October 16-19, 1957), showed considerable concern for the large number of "traitors" continuing to flee to West Germany.<sup>2</sup> He proposed to combat this trend by a widespread propaganda action, although rumors were already current that the main arguments would soon be found in an addendum to the penal code. In the meantime, Ulbricht seemed to be arguing - presumably on the strength of assurances received in the course of the recent Khrushchev visit, that the intelligentsia and others holding bourgeois views might as well give up all hope for a capitalist restoration and cease their fruitless opposition to Communism. At the same time, however, Ulbricht practically admitted that popular disaffection was unavoidable as long as the standard of

---

<sup>1</sup> Announced by Ulbricht on October 17, 1957.

<sup>2</sup> 261,622 refugees were registered in West Germany in 1957, about the same number as in the two preceding years.

~~CONFIDENTIAL~~



~~CONFIDENTIAL~~

living in the GDR remained much lower than in the Federal Republic. Addressing comrades who were apparently more royalist than the king, Ulbricht declared: "There is a question if these comrades have understood that the increase of the supply of goods to satisfy the living requirements of the population is not only an economic measure but that it is of foremost importance in connection with proving the superiority of the socialist system over capitalism."

54. It was hardly a coincidence that Khrushchev had only recently championed "the important Marxist truth that people first and foremost eat, drink, have homes and clothe themselves before they are in a position to engage in politics, science, and art," (Pravda, August 28, 1957). The only differences were that East Germany lacked the millions of acres of virgin Siberian lands and that Germans are somewhat more exigent than Russians. Under the circumstances, Ulbricht had to be content to affirm the Marxist truth in principle and to rely on higher work norms and lower wages for its implementation.

55. The Politburo report was delivered by Matern. He too admitted the existence of "revisionist, bourgeois liberal, and other reactionary ideologies" among intellectuals and students, but claimed that the regime had not tolerated "national Communism" or "wider democratization" under any disguises. Indeed he boasted that the SED leadership had correctly interpreted the 20th Party Congress and had prevented the outbreak of attacks "against the main principles of Marxism-Leninism or against the leading role of the CPSU" - in other words, events in Poland and Hungary had proved the SED had been right in refraining from de-Stalinization, liberalization, collective leadership, etc.

56. Among the few concrete decisions taken by the 33rd Plenum was the creation of a special Politburo Commission for Cultural Affairs under a notorious Soviet tool, Alfred

~~CONFIDENTIAL~~

~~CONFIDENTIAL~~

Kurella. Paul Wandel, the Central Committee Secretary who had been in charge of cultural affairs, criticized himself severely for his weakness and was relieved of his position. Shortly afterwards, Ernst Wollweber, Minister of State Security, who, although he had successfully maintained order in the critical days of November 1956, was generally believed to have been opposed to excessive severity, "resigned" on the grounds of ill health. He was replaced by Erich Mielke, a notoriously "tough" partisan of Ulbricht.

57. There was ample evidence of a new assertiveness and tightening of the screws in practically every field. This included greater emphasis on upward revision of work norms, higher agricultural collectivization goals, pressure on private craftsmen and business men to join cooperatives, harsher punishments and suppression of criticism, efforts to shunt youth to farms, tightening of the Party apparatus, fresh attempts to increase teachers' reliability, heavier indoctrination in educational institutions and in the armed forces, and greater pressure on the clergy. At the same time, a new wave of harassment of traffic to and from West Berlin was set in motion. The legislation, foreshadowed by Ulbricht in his speech to the 33rd Plenum, which made flight from East Germany, assisting flight, or even guilty knowledge of flight, treasonable offences and reaffirmed death or life sentences for some "anti-state" offenses such as espionage or incitement to boycott, was passed by the GDR Volkskammer on December 13, 1957. Although Neues Deutschland denied editorially that these revisions of the penal code would harden judicial repression, it had to concede that they would at any rate not liberalize it - as had been promised after the 20th CPSU Congress in the spring of 1956.

58. It was hardly a coincidence that at the same time the East German press carried accounts of numerous convictions of people accused of spying and sabotage, in striking contrast with the rarity of such items during the

~~CONFIDENTIAL~~

~~CONFIDENTIAL~~

preceding 18 months. There were also reports of the sentencing of members of the clergy for illegal financial transactions with West Germany and for "inhuman measures" against young people, presumably referring to denial of confirmation to those who had accepted the Communist "Jugendweihe."

59. Implementation of the harder line in the economic sector, however, proved considerably more troublesome. In the top Party leadership there existed strong opposition to the plan to force exports at the expense of consumer goods, to raise the norms or, what amounted to the same thing, to reduce wages; it was argued that these measures would increase worker dissatisfaction much more than production, causing dangerous unrest as in 1953, and increasing flights to the West. Among Party leaders there was also strong opposition to Ulbricht's plan to reorganize the industrial structure along lines of greater local autonomy and of plant mergers, which would be accompanied by the abolition of a number of ministries, following the Soviet pattern.

60. Their ostensible grounds for opposition to this plan, or at any rate for urging its very gradual implementation, were the lack of trained personnel to fill the new district (Bezirk) economic posts, the increased cost in both personnel and money, and the doubtful advantages to be gained, at least in the immediate future. What was more urgently needed, the opposition leaders argued, was an increase in the inadequate amount of raw materials supplied by the USSR, especially those going into the manufacture of consumer goods. It is of course hard to tell how well founded these objections were, but there seems to be no doubt that another - unpublicized - objection, the reluctance of many economic officials to give up their residences in East Berlin and to move to small provincial centers, was genuine. A highly controversial point, on which Ulbricht himself is reported to have been unable to make up his mind, was the need to increase the rights of the trade unions in setting or changing production plans.

~~CONFIDENTIAL~~

~~CONFIDENTIAL~~

61. A decision also had to be taken concerning implementation of the farm collectivization campaign announced in June. So far, the collective farm sector had been able to expand by taking over abandoned farmlands, but there was little left to be absorbed. There was strong opposition to a recent decision to intensify the pressure on private farms by denying them the use of heavy MTS machinery, on the ground that it would only curtail agricultural production.

62. Finally, as the 35th Plenum was to reveal later, there was sharp disagreement concerning the conditions to be met for reunification. While strenuous attempts were being made behind the scenes by each side to win over the other to its point of view, the dramatic suicide on December 14, 1957 of Gerhard Ziller, Party Secretary in charge of economic affairs, brought the conflict to a boil. According to reliable SED sources, Gerhard Ziller and Fritz Selbmann, a deputy premier and director of the Commission for Industry and Transport, had, under the influence of liquor, sharply criticized Ulbricht's line after a Party meeting of the Wismut A. G., on December 9. Ulbricht, who was duly informed, had a violent argument with Ziller on the 13th, and Ziller committed suicide the following day.

#### Internal Party Conflict and the February 1958 Plenum

63. Paradoxically, the death of Ziller, who was considered the most outspoken opponent of Ulbricht's economic reforms, aggravated rather than improved the situation. Many Party members reasoned that if a veteran and steadfast Communist like Ziller, a man who had preferred to "stick it out" under Hitler rather than to escape abroad, who had a well-established reputation as a competent economist and an able administrator, and who had until recently always been considered a loyal Ulbricht man, had so strongly opposed Ulbricht's economic program, the situation must be indeed disastrous. Reading between the lines

~~CONFIDENTIAL~~

~~CONFIDENTIAL~~

one can discern also the implication that Ziller had been the champion of German as opposed to Soviet interests and patterns.

64. Actually, behind the façade of unity among the Party leaders, the Politburo had been split for a long time between supporters and opponents of Ulbricht's hard line. Five members, Stoph, Ebert, Schirdewan, Grotewohl and Matern, had originally been considered Ulbricht men, while three, Rau, Oelssner, and Pieck, were reckoned as opponents. But in the course of the internal conflict provoked by Ulbricht's attempts to tighten the reins after the 1956 events in Poland and Hungary, Schirdewan and Grotewohl were believed to have opposed Ulbricht with increasing frequency, while Ebert and Matern had retreated into a "neutral" attitude. More particularly, Schirdewan was said to have differed with Ulbricht on economic problems, on the question of the desirability of German reunification, on the proper attitude toward the disaffected students - persuasion instead of repression - and in general on the required degree of subservience to the USSR. Reports from "well informed" sources on what went on behind the scenes are too vague and confused to give a reliable picture of developments within the Party during the month preceding the 35th Plenum, called for January 15, 1958, which was to decide the Party line. In particular, it is hardly possible to tell whether the conflicting views were aired in confidential Politburo meetings or whether Ulbricht used the time before the Plenum to make sure of the full backing of the Kremlin and to win over or intimidate as many opposing or doubtful members as possible. That this was not an easy task can be inferred from the facts that not one of the full Politburo members was rated a staunch follower of Ulbricht, and that the Plenum meeting was twice postponed, first to January 27, and then to February 3, 1958.

65. In his speech at the opening of the Plenum, Premier Grotewohl aptly described the stakes:

~~CONFIDENTIAL~~

"There are two points of view which basically are the core of the whole dispute: one is that of the attempt to set up a second leadership, the other is that of establishing a platform, or the prerequisites for the development of a platform, which, in political respects, is bound to have a harmful effect on our work. Some comrades here have said: we never had such an intention and we have never pursued such aims. But this is precisely the tragic factor in the development of such matters. They begin with personal arguments, they become intense, increasingly pointed and violent. Finally, they become political questions and factions are formed."<sup>1</sup>

66. Although only speeches backing Ulbricht's position were published in Neues Deutschland, and most of these only after a delay of almost three weeks presumably devoted to careful censoring, they yield some clues to the proceedings of the Plenum.

67. The report of the Politburo was delivered by Erich Honecker, a mere candidate member, but one of the few men unquestionably loyal to Ulbricht. After dealing perfunctorily with the standard questions of peace, disarmament, and reunification, Honecker plunged into the burning problem of intra-party strife. The Schirdewan-Wollweber group and others, he said, had engaged in fractional activities.

"They had wrongly understood the decisions of the 20th CPSU Congress. They were of the opinion

---

<sup>1</sup> Radio East Berlin, February 25, 1958. It may be observed, incidentally, that Grotewohl hereby unintentionally confirmed the impossibility for the allegedly "monolithic" Communist parties to escape the formation of factions.

~~CONFIDENTIAL~~

that the policy of relaxation of tensions also meant a relaxation of the struggle against the class enemy. There were sharp clashes in which Comrade Schirdewan took up a position against the Central Committee and its first secretary. "

The unmasking of the Harich group and other counter-revolutionary tendencies had shown, Honecker said, that Schirdewan misunderstood the need to fight revisionism. "We" - Honecker boasted, presumably in contrast to Ochab and Rakosi - "have not permitted counter-revolution to organize itself under the cloak of the struggle against dogmatism. Without neglecting it, we opened a vigorous fight against the main danger - revisionism. We have not allowed any discussion of mistakes to be forced on us!"

68. Wollweber was accused of most culpable negligence in the fight against "hostile agencies" and of having proselytised for the Schirdewan faction. Oelssner's faults lay in the economic sphere: "opportunist distortion" of the agricultural policy of the Party, and advocating "the maintenance of over-centralization in various parts of the state apparatus"; in other words, he had been for a relaxation of the collectivization policy and against industrial decentralization. Honecker conceded, however, that Oelssner had not been a member of the Schirdewan-Wollweber group, although he had helped it.<sup>1</sup>

69. Last but not least, Schirdewan and Wollweber were identified as the principal exponents of a group which showed "unwillingness to understand the danger of the illusory opinion that the unity of Germany should be brought about at any price."<sup>2</sup>

---

<sup>1</sup>Quotations from Radio Berlin Summary, February 8, 1958.

<sup>2</sup>Neues Deutschland, February 8, 1958.

~~CONFIDENTIAL~~

70. The Central Committee was requested to take the necessary measures on the basis of the Party statute. Whatever their previous convictions may have been, the members of the Politburo now hastened to dissociate themselves from their branded colleagues and to heave their stone at them. Grotewohl stoutly repudiated Schirdewan's alleged attempt to "sow contradictions" between himself and Ulbricht. He assured his listeners that neither of them would "allow possible personal differences to become the subject of a dispute on political questions."

71. Matern claimed that the roots of the factional activities of "Schirdewan, Wollweber and others" went back to the autumn of 1956 when it began to be alleged that the decisions of the 20th CPSU Congress had been wrongly evaluated. "No one can deny," he said, "that manifestations of softening up were generally widespread among us," and Comrade Schirdewan had grossly underestimated the softening up tactics of the opponents. Fortunately, the Party had followed a correct policy and this greatly strengthened its position. Politburo member Friedrich Ebert quoted Lenin on the evils of "faction-mongering" to conclude that "Comrade Wollweber and several others" had "wrongly assessed the role and policy of the Party."

72. Party Secretary Professor Kurt Hager admitted that Ulbricht had been accused of "treating the comrades wrongly," but defended his habit of speaking "a candid, critical, and sometimes harsh language" in view of what the Party owed him. He then quoted examples of the revisionist views of the comrades concerned (Schirdewan et al), regarding the so-called "comfortable" building of socialism, the obliteration of the differences in connection with the creation of German unity, and the shrinking from ideological disputes. Finally, he denied that the planned "simplification of the state apparatus" had anything to do with the "municipalization" of the GDR economy, as the "revisionists" had apparently

~~CONFIDENTIAL~~



~~CONFIDENTIAL~~

alleged. On the contrary, he made the somewhat surprising assertion that the reform - generally referred to as a decentralization of industry - went "hand in hand with a strengthening of central directions and control, as far as both the association of publicly owned enterprises and the state planning commission are concerned."

73. Party Secretary Albert Norden asserted that the "factional Schirdewan-Wollweber group" had not only questioned the authority of the first Party Secretary, but were making efforts to remove him. One of the most violent attacks against Schirdewan and Wollweber was made by Franz Dahlem, himself a former sinner, who accused them of "underestimation of the imperialist danger, a tendency to an evolutionary development which in practice was bound to lead to a slowing down of socialist progress and a setback." He also accused Schirdewan of suffering from a "complex of personal ambition as a coming man."

74. At the Plenum meeting Rau charged Oelssner with having advocated the dissolution of weak agricultural cooperatives and having "favored comrades like Schirdewan", charges which were repeated and amplified by Deputy Premier Willi Stoph. In a speech at Potsdam on February 25, amplifying his Plenum speech, Heinrich Rau also accused the Schirdewan-Wollweber group with having "tried to distort the Politburo's demands for realistic plans" and for having "called for a slowing down of the pace."

75. Dahlem, in his Plenum speech, indicted Selbmann on two charges: smugness and superciliousness on the one hand, and on the other, authorship of a pamphlet in which, not socialism, but nuclear power was described as the revolutionary characteristic of our age. But Selbmann's chief failing, according to Rau, was that he too opposed the industrial reorganization plan. "Selbmann held the view that an economy can only be directed from above by well-trained

~~CONFIDENTIAL~~

~~CONFIDENTIAL~~

economic functionaries. Our opinion is that everything is being decided by the masses, by the working class . . . " According to Rau, Selbmann's mistaken views had been described as "managerism" by Ulbricht in his speech to the 35th Plenum.<sup>1</sup>

76. The speeches in which Schirdewan and Oelssner defended their positions were not published. They are said, particularly Schirdewan, to have denied any intention of forming a faction or of wanting to unseat Ulbricht. All they had attempted to do was to persuade Ulbricht and their colleagues that the hard line would only enhance the GDR's economic difficulties and alienate the people to a degree which might lead to a repetition of the events of 1953. They had advocated a policy of "safety valves" and "gradualness."

77. None of the men under fire recanted and abjured his error. The great mistake of the Schirdewan group seems to have been speaking a little too soon. Thus, in his report on the imminent preparations to be made for the Fifth Party Congress, scheduled to meet in July 1958, Alfred Neumann announced that the agenda would include "a general, free and factual discussion on all fundamental questions of the policy of the SED and the state, and on all inner-Party problems."

78. The official communiqué on the results of the 35th Plenum issued on February 7, 1958, contained the usual appeals for the preservation of peace, unity and devel-

<sup>1</sup> Selbmann had also apparently made some pointed remarks about comrades who had emigrated to the USSR during the Hitler period (Ulbricht among them) while others had spent those years in German concentration camps, (Schirdewan and Selbmann among them). Rau sharply attacked him for thus attempting to play off one group against the other.

~~CONFIDENTIAL~~

~~CONFIDENTIAL~~

opment of the Party, and similar topics, but also made the paradoxical statement that "the dissemination of dialectical materialism, the ideology of the party of the working class, among the working people is the most important link in the chain [of development of socialist consciousness]." The workers of East Germany were apparently unfamiliar with their own ideology.

79. The communiqué also admitted that to implement the second Five Year Plan, "an ideological fight against bourgeois ideology, opportunistic and revisionist manifestations, must be waged. . . The Plenum had to concern itself with the activities of an opportunist group in the Party, which had tried to change its political line."

80. Ulbricht's speech in which, according to the communiqué, "he summed up the results of this comprehensive discussion and answered fully the questions that had been raised" has unfortunately not been published. But his arguments, added to the example of the other Party leaders, must have been convincing, for on the following day ADN, the official news agency, announced the unanimous decision of the Central Committee to expel Schirdewan "for fractional activities" and Wollweber for "infringements of the Party statute" and to reprimand them severely; to remove Oelssner from the Politburo "for repeated violation of [its] discipline," and to elect Alfred Neumann in his place. Paul Froelich, the Leipzig Party Secretary and a loyal adherent of Ulbricht, was elected to the Central Committee and, together with Honecker and two other Ulbricht followers, was made a member of its secretariat. Curiously enough, Schirdewan's expulsion from the Politburo was not mentioned.

81. A few days later, the press announced the departure of Premier Grotewohl for a "vacation-cure" of several weeks (February 13), and the release of Oelssner from his duties as deputy premier. This was followed a

~~CONFIDENTIAL~~

~~CONFIDENTIAL~~

month later by the resignation from the People's Chamber of Schirdewan, Wollweber, and Oelssner. (March 12, 1958).

82. There was no official explanation of the much more lenient treatment accorded to Selbmann. He was, it is true, deprived of his deputy premiership and of the directorship of the Commission for Industry and Transport, but he was given another official assignment in the shape of the deputy chairmanship of the State Planning Commission, and, instead of a public reprimand from the Party and expulsion from the Central Committee like Ulbricht's other critics, he was merely given a private warning. It has been said that the difference in treatment was to be explained by Selbmann's personal popularity, but there had been no previous indications that he was more popular than Schirdewan. The theory that his economic competence made him well-nigh invaluable to the regime - and was also highly appreciated in Moscow - seems more plausible, particularly in the light of his immediate departure for that city on an economic mission and his appointment to a high position in the State Planning Commission. Furthermore, the only serious charge brought against Selbmann appears to have been his opposition to the grant of greater powers in industry to the workers, as Rau put it. Actually it may rather have been a question of backing trained industrial managers versus local Party officials, but that would hardly have constituted "softness" or revisionism, rather its opposite, dogmatism, which was notoriously a much less serious offense.

#### Review of the February 1958 Purge

83. The remarkable thing about the political crisis which shook the GDR in February 1958 is not that it should have happened, but its timing - 15 months after the Polish and Hungarian uprisings, although one may conclude that they were all sparked by the same event, the 20th Party Congress, which ratified Khrushchev's "creative reinterpretation" of the Party Line, and his indictment of Stalin. Curiously enough, the

~~CONFIDENTIAL~~

statement made by Matern that the issue first arose in the autumn of 1956 seems to be true, for before November of that year Schirdewan, the most prominent of the "fractionists," was considered Ulbricht's most faithful lieutenant and heir apparent, and it is only after November 1956 that he was first reported to have given any indications of disagreeing with Ulbricht's "hard" line. Why the tragic result of the Hungarian uprising should have converted Schirdewan to revisionism instead of convincing him, if proof was needed, that given Soviet opposition this road could only lead to disaster, is a psychological enigma, the solution of which can only be guessed.

84. A good guess, based on the clues provided by his accusers, seems to be that the genuineness of the Polish October and of the Hungarian Revolution opened Schirdewan's eyes to the futility of a policy which hoped to impose a distasteful political and economic system at the point of bayonets wielded by foreign soldiers, and to the ever-present danger of a popular explosion, however hopeless. He may have believed that a milder and more "national" form of Communism might prove not only acceptable to the East Germans, but to many West Germans as well. The belief that Trojan horse tactics, combined with a more attractively packaged gift, offered the best chance of success, might go far to explain his alleged advocacy of conditions for reunification which the West Germans might find acceptable. It is even possible that it was the question of reunification which provided the chief apple of discord in the Politburo, for it seems unlikely that Party stalwarts such as Schirdewan and Wollweber would have opposed Ulbricht so stubbornly if the issues had been of relatively minor importance. Moreover, this is implied in the Politburo report to the 35th Plenum, especially in the following passage:

"The difference of opinion which arose in connection with the preparation of the 29th Plenum of the Central Committee and later, and the dangers which emerged from the attacks of the enemy,

~~CONFIDENTIAL~~

~~CONFIDENTIAL~~

decided Comrade Ulbricht to submit to the 30th [January 1958] Plenum a draft memorandum, setting out a clear assessment of the situation, providing a clear answer to questions about future developments, and putting forward a policy for the reunification of Germany on the basis of confederation . . .

"But there was evidence of certain resistance in carrying out the line decided by the Central Committee. Some comrades, for example Comrade Schirdewan, did not want to take part in the implementation of the resolution."

85. Evidence to support the official accusation that Schirdewan was attempting to form an anti-Ulbricht faction with the intention of taking his place is entirely lacking. The numerous unofficial accounts which give an entirely different picture are much more plausible. According to these, Schirdewan merely defended his point of view with increasing frequency in the period preceding the implementation of new and more restrictive policies, both in Politburo meetings and in private conversations with Ulbricht and other Party leaders. Some of his "softer" views on administrative procedures were alleged to be supported by men like Wollweber, and his economic views by Ziller before his death, by Oelssner, and Selbmann, as well as by "others," as Honecker said in his official report. That these "others" were fairly numerous, can be gathered from the Party press reports on local meetings convened over the country for the purpose of approving the decisions of the 35th Plenum. The Freital Steel Works meeting deplored "opportunistic and revisionist manifestations in the factory" (Neues Deutschland, February 14, 1958), the Historical Institute of the Berlin Academy of Science meeting regretted "the lack of concern for revisionist tendencies" (ibid), the Dresden Party Meeting admitted "laggardness in ideology" (Saechsische Zeitung, February 14), the Gera meeting confirmed the existence of "opportunism and revisionism

~~CONFIDENTIAL~~

~~CONFIDENTIAL~~

in the Party organization and working class" (Volkswacht, February 17), the Maerkische Volksstimme (February 13 and 19) accused "many comrades" of having "evidenced opportunistic and revisionist views" in the Potsdam district, and many other papers carried similar reports.

86. It goes without saying that a vigorous campaign to reform the Party by getting rid of apathetic or hostile members and increasing discipline among the remainder by severe reprimands, as well as to change the predominantly anti-regime attitude in educational institutions, has been under way ever since. The aim is obviously to tighten the Party organization in view of the forthcoming Party Congress. It is not an easy task, especially as the membership is comparatively large (roughly 1, 250, 000) and about half of these are former SPD members, whose conversion in corpore to Marxism when the SPD merged with the Communist Party in 1946 was too sudden to have been very sincere.

87. The issues dividing Ulbricht and the opposition appear to have been economic, cultural and political. It seems reasonable to assume that it was the economic issue which brought matters to a head and forced a showdown, as was also implied by the order in which the issues were listed in the joint communiqué issued after the visit of a Hungarian delegation in March. The communiqué said inter alia that

"Both parties regard as the indispensable prerequisites for the victory of socialism the ruthless combating and overcoming of revisionist theories which are aimed at slowing down the rate of the building of socialism, the abandonment of the socialist transformation of agriculture, and the weakening of the state power theories which manifest themselves in various spheres of cultural life. They are vigorously opposed to all influences of bourgeois ideology and all influences of nationalism and chauvinism."<sup>1</sup>

<sup>1</sup>  
Radio Berlin, March 25, 1958.

~~CONFIDENTIAL~~

~~CONFIDENTIAL~~

88. The communiqué speaks, it is true, of "slowing down the rate of building of socialism," but what it actually referred to was most probably opposition to a speed-up. This was made clear in an article by Matern in the January issue of Einheit, the Party's theoretical magazine:

"A quicker and more successful building of socialism in our Republic is our most important contribution to the power of the socialist camp and thus to the success of the struggle against the imperialist war mongers: The rapid economic development of our Republic is also of great significance for winning the economic competition of socialism with the most highly developed imperialist countries."

89. The rapid - and successful - socialization of East Germany was particularly important also for other, special reasons. The first was to remove the glaring disparity between conditions in East and West Germany,<sup>1</sup> and the second was to silence those who conceded that while Communism could confer some benefits on economically backward countries, it could not succeed in the more advanced countries. "It is the great task of our republic," Matern declared, "to implement socialist construction and to prove that the future belongs to socialism in a highly developed industrial country, too."<sup>2</sup>

---

<sup>1</sup>A comparison of figures given in the Federal Republic and GDR statistical yearbooks for 1957 reveals that average real income in the GDR was 20% below income in the Federal Republic, while the same food basket would have cost 40% more.

<sup>2</sup>Ibid., March 26, 1958.

~~CONFIDENTIAL~~



~~CONFIDENTIAL~~

90. It would follow that the economic progress<sup>1</sup> of the GDR had not been fast enough to satisfy Moscow which demanded additional sacrifices from the East German workers and peasants in order to hasten the worldwide triumph of Communism. Ulbricht was perfectly willing, merely requesting additional economic assistance chiefly in the form of raw materials on credit. Schirdewan and his friends, it appears, did not dare oppose Ulbricht's policy on work norms, wages, and collectivization, squarely. Rather, they argued that it would be self-defeating, since it would exacerbate worker and peasant dissatisfaction, encourage go-slow tactics and defections, and might easily lead to strikes and even to a repetition of the 1953 events.

91. In the educational-political field, the Schirdewan group was apparently against resort to expulsions, to threats of selecting students according to ideological criteria, and to compulsory manual labor - as advocated by Ulbricht - to put an end to the prevailing situation in colleges and universities. In these institutions, Professor Kurt Hager told the Third Higher Education Conference (February 28, 1958) there still prevailed "outmoded bourgeois views and doctrines."

---

<sup>1</sup> In its report covering the year 1957, the GDR Statistical Administration claimed, for example, an increase in 1957 over 1956 of 8% in industrial production, of 8% in agricultural production, and of 4% in wages. Visitors to the Leipzig Fair in March seemed to agree that conditions had indeed improved somewhat, small private industry doing particularly well. Incidentally, it may be added that this phenomenon was not to the liking of the regime, which in February introduced legislation to reduce the maximum permissible number of workers in private enterprises from 30 to 11.

~~CONFIDENTIAL~~

~~CONFIDENTIAL~~

92. In internal political matters, the Schirdewan group presumably advocated less police repression and greater political freedom along lines similar to Gomulka's. As for foreign policy, little is known beyond the important fact revealed by Matern<sup>1</sup> that one of the reasons they favored a slower rate of socialization was to make reunification with West Germany easier - presumably the basis of the accusation that they favored reunification "at any price." Although Schirdewan and his friends appear to have carefully avoided anything that might have been construed as anti-Russian, it is not surprising that their views should have been labelled by their opponents as "revisionist," that is, tainted with "national Communism," especially in view of the really irrelevant, but nevertheless effective, point made by Selbmann, that Ulbricht had spent the war years in the USSR. Very possibly they are against Russian domination, but they were prudent enough not to say so. Schirdewan's advocacy of concessions for the sake of reunification with West Germany could, however, easily be interpreted as an indirect way of pursuing the objective of getting rid of the Russians.

#### Significance of the SED Crisis

93. As already pointed out, the most striking aspect of the SED crisis of February 1958 is the length of its gestation period and its comparative mildness. The explanation for this phenomenon may be found in a number of factors:

The still vivid recollection of the 1953 experience;

The great strength of the Russian occupation troops;

The fact that socialization had not been pushed ahead as far and as fast as in most of the other satellites;

---

<sup>1</sup>Neues Deutschland, March 18, 1958.

~~CONFIDENTIAL~~

~~CONFIDENTIAL~~

A more efficient and less abusive administrative apparatus than in other satellites;

The safety valve provided by the possibility of escaping to West Germany.

94. Political and juridical considerations may also exert considerable influence upon many East Germans. If it be true that the 1956 events in Poland and Hungary were primarily inspired by nationalism and patriotism, East German nationalists, Communist as well as non-Communist, undoubtedly realized that in the absence of a peace treaty, the ius gentium gave them no right to demand an end to Russian occupation, the precondition for the repudiation of Communism. On the other hand, the more fanatic an East German nationalist, the less inclined he must be to press for a peace treaty which, under present political and military world conditions, he could hardly expect would be satisfactory, with regard both to the Polish frontier and to reunification. Moreover, as no East German, barring a few Stalinists, can think of the country's future otherwise than in terms of a united Germany, the West German government's point of view is bound to carry considerable weight; viz. opposition under present circumstances to a peace treaty or to any spectacular gestures which might have disastrous consequences.

95. It is therefore quite understandable that, forced to eschew the prepotent appeal of nationalism, active opposition to the Ulbricht regime - and mere verbal opposition at that - should have developed only slowly in East Germany, or, it might be more correct to say, in Schirdewan, who was to provide its indispensable rallying point and mouthpiece. However, the movement, helped by Ulbricht's personal unpopularity - to which three speakers at the 35th Plenum bore witness - and by the fact that Schirdewan was head of the Party cadre and personnel office, appears to have acquired momentum very rapidly once it started toward the end of 1957 and especially after the suicide of Ziller on December 14. There seems to

~~CONFIDENTIAL~~

~~CONFIDENTIAL~~

be little doubt that by January 1958, Schirdewan and his friends were supported not only by most of the workers, peasants, intellectuals, and the managers, but also by a majority of the Party, including the members of the Politburo.

96. There is no reason to assume that Schirdewan, Wollweber, Oelssner or Selbmann, or most other opponents of Ulbricht in the Party, are themselves anything but sincere Communists, but it is only reasonable to assume that their "soft" approach was backed by all anti-Communists, on the principle that something is better than nothing. In East Germany the academic circles seem to be the bulwark of anti-Communism, and, given the respect a Professor enjoys in Germany, their opposition is of preponderant importance. Nor is it likely to abate. One can hardly expect them to accept the claim of Marxism-Leninism to the dignity of a science, nor to comply with such demands as that enunciated by the Communist Professor Naumann<sup>1</sup> that the Party wanted "intellectuals, professors, lecturers and our students to be educated in such a way that they . . . refrain from feeling superior to the working class." Still less superior, Naumann must have been thinking, to its vanguard, the Communist Party members, for his next sentence that the Party "demands devotion and subordination" was hardly unrelated!

97. It goes without saying that most East German farmers and members of the middle class are hostile to Communism. As for the workers, there is no reason why their feelings should not be very much the same as in 1953. The complaint of Kurt Seibt, first Secretary of the Party executive board of Potsdam Bezirk, that "we have made only

---

<sup>1</sup>Speech at the Third Academic Conference of the SED, Radio East Berlin, March 4, 1958, attacking Professors Herneck and Havemann.

~~CONFIDENTIAL~~

little progress in the recruitment of candidates for membership in the Party from among the workers"<sup>1</sup> was certainly not peculiar to that district.

98. In view of the almost unanimous agreement of competent observers on the strength of the opposition to Ulbricht prior to the 35th Plenum, his sweeping victory is somewhat puzzling. The road to the meeting place of the Plenum of the Central Committee was not the road to Damascus, nor could Ulbricht's mediocre oratorical gifts have been sufficient to explain the sudden volte face of so many men. Indeed, the only possible explanation of Ulbricht's victory seems to be support from Moscow and the threats that go with it. Obviously, Khrushchev was not going to repeat the 1956 mistake in Hungary and be obliged to cure what he could have prevented.

#### The Outlook

99. But subsequent developments have proved that Ulbricht's victory was hardly as decisive as it had seemed. Repressive measures have indeed been applied, particularly against students, the Party has been "strengthened" by expulsions and reprimands, the controversial "Law on Perfecting and Simplifying the Work of the East German State Structure" has been enacted, and the unacceptable reunification terms have been confirmed.<sup>2</sup> But no steps have been taken, even after Ulbricht's return from a three weeks "vacation" in the USSR at the end of March, or seem to be in prospect, to implement the two most explosive measures in dispute; the intensified collectivization drive or the increase of work norms. Ulbricht apparently satisfied himself that Schirdewan and his

---

<sup>1</sup>Maerkische Volksstimme, February 19, 1958.

<sup>2</sup>In an interview to a Sddeutsche Zeitung correspondent, Radio Berlin, February 15, 1958.

~~CONFIDENTIAL~~

friends' warnings on this score had not been entirely groundless, and Moscow must have concurred. He undoubtedly feels that he cannot risk taking on both the workers and the peasants with an unreliable Party apparatus, and the next few months will undoubtedly be used to make the necessary personnel changes to set the stage for the enactment of the new regulations by the Fifth Party Congress in July. Lest the delay be interpreted as an abandonment of his "hard" line and therefore actually a victory for Schirdewan, Ulbricht seized the opportunity provided by the visit of the Hungarian delegation to include in the communiqué a paragraph asserting that

"Both parties regard as indispensable prerequisites for the victory of socialism the ruthless combating and overcoming of the revisionist theories which are slowing down the rate of the building of socialism, the abandonment of the socialist transformation of agriculture, and the weakening of the state power theories which manifest themselves in various spheres of cultural life. They are vigorously opposed to all influences of bourgeois ideology and all manifestations of nationalism and chauvinism."  
(March 25).

100. There seems to be little justification for speculations on Ulbricht's imminent downfall. He can obviously be overthrown only by Khrushchev, and there is no reason why Khrushchev should do so. Ulbricht can hardly have taken the stand he did, or won out at the February Plenum, without Moscow's full backing, and, unlike Rakosi, he certainly managed things satisfactorily from the Soviet point of view. That does not mean, however, that if the opposition's dire predictions of economic setbacks provoked by the eventual application of the harder line are realized, Moscow will not ultimately sacrifice Ulbricht, whose unpopularity in itself constitutes a liability. The lenient treatment of Selbmann

~~CONFIDENTIAL~~

~~CONFIDENTIAL~~

might well be explicable, in part at least, by a desire on the part of the Kremlin to keep an alternate on the side lines. The sharp attacks levelled by Ulbricht supporters against Selbmann during and immediately after the Plenum, presumably intended to rule out such a move, Selbmann's appointment as deputy chairman of the Planning Commission on February 19, 1958, and the sudden cessation of the anti-Selbmann campaign at the beginning of March, certainly point in that direction.

101. There is also a difference between the situation in Poland and Hungary in 1956 and the situation in the GDR in 1958, where none of the men under fire at the 35th Plenum have, as far as is known, taken an anti-Russian line or even advocated neutrality as Nagy had done. Furthermore, it should be kept in mind that while an ambitious but sincere Hungarian Communist could dream of emulating Tito, every East German Communist knows that an independent GDR is out of the question and that a break with Moscow would therefore signify not a gain for himself, but the end of his power and privileges. Schirdewan and some of his friends have been accused, it is true, of wanting "reunification at any price," but it would not be the first time that charges against a political opponent have been exaggerated.

102. The Khrushchev-Ulbricht reunification plan, as outlined once again by Ulbricht on February 15, 1958, demands the fulfillment by West Germany of a number of preliminary conditions,<sup>1</sup> in return for which the two governments would sign a treaty of confederation. The act of confed-

---

<sup>1</sup>Besides withdrawal from NATO, nuclear neutralization, etc. the conditions include, for example, the "ending of the persecution of peace fighters and democrats in West Germany," without any counterpart in East Germany. In other words, the Communists would have the right to carry out political propaganda in West Germany, but the bourgeois parties would not enjoy that right in East Germany.

~~CONFIDENTIAL~~

~~CONFIDENTIAL~~

eration would apparently comprise nothing more than the formation of an all-German council, empowered to recommend "arrangements" on customs and currency, on communications, on clearing West Berlin of espionage agents, and similar matters. And even if and when all-German elections were held some day, the plan made it quite clear that whatever happened, Communism would be maintained and developed in East Germany. Incidentally, the "more advanced" East German electoral system would remain in use.

103. In an interview given to Neues Deutschland on April 1, 1958, Ulbricht even went one step further. He converted the preconditions for confederation into preconditions for the peace treaty which Khrushchev was willing to discuss at a summit conference.

104. Ulbricht probably thought the Soviet guarantee of assistance to the East German regime of August 1957 was too recent and notorious to need restatement. Khrushchev, however, in his speech at Tatabanya on April 8, 1958, pledged the help of the Soviet forces anew to all Socialist governments in case of "a putsch or counterrevolution."

105. One can understand that Schirdewan and some of his friends should have felt that the Khrushchev-Ulbricht concept of "reunification" stood little chance of acceptance by the West Germans and, as good Communists, they may have believed the Trojan horse approach would yield greater dividends for Communism - and for themselves. But for that it was obviously necessary to soften the conditions for reunification considerably.

106. While the Schirdewan "line" is certainly not the policy of the Kremlin at the present time, it is not anti-Russian or anti-Communist. Schirdewan himself was reported to have been so convinced of its irreproachableness that he wanted to go to Moscow to make this quite clear, and Wollweber,



~~CONFIDENTIAL~~

who incidentally lives in the Karlshorst Soviet compound, is said to have actually been in Moscow. Things may change, Khrushchev is anything but obstinate, and Schirdewan's "rehabilitation" cannot be ruled out, although Selbmann's chances to be Ulbricht's eventual successor seem better.

107. The conclusion one may draw is that, barring unforeseen events of transcendent importance, the question whether Ulbricht or one of the leaders of the opposition will rule East Germany will chiefly depend upon economic developments in 1958. If the plan is fulfilled, there would be no reason to change the Ulbricht line, even if he himself were "persuaded" to resign on account of his personal unpopularity, in which case Honecker or Matern might be his successor. If the plan is not fulfilled, whether as a result of workers' go-slow tactics, sabotage, or strikes, and managerial troubles stemming from the industrial reorganization, it would be logical to expect to see the "fractionist" group in the saddle, but with Selbmann rather than Schirdewan in the key position, provided, however, the strikes did not lead to violence, in which case the Russians would be practically certain to back Ulbricht.

108. It must be admitted that although the East Germans would have a somewhat easier life under Selbmann or Schirdewan than under Ulbricht, the change would hardly affect the international situation. Moscow could perfectly well continue to rule out the application of that part of Schirdewan's program which would lower the price of reunification. A softer line would probably, it is true, make Communism somewhat more tolerable to the population of East Germany, but toleration and willing acceptance are two different things. It is difficult to imagine the vast majority of Germans going any further than reluctant toleration of a Russian ideology and system, imposed by Russian tommy guns and tanks, however long they have to put up with it.

~~CONFIDENTIAL~~

~~CONFIDENTIAL~~

109. As passions can always prevail over reason under severe provocation, local riots are of course always a possibility, but they could have no more chance of success than in 1953. As for an armed rebellion against the regime, no reasonable East German could plan such a thing. The stand taken by West Germany and the other NATO powers themselves, that East Germany is merely an occupied part of Germany, clearly puts it up to the West to take the lead in any action to evict the Russians and their local minions by force. But the Western Powers and West Germany in particular have solemnly renounced the use of force to liberate the satellites and after the recent Russian successes in the field of ballistics, the chances for a change of policy are smaller than ever. And if the West Germans refuse to fight for reunification, why should the East Germans?

110. Barring radical changes in the USSR, the only "danger" threatening the East German state, as distinct from its Communist leaders, might arise from a Social Democratic (SPD) victory in a West German general election, possibly in the next elections in 1961. For unless governmental responsibility produces a change in SPD policy, their victory might well lead to the disappearance of the East German "state" as a result of the reunification of Germany but the net result would scarcely be a weakening of the Communist foothold in Germany.

111. As the German-Hungarian communiqué of March 25, 1958, stated with commendable frankness, acceptance of the Rapacki plan by West Germany, as advocated by the SPD, would "considerably favor Germany's peaceful reunification"--evidently on Communist terms.

~~CONFIDENTIAL~~

---

Approved For Release 1999/09/08 : CIA-RDP80-01445R000100090001-8

~~CONFIDENTIAL~~

Approved For Release 1999/09/08 : CIA-RDP80-01445R000100090001-8