

Impact case study (REF3)

Institution: London School of Economics and Political Science		
Unit of Assessment: 28A – Economic History		
Title of case study: Raising historical awareness among German civil servants and economic policymakers		
Period when the underpinning research was undertaken: 2011-2016		
Details of staff conducting the underpinning research from the submitting unit:		
Name(s): Albrecht Ritschl	Role(s) (e.g. job title): Professor of Economic History	Period(s) employed by submitting HEI: 2007 to present
Period when the claimed impact occurred: 2013-2020		
Is this case study continued from a case study submitted in 2014? No		
1. Summary of the impact (indicative maximum 100 words)		
<p>German government ministries have over the last decade commissioned historical research to confront their Nazi past and raise historical awareness among staff and the public. Professor Albrecht Ritschl led a large (EUR3.9 million) collaborative research project on the history of the Economics Ministry. Engagement with this research has brought about a new understanding of its own history among the leadership and staff at the ministry, contributed both to the commemoration of staff to have been murdered during the war and to facilitating a meaningful reconciliatory dialogue between the ministry and former members of East German staff, and informed the development of a new training programme designed to enhance understanding of the historical context, objectives, and state interactions of the ministry.</p>		
2. Underpinning research (indicative maximum 500 words)		
<p>Since World War I, Germany has gone through several drastic swings in its economic policy model; from the welfare state of the Weimar Republic, to preparation for total war under Nazism, to two vastly different models of postwar economic reconstruction – Soviet style central planning in East Germany and a market-based system moderated by social policy in the West, dubbed the Social Market Economy. A main driver of multiple economic reforms has been Germany's large Economics Ministry. Like many other German government institutions, the Economics Ministry has struggled to confront its past as a facilitator of the genocidal Nazi machinery, instead deemphasising institutional continuities from the interwar period and the Nazi economy, in particular. A founding myth developed, which saw postwar West Germany's economic model as rooted in the pro-market doctrines of Walter Eucken and the Freiburg School of ordoliberalism. According to this narrative, economic policy in West Germany since World War II was a clean break with an interventionist, near-socialist past.</p> <p>In 2011, Professor Albrecht Ritschl was asked to assemble an independent task force of historians to comprehensively research the history the Economics Ministry. The aim of the project – supported by a EUR3.9 million grant from the ministry – was to investigate the issue of institutional and policy continuity, challenging the foundational myth described above.</p> <p>The principal output of the project was a four-volume report [1], arranged as a handbook and consisting of chapters authored by 25 leading scholars. Ritschl was a co-editor of the handbook and authored three of its chapters [2] [3] [4]. Key insights of the research to have underpinned impacts described here include:</p> <ul style="list-style-type: none"> • The ministry developed its pro-market-cum-welfare-state approach in the 1920s under the direction of Eduard Hamm, a secretary whose long-term impact had been underestimated in previous research, and who was murdered by the Nazis in 1944. A project to dismantle Germany's many business cartels fell prey to Nazi war preparation but shaped the West German Competition Act of 1957 [1]. • During the early Nazi years, the ministry spearheaded major reforms of business regulation, affecting a wide range of sectors. With minor modifications, these regulations became part of the West German Competition Act of 1957 and were only dismantled in the 1980s [2]. 		

- Ministerial bureaucracy willingly Nazified itself in 1933 but warded off Nazi party ideologues until 1936, when the reform drive had already ended [3].
- In 1936 the ministry came under the influence of Goering's "Four Year Plan". Its role as a driver of economic war preparation and planning was bigger than previously thought. It led the plundering of Western and Southern Europe.
- The ministry was an active facilitator in the dispossession of Jews in Germany and later in occupied Western Europe.
- Postwar West Germany came close to a full restoration of its interwar economic system in the mid-1950s. This included a planned return to cartels, the characteristic building block of German-organised capitalism. Ludwig Erhard was initially seen as a weak Economics Minister and his pro-market policy considered a failure [2].
- The major departure from the interwar system came through Constitutional Court rulings which limited the scope of government market intervention [2]. As a consequence, a bare-bones competition law could pass and the regulations of the 1930s were adapted to comply with the court rulings. This process was only fully concluded in 1961. The ministry's role in driving this pro-market turn was smaller than previously thought.
- The economic policies of Erhard's own ministry were not grounded in Eucken's ordoliberalism. Its much more pragmatic approach was to support and mitigate structural change, rejecting the static, impractical model of perfect competition in favour of a more realistic, dynamic approach [2].
- Little continuity existed between Nazi and Communist economic planning in East Germany.

Ritschl's co-editors were Werner Abelshauser (Bielefeld University), Stefan Fisch (German University of Administrative Sciences Speyer), Dierk Hoffmann (Institute for Contemporary History Munich-Berlin), and Carl-Ludwig Holtfrerich (Free University of Berlin).

3. References to the research (indicative maximum of six references)

[1] Abelshauser, W., Fisch, S., Hoffmann, D. Holtfrerich, C. L., and Ritschl, A. (Eds.) (2016). *Wirtschaftspolitik in Deutschland 1917-1990 (Economic Policy in Germany, 1917-1990)*. De Gruyter Oldenbourg. ISBN: 9783110462814. DOI: 10.1515/9783110465266.

[2] Ritschl, A. (2016). Schuldenkrise und Austerität: Die Rolle des Reichswirtschaftsministeriums in der Deflationspolitik 1929-1931. In: Holtfrerich, C. L. (Ed.) *Das Reichswirtschaftsministerium der Weimarer Republik (= Wirtschaftspolitik in Deutschland 1917-1990, Vol. 1)* (pp. 579-636). De Gruyter Oldenbourg. DOI: 10.1515/9783110465266-010.

[3] Ritschl, A. (2016). Soziale Marktwirtschaft in der Praxis. In: Abelshauser, W. (Ed.) *Das Bundeswirtschaftsministerium in der Ära der Sozialen Marktwirtschaft (= Wirtschaftspolitik in Deutschland 1917-1990, Vol. 4)* (pp. 265-389). De Gruyter Oldenbourg. DOI: 10.1515/9783110465266-060.

[4] Ritschl, A. (2016). Die langfristigen Wirkungen des Dritten Reichs. In: Ritschl, A. (Ed.) *Das Reichswirtschaftsministerium im Dritten Reich (= Wirtschaftspolitik in Deutschland 1917-1990, Vol. 2)* (pp. 645-668). De Gruyter Oldenbourg. DOI: 10.1515/9783110465266-030.

This research was funded by a EUR3.9 million grant from the German Economics Ministry. The final handbook [1] was published by De Gruyter, a leading academic publisher, and has been acclaimed as a "monumental" piece of work by *Perspektiven der Wirtschaftspolitik (Economic Policy Perspectives)*, a journal of the German Economic Association. The initial concept and all subsequent research were rigorously peer-reviewed in the course of external conferences, internal workshops, and committee meetings of the editors.

4. Details of the impact (indicative maximum 750 words)

The underpinning research has had three principal impacts. It has:

- Brought about a new understanding of its own history among the leadership and staff at the Economics Ministry, uncovering new perspectives, reckoning with its difficult past and challenging previously-held narratives.

- Contributed to the process of commemoration of staff to have been murdered during the war, while also facilitating a meaningful reconciliatory dialogue between the ministry and former ministry staff members of East German origin who had served on the staff of East Germany's central planning board before unification.
- Informed the development of a new suite of web resources and a training programme, which are intended to enhance understanding of the historic objectives of the ministry and how they interacted with the economic structure of the German state.

In his capacity as member of the German Economic Ministry's academic advisory board, Ritschl was asked in 2009 to comment on a book proposal to commemorate the ministry's reestablishment in 1949. He advised against limiting the scope either to West Germany or to the Nazi years for lack of historical contextualisation, instead encouraging the ministry to confront its full past since its foundation in 1919, to include East Germany under communism after 1945, and to communicate findings both internally and to the wider public. This led directly to the establishment of the project and the task force of historians in 2011. Impacts have been realised throughout the project lifecycle, with those to have occurred during the current REF period described below.

The project intended findings of the research to be shared with external audiences but also to enhance understanding and stimulate debate among the ministerial staff (c. 2,000 employees). To do so was a sensitive task given the ministry's limited acknowledgment of its role in Nazi crimes and the persecution of its own staff members, and so a degree of confidence-building was required at both leadership and staff levels in order to facilitate an open discussion. Accordingly, a series of seven workshops and events (one in October 2012, the others all during this REF period [A]) with ministerial staff, external academics, and members of the public were held to provide a forum for discussion and encourage mutual feedback, including two well-attended internal conferences chaired by the ministry's policy director, Alexander Gross. Presentation of the research by Ritschl and the other project participants at these events served not only to deepen and enhance understanding of the ministry's difficult history among its staff, but also contributed directly to institutional processes of commemoration and reconciliation.

A September 2013 event was particularly successful in provoking dialogue among staff. Presentations by Ritschl and others covered the ministry's complicity with the Nazis and provided details of staff members to have been killed in the 1930s. Subsequent discussion uncovered contrasting views of the former East and West Germans among the staff. Both groups concurred that those staff members who had been murdered by the Nazis should be commemorated in some way, but disagreed on whether those staff who were also communists should be included. All those present welcomed the ministry's new openness but demanded visible and explicit acts of commemoration and acknowledgment by the ministry's leadership. The former East Germans also took a strong interest in the East German part of the project, voicing concerns about whether their previous work would be researched accurately and fairly, and offering to establish contact between researchers and former East German officials. This helped to establish a conversation the ministry's staff had previously felt uncomfortable with, and that had not been encouraged. At their suggestion, a follow-up meeting was arranged between the project staff in charge, some of the activists among the ministry's staff, as well as former staff members who had played leading roles in East Germany's economic planning apparatus. The meeting was welcomed on all sides as a very meaningful step towards reconciliation [A] [B].

In response to the demands for transparency, and to show the ministry's determination to publicly confront its history at the leadership level, subsequent events were directed more towards public audiences and featured notable contributions from government ministers (*Staatssekretaere*). Research findings were presented at a public conference on the Nazi ministry in March 2014, at which the Nazification of the ministry in 1933 and the role of the ministry's own *Judenreferat* in the dispossession of Europe's Jews were discussed in the presence of the ministry's leadership, staff, and members of the public. A second such conference on East Germany took place in October of the same year. In December 2014, a third event (hosted by and in collaboration with *Bundesverband der Deutschen Industrie*, Germany's business organisation) discussed the research findings on the postwar West German ministry, including the role of former Nazis [A].

The Deputy Director General has subsequently confirmed that this session "*generated considerable interest in confronting the ministry's past. Participants gave very positive feedback and asked for the event to be repeated*" [B].

As details from the research were being shared among staff, the Economics Ministry took the decision to name its library after Eduard Hamm, the influential former secretary (*Reichsminister*) [1] and the most prominent staff member murdered for his allegiance to the resistance movement. A public event was held in September 2014, again with speeches by the secretary and the political director acknowledging the role of the ministry in Nazi crimes and honouring the memory of the persecuted among the ministry's staff [C].

Material from the project and information on the activities of the history committee was made available on the ministry's web pages [D]. Here, the ministry lauds the work of the committee for its incorporation of new or previously overlooked perspectives, and for having "*developed a comprehensive insight into the function and effectiveness of the economic department. The result is not 'an exclusively correct interpretation with the sole claim to truth', but expressly allows for different evaluations and weightings. Important focal points are the analysis of the Nazi era and the – largely non-existent – denazification in the young Federal Republic as well as the investigation of the structures in the former GDR*" [D].

In December 2016, the handbook [1] was officially launched at an event at the Economics Ministry. Some 225 guests were in attendance, including former secretaries, business leaders, policy experts, and academics [E]. The event featured speeches and a roundtable discussion and was subsequently widely covered in the German press [F], with *Die Welt* hailing the project's "*important insights*", while *Der Tagesspiegel* compared the project favourably with the histories of many other ministries, which had ignored the period of the Weimar Republic and the history of economic policy in East Germany [F]. Video of the event has been made available on the ministry's web pages, including a speech by the ministry's then secretary, Sigmar Gabriel, who thanked the history commission: "*Your study makes it clear how the terrible catastrophes in German history - two devastating wars, the failure of the first German democracy, and the National Socialist genocide - also influenced economic policy strategies*" [F] [G]. An extended brochure summarising key findings of the research was distributed to attendees and remains available on the ministry's web pages [H]. The exhibition was moved to the library, where it remained for a year. Owing to "*broad interest*" [A] and "*high demand*" [B], the exhibition was also extended to include scans of key documents.

In 2019, the ministry hosted a public event, not to mark the 70th anniversary of the West German ministry, as was originally planned, but instead to commemorate the 100th anniversary of its establishment in the Weimar Republic. Ritschl gave a keynote speech providing a summary of the project's approach and its findings. In his own speech, the new secretary, Peter Altmaier, again emphasised the importance of the ministry confronting and recognising its full history including its active participation in the Nazi policies of persecution, plundering, and genocide [I].

The sustainability of the project and its impacts is assured by the suite of new resources created by the ministry. Findings of the research have informed the design of the ministry's internal training programmes. Staff workshops on "Administrative Procedures and Responsibilities between Constitutional State, Public Welfare, and Official Duty" draw directly on its research contributions [B]. These workshops, which the ministry confirms have been much in demand [A] [B], aim to raise staff awareness of the consequences of economic policy by enhancing understanding of the historic objectives of the ministry and how they interacted with the economic structure of the German state.

The ministry has also subsequently developed a dedicated historical website [J], with input from the project. The website combines qualitative archival materials (images, audio, video), historical statistics, and a concise, accessible narrative of economic events over the last century of German history. The site has received 40,000 visits since its inception in early 2019 [K].

Overall, the research has brought about a changed understanding of the Economics Ministry, both among its own staff and at institution-level, as attested to by the Deputy Director General: "*The history project that you devised and coordinated has changed the way we think about the history of our institution. Staff have developed a new awareness of what the consequences of economic*

policies can be if they aren't grounded in a deep commitment to the principles of democracy, economic freedom and social justice. These are the pillars of the Social Market Economy, which has guided the Federal Ministry since its foundation in 1949" [B].

5. Sources to corroborate the impact (indicative maximum of 10 references)

[A] Record of project's conferences and events, provided by the Directorate General, General Economic Policy, Federal Ministry for Economic Affairs and Energy, 15 December 2020.

[B] Supporting statement from Deputy Director General, General Economic Policy, Federal Ministry for Economic Affairs and Energy, 30 January 2020.

[C] "[Widmung der 'Eduard-Hamm-Bibliothek' im Bundeswirtschaftsministerium](#)" ("Dedication of the 'Eduard Hamm Library' in the Federal Ministry of Economics"), Federal Ministry for Economic Affairs and Energy website, 23 September 2014 (in German, with English translation).

[D] "[Unabhängige Geschichtskommission zur Aufarbeitung der Geschichte des BMWi](#)" ("Independent history commission to review the history of the BMWi"), Federal Ministry for Economic Affairs and Energy website (in German, with English translation).

[E] Invitation to the official book launch (in German), 7 December 2016.

[F] Press coverage from [Die Welt](#) (7 December 2016) and [Der Tagesspiegel](#) (7 December 2016) (in German, with English translations).

[G] "[Bundeswirtschaftsminister Sigmar Gabriel nimmt den Abschlussbericht entgegen](#)" ("Federal Economics Minister Gabriel Receives Final Report", Federal Ministry for Economic Affairs and Energy website, 7 December 2016 (in German; Gabriel speech begins 16:43).

[H] "Wirtschaftspolitik in Deutschland 1917-1990" ("Economic Policy in Germany 1917-1990"), extended brochure summarising project's key findings, produced by the Federal Ministry for Economic Affairs and Energy (in German).

[I] "[Altmaier: 100 Jahre Wirtschaftsministerium und Wirtschaftspolitik ein Erfolgsmodell – brauchen jetzt neue Antworten auf neue Herausforderungen](#)" ("Altmaier: 100 years of the Ministry of Economic Affairs and economic policy a model for success - we now need new answers to new challenges"), Federal Ministry for Economic Affairs and Energy press release, 20 March 2019 (in German, with English translation).

[J] "[100 Jahre Wirtschaftsministerium](#)" ("100 Years: Ministry of Economics"), Federal Ministry for Economic Affairs and Energy website (in German, with English translation).

[K] 100 Jahre Wirtschaftsministerium website visitor figures, provided by the Directorate General, General Economic Policy, Federal Ministry for Economic Affairs and Energy, 19 October 2020 (in German).