# Government declaration by Otto Grotewohl (Berlin, 12 October 1949)

**Caption:** On 12 October 1949, Otto Grotewohl, Head of Government of the German Democratic Republic (GDR), delivers a speech to his government in which he deplores the behaviour of the West and thanks the USSR for its active support in the creation of the GDR.

**Source:** GROTEWOHL, Otto. Im Kampf um die einige Deutsche Demokratische Republik, Reden und Aufsätze. Auswahl aus den Jahren 1945-1953. Band I: 1945-1949. Berlin: Dietz Verlag, 1954. 568 S. p. 509-512; 520-532.

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### **Government declaration**

12 October 1949

#### The formation of the Government

On 7 October 1949, following the constitution of the provisional People's Chamber, I was appointed Prime Minister of the provisional government of the German Democratic Republic by the largest parliamentary party, the Socialist Unity Party of Germany. Following the wish expressed by your President, I immediately began discussions with the parliamentary parties in this House on the formation of a government. The determination shown by all the parliamentary parties to take an active part in establishing the German Democratic Republic and in solving the grave problems facing us meant that our objective was rapidly achieved. I therefore have the honour today to introduce the provisional government that I have formed and to submit to you the programme of this government, with the request that you endorse the government that I have formed and approve the government programme.

### Why do we need a government?

The formation of the provisional government of the German Democratic Republic is an expression of the unshakeable will of the democratic forces of the German people to overcome their desperate national situation and to take their fate into their own hands. The formation of this government is an expression of the fact that the democratic forces of our people are not willing to resign themselves to the division of our fatherland and the enslavement of its western parts. On the contrary, they are inspired by an iron determination to persist with the struggle to regain the unity of Germany and its sovereignty on the basis of democracy and peace.

The separate state created in Bonn by the Western powers is the culmination of the division of Germany, which has been the unerring aim of the imperialist Western powers for a very long time. The solemn promises made to the German people in the Potsdam Agreement have been trodden underfoot by these powers so that they may pursue their imperialist policies in Germany.

Immediately after the end of the Second World War, leading British and American politicians established the Truman Doctrine and the Marshall Plan, thus implementing a policy which was hostile to the Potsdam Agreement. They stubbornly refused to give the German people the promised peace treaty, they prevented the formation of central German organs of administration and, in a series of treaty breaches, they destroyed the unity of Germany guaranteed in the Potsdam Agreement. As early as December 1946, the Governments of the USA and Great Britain reached agreement on the creation of the Bizone, which was the first practical step on the way to the dismemberment of Germany. The formation of the Bizonal Economic Council meant that a separate organ of administration had been formed in Western Germany. It was clear that these measures had shattered the four-power administration provided for in the Treaty of Potsdam. In spite of the warnings and protests by the Government of the Soviet Union, in spite of the resistance of democratic groups within Germany, the imperialist powers and their German representatives continued to pursue the policy of division. In 1947, they implemented the economic separation of the Ruhr region from Germany, placing this most important of all German industrial regions under the control of the USA and Great Britain. At the London Conference in 1948, the imperialist Western powers took the decision, in collaboration with the Benelux countries, to adopt their infamous recommendations, which were further orders to implement the policy of division. The separate currency reform in Western Germany and in Berlin meant another fateful step along this disastrous road. In Washington, in April 1949, these same powers decided to impose an occupation statute on the Western zones of occupation so that they might keep West Germany under their military control for an indeterminate period. In order to consolidate their domination over the Ruhr, they devised the Ruhr Statute.

Finally, they set up the separate state governed from Bonn, thus completing the division of Germany. They attempted to hide this systematic pursuit of a policy of division behind the Bonn Constitution, which is merely a regulation for implementing the statute of occupation.



In pursuing this kind of policy, the imperialist powers were not able to rely on the support of the democratic and progressive forces among the German people, whose desire is for a unified, democratic and peaceful Germany. This is why they prevented of the demilitarisation and the democratisation of Western Germany, they prevented the destruction of the large capitalist monopolies and brought back into power the same forces that had led to the domination of Fascism in Germany and inspired Hitler's war. The foundations of German imperialism have been rebuilt in the Western zones of Germany. West Germany is a hotbed of foreign and German imperialists and militarists. It is these elements that have now, in their turn, established a reactionary regime in West Germany and are setting about leading the German people for a third time along the fateful path of capitalist economic crises and imperialist wars.

The consequences of the monopolistic economic policy are already having an enormous impact on our compatriots in the Western zones of occupation. The burden of debt of West Germany already amounts to over 5 000 million dollars and is constantly increasing. Although numerous cities in the Western sectors still lie in ruins, the spectre of unemployment is in the air, which brings hunger and misery to the masses. Once again, just as under Hitler, this plight of the people is being exploited in order to misuse it for imperialist war aims. Those in power in West Germany are carrying out the orders of their imperialist masters, to make the armaments industry into the arsenal of American imperialism, to transform West Germany into a holding area for new aggression and to barter away the population of the Western German sectors as cannon fodder for the interests of foreign financial concerns. This is why the gentlemen are so eager in pursuing the goal of integrating West Germany into a united Europe and incorporating it into the North Atlantic Pact. The path taken in the West is the same road to ruin, poverty and death along which Hitler once led the German people into the abyss.

The imminent danger of an imperialist war means that it is absolutely imperative for us to undertake the task of creating effective and strong leadership for the struggle for the reunification of Germany, for the reconstruction of democracy and for peace. It is for this purpose that we have constituted the German Democratic Republic and formed the provisional government.

The provisional government of the German Democratic Republic is aware that it can fulfil its task only if it follows a new path, the path of peace and of democracy.

[...]

#### We are not alone

We know that we do not stand alone in our struggle for the unity of Germany, which is one part of the struggle for peace. We are fortunate that we are able to rely in this struggle on support from the great force for peace in the world, whose continuously increasing strength is pushing back the imperialist war interests step by step. These forces of peace throughout the world are led by the Soviet Union, which does not and cannot recognise any policy other than the policy of peace.

"... Hitlers may come and go, but the German nation, the German state, goes on forever." 1

These words of Generalissimo Stalin, spoken during the war in February 1942, filled the German people with hope and confidence. The policy of the Soviet Government since May 1945 has been unerring and has never deviated in any way from the goal of creating a lasting peace, something which is inconceivable without a unified, democratic and peace-loving Germany. In conferences with the other occupying powers over the last few years, the Soviet Union has never missed an opportunity to repeat the demand for the conclusion of a peace treaty, for the formation of a German Government, for the creation a unified Germany and, lastly, for the withdrawal of all occupying forces one year after the conclusion of a peace treaty. The efforts of the Soviet Union have repeatedly been thwarted by the policy of divide and rule being pursued by the Western Powers. The Soviet Union did not intend to remain in occupation in Germany indefinitely. When the Soviet Government was obliged to recognise that, as a result of the systematic breach of the Potsdam Agreement by the Western Powers and of the division of Germany brought about by the formation



of the separate Western state, a new situation had been created which required new fundamental decisions, the Soviet Union did not hesitate. For its part, at least, and in as far as it was able, it did not hesitate in conferring on the German people the rights granted to them in the Potsdam Agreement. The declaration of the Soviet Union communicated by General Zhukov on 10 October 1949 confirms the logical consistency and honesty of the Soviet policy of friendship and of peace with the German people. This declaration marks a turning point in the history of Germany. In the name of the Government of the German Democratic Republic and in the name of the German people, I should like to thank the Government of the Union of Soviet Socialist Republics for this act of liberation which permits the German people to once again to develop their own state. In particular, our gratitude is addressed to the Chairman of the Ministerial Council of the USSR, Generalissimo Stalin. This act of liberation by the Soviet Union, which made it possible for us to form our own German Government, obliges us to be even more committed to friendship with the Soviet Union in the future than we were before. Peace and friendship with the Soviet Union are the prerequisite for the German people and the state of Germany to thrive, in fact for their very existence as a nation. Friendship with the Soviet Union gives us the strength to succeed in the great national tasks that the Government has set itself.

The policy of peace and of friendship with the Soviet Union is complemented by the relationship with the people's democracies, especially with our neighbours, the new Poland and the Republic of Czechoslovakia, and with all peace-loving peoples. In their efforts to gain mercenaries against the Soviet Union and against the people's republics, the Western Powers, who created the Oder-Neiße Line and who were not only a party to the decision to resettle the German population of these regions but also were actively involved in implementing it, have made an attempt to make this border into a border of hostility between Germany and its eastern neighbours. The imperialist Western powers and their agents only began to exploit the Oder-Neisse boundary in order to fan the flames of chauvinism when it became clear that the Polish Republic is lost to Anglo-American imperialism. For us, the Oder-Neisse border is a frontier of peace which enables us to maintain friendly relations with the Polish people. It is criminal even to harbour the thought of plunging the German nation, already bled white by conflict, into war and disaster again. And, by the way, those who agree to the Statute of Occupation and have therefore shown themselves willing to deliver up Germany as a colony to the imperialist powers, have no right to complain bitterly about border questions in the East.

The Government knows that it is in agreement with all democratic German parties in the position that it is taking with regard to the Oder-Neisse border. This position of the German democratic parties is firmly anchored in the basic principles unanimously adopted by the democratic bloc.

The governments of the people's democracies, together with the Soviet Union, already formulated resolutions at the time of the Warsaw Conference of Foreign Ministers in June 1948, demanding the unity of Germany, the conclusion of a just peace treaty and the withdrawal of all occupying forces. These resolutions represent a large measure of support for the German people. The regaining of trust and the establishment of a relationship with all nations based on mutual respect therefore requires, more than ever, the termination of any form of national incitement. Friendship with the Soviet Union, the People's Democracies and all other peace-loving peoples is therefore the basis of the foreign policy of the Government.

The German Government wishes to establish friendly and peaceful relations with all states which, for their part, are willing to live in peace and friendship with Germany and which recognise our national interests.

The expansion of trade relations with all states that are prepared to trade with us on the basis of equality is regarded by the Government as one of its most important tasks. Trade relations with the Soviet Union and the people's democracies, which have already reached a considerable and very gratifying volume in recent years, are particularly important for us. The Government will also endeavour to develop extensive trade with the most recent people's republic, China, as rapidly as possible.

# The sources of our strength

The support for the German people in the struggle for their rights as a nation, which has been received from the Soviet Union and the people's democracies and on which we may also rely in the future, should not



blind us to the fact that the German people have to fight for their rights themselves and win these rights. Support in the field of international politics is of incalculable value for us. However, it is only support and first requires from us that all the patriotic forces of democratic Germany be engaged for the rights of the German people.

The source of our strength lies in the National Front of democratic Germany, whose aim is to unite all loyal Germans in the struggle for the national objectives common to all. In the question of the unity of Germany, the conclusion of a just peace treaty, the rapid withdrawal of all occupying forces within a period to be determined after the conclusion of the peace treaty, in the question of demilitarisation, the restoration of the national independence and sovereignty of the German people on a democratic basis, there can be no differences of opinion among true German patriots. They must therefore stand together and cooperate in unanimity. It is upon their unity and their cooperation that the salvation of the German nation depends.

The demands set out in the manifesto of the National Front of democratic Germany may be endorsed with a clear conscience by every loyal German, regardless of party affiliations or ideology. The implementation of the demands set out in the manifesto of the National Front of democratic Germany, which are also the demands of the German Government, will ensure a democratic, peaceful and free Germany with a thriving economy and a constantly increasing standard of living for its people. It will guarantee the development of the cultural strengths of the German people, which will bring to Germany again admiration from the nations of the world. However, it is not sufficient to be in agreement with the demands of the National Front and to approve the aims of the National Front. The aims of the National Front must be fought for and won, won by all Germans who believe in them.

The political and economic unity of Germany will not be handed to us on a plate any more than the abolition of the Treaty of Occupation and the separate West German state or the withdrawal of all forces of occupation from Germany. It is clear that there will also be resistance to the restoration of the economic unity of Germany, the introduction of a common currency for the whole of Germany, trade without barriers and freedom of movement for people and goods between all regions and sectors of Germany. These will have to be fought for and secured by the National Front, that is, the overwhelming mass of the German population.

The German cities, towns and villages which have been destroyed, the ruined houses and factories will not rise up again if the German people simply twiddle their thumbs. All true Germans must therefore work together to overcome the consequences of the war as quickly as possible, and to reconstruct a free, democratic and peace-loving Germany.

The major tasks that have to be undertaken to save the German nation do not allow us the luxury of paralysing and splitting the strengths of the German people in a struggle among themselves. The National Front of all true Germans who have the future of their fatherland at heart creates the real prerequisites for overcoming the national state of emergency. The size of our tasks and the extent of the dangers which threaten the German people require a new type of relationship between the parties and organisations and demand close, friendly cooperation and unity of view in all resolutions and actions. This cooperation, which is now appropriate for the situation of the German nation, finds tangible expression in the bloc of democratic parties. The close cooperation of all democratic parties and organisations gave and gives us the opportunity to gather together and combine the total vibrant and inexhaustible strength of the workers, our farmers, the scientists and all other strata of society, and to approach the solution of the great national tasks facing the German people with the certainty of success.

# From repairing war damage to full development of a peace economy

The combination of all the strengths of the German people, the cessation of petty quarrelling of the parties and organisation among themselves, and the policies of the bloc of democratic parties have already been very successful. We are going all out and making great progress in the planned reconstruction of the ruined economy, and we are approaching the volume of pre-war production. While the signs of an imminent economic crisis are becoming discernible in West Germany, while there are millions of people there who



have to live without work and sufficient income, it is thanks to the assistance of and to our cooperation with the Soviet Union and the people's republics that we have succeeded in keeping our economy free from the crisis-ridden development of the capitalist world. Our economy is being rebuilt according to plan. In 1950, there will be an 18 % increase in general industrial production levels, which means that the 1936 level of production will have been achieved. Today, we may already claim with pride and satisfaction that the twoyear plan for the major industries can be fulfilled as early as the summer of 1950, if all opportunities are exploited to the very limit. We went about our construction work without making ourselves dependent on foreign financial concerns by taking out dollar loans. Our reconstruction is being carried out using the strengths of all strata of German society, and it has been demonstrated that, in spite of the war, in spite of the devastation, in spite of the people having been bled white, the strengths of the German people are greater than might have been supposed. We are in a position to spend the significant sum of 2 000 million marks next year on the restoration of our national economy. That is four times more than in 1948. The initial success of the two-year plan means that there is growing confidence among the people in their own strength, which in turn is the prerequisite for the development of even greater efforts of strength, for the achievement of decisive successes. The attainment of the production level of the pre-war era is the first goal that we have set ourselves. It is, if I may put it that way, the aim of making good the worst of the war damage, the aim of reconstructing the economy. The rebuilding work must go far beyond the pre-war production and bring about a considerable improvement in the living standards of the people. This is certainly not easy and requires a huge effort, for we shall still experience great difficulties, because the consequences of the disaster caused by the Hitler war continue to require large amounts of expenditure if they are to be remedied, because the loss of the Ruhr is a serious blow for the entire German economy and because the economic links between East and West have been disrupted by the policy of division. However, we already know now that the second year of the two-year plan, the year 1950, will be followed by the first year of an even more extensive plan. The Government will hold consultations with very broad groups of German scientists and engineers in the preparation of this plan, which will pose completely new problems for economic and technical development. At present, it is still too early to outline the prospects for this plan. Just one point may be made on the basis of the experience that we have gained from the two-year plan, and that is that unexpected prospects may open up from the development of a planned, peaceful economy if the efforts of the entire people are concentrated on this aim and if the German people are spared new wars and disasters.

In implementing the two-year plan, in implementing our economic reconstruction, in overcoming the damage and destruction which the Hitler regime left behind, it has been the working people of all social strata, above all the manual workers, but also the members of the intelligentsia, the farmers and the white-collar workers, who have already achieved great successes under very difficult living and working conditions. All the activists from the mines and the factories, the transport system, agriculture and our young democratic administration deserve the thanks of the entire German people for their sacrifices and untiring efforts.

The thanks of the German people must also go to the outstanding engineers and civil servants in the Soviet Military Administration (SMA) who has been helping us untiringly since 1945 and whose experience in a planned economy was also very valuable in our economic planning.

The thanks of the German people also go to the members of the German Economic Commission and the central administration bodies who took on a great deal of work and responsibility and have created a solid foundation upon which the German Government may now continue to build. Now that the responsibility for administration, which was previously in the hands of the SMA, has been handed over to the German Government, we must all make every effort to measure up to the enormous tasks involved.

## Increased productivity is the way to improve living standards

Whilst in Western Germany the so-called social market economy leads to an increase in the profits of the capitalist monopolies on the one hand and, on the other, to the progressive impoverishment of the working class, this Government espouses the principle of economic planning, the foundations of which are in the publicly owned sector of the economy. Co-determination rights of the Free German Federation of Trades Unions, the associations of cooperative farming and other mass organisations of working people are firmly



anchored in this planned economy, and this is a guarantee of the success of the new democratic order.

The planned development of our economy, which is now beginning, the planned clearance of war damage and the planned increase in production have already broken the vicious circle which seemed to make any upward movement impossible. More work requires better supplies for the workers. Better supplies for the workers depend on there being more work. For a time, it seemed that there was no escape from this circle. The activist movement among our workers has broken through this circle. Great sacrifices were initially made in order to improve production, and this improved and increased production is now of benefit to the working class. If we compare the supplies of today with those of about one year ago, then we see that there has been a considerable improvement in the position in all areas. But all this is still not enough. The people who are working, and who put great effort into their work, need better nutrition, indeed better supplies of consumer goods of all kinds. The most important means of achieving this end is to increase productivity, which is where our activists are steadfastly concentrating their efforts. The Government will do its utmost to ensure that this struggle for increased productivity reaches a successful conclusion. The progress made in industry this year will soon begin to have an effect in agriculture and in foreign trade as well. The tractors and agricultural implements provided to the farm workers by our machinery loan centres are contributing to further increases in the production of food from our own sources. This work is beginning to bear the first fruits. The harvests will increase from year to year. The target for 1950 is to achieve the pre-war yields for agricultural harvests, which will make it possible to lift controls on foodstuffs other than meat and fats after next year's harvest. The Government will announce the measures required for this in the near future. Workers in industry, scientists and farmers all have to work hand in hand, in order to achieve this target, which will be of benefit to the entire nation.

First, however, the Government will bring in a series of immediate measures, such as abolishing the Card IV and implementing certain improvements in the supplies for specific groups of workers in order to ease the situation of our workforce.

The Government will devote special attention to the development of foreign trade relations, which play a decisive part in the improvement of supplies. This year, it will increase the import of rolling mill products and of cotton in order to boost the production of export goods. Thanks to the increase in our industrial production, the Government will have larger quantities of high-quality goods available, and these will enable it to increase food imports. The further development of our trade relations with the people's democracies and, in particular, with the Soviet Union makes it possible for the Government to considerably increase imports of bread-making cereals and fats.

These are the tangible foundations which allow me to offer the prospect of a considerable improvement in supplies. The Government refuses to deceive the masses with empty promises and has instead presented practical measures that may be implemented under the prevailing conditions and whose success is already ensured.

These measures to improve the overall situation of the people will mean that the Government will take particular care of the elderly, the disabled and the bereaved dependants. Special attention will be paid to the expansion of the welfare insurance system.

The Government will also turn its attention to the development of craft trades and small or medium-sized businesses. These businesses are also seen by the Government as an important factor in our overall economy, and the foundations of their existence have to be secured. The Government will do its utmost to ensure that private enterprise initiatives also serve the development of our economy.

The implementation of measures to expand the economy makes it necessary to call upon all persons in Germany who are able to work. Further useful integration of the people who have been resettled is seen by the Government as one of its moral obligations, and the government will make every effort to secure the immediate return of the final soldiers held as prisoners of war, regardless of where they may be. The Government also regards it as a duty to bring the former members of the Nazi Party who are not serving sentences for their crimes back into the life of our community as citizens with equal rights. We cannot afford



to do without anyone who can aid the work effort.

The increase in our living standards has to be achieved step by step and must go hand in hand with the promotion of our cultural life. The achievements of our culture will be made accessible to all strata of the population. The most pressing task for the Government will be to continue the democratic educational reforms that have already begun, with special emphasis being placed here on supporting the initiative for workers and peasants to attend university. The measures already introduced to maintain and encourage German science and art will be energetically carried forward and extended by the Government. The Government is very aware of the huge importance of the involvement of intellectuals for the development of our economy and our cultural life. It will therefore do its utmost to make life easier for intellectuals.

The Government will guarantee the freedom of belief and of conscience, which is guaranteed by the Constitution.

In this hour of the rebirth of the German State, the Government of the German Democratic Republic is mindful of the millions of victims of all nations who had to lose their lives under the scourge of Hitler's Fascism. It remembers with great reverence the supreme sacrifice of tens of thousands of German men and women who died in the struggle against the barbaric Nazi regime in order to prevent the war, in order to end it and for a peace-loving fatherland. They died so that their nation might live. Through their struggle, and through their supreme sacrifice, these German men and women created the foundations among the progressive forces of all nations for new trust in a different Germany. Their heroic example should continue to live on in our young people, and in all our people, quite independently of any political or ideological opinions. The Government considers it a duty to help the surviving resistance fighters and the widows and orphans of the victims of Fascism to secure their livelihood. It is equally concerned to improve the life of state pensioners. However, the Government also sees it as a duty to counter any revival of Fascist, militaristic or anti-Semitic ideas, or any such activities, with the full severity of the law. We shall not return to barbarism!

The Government wishes to appeal to all Germans of goodwill to join in the effort to tackle the huge tasks which confront us. This German Government is a government of work, of democracy and of peace. The programme of the German Government is the programme of the German people. We shall not trade in our Constitution for an Occupation Statute! We value far too highly our own freedom of action, which was given to us by the act of liberation of the Soviet Government. What is important now is to make proper use of this freedom of action, in the interests of peace and for the benefit of the German people.

This Government was legitimised by the people and will feel responsible to the people in all its actions. For this reason, the members of the German Government regard it as their primary duty to turn to the activists, who are the main force in building our economy and our state, and without whom our work would be pointless. Tomorrow, we shall unveil our programme to the activists in front of the workers in the factories and seek the endorsement of the workers of the nation. Yesterday, we witnessed how the public, and particularly the young people, gave an enthusiastic and very sympathetic welcome to the political actions of recent days, which have been played out before their eyes in Germany's capital city. Knowing that the nation can rely on its younger generation, the Government may be happily confident in taking up its responsibilities and starting work.

1. J. Stalin, 'On the Great Patriotic War of the Soviet Union', p. 50.

