

# Berlin Wall JCC

## East Germany



Chairs: Liam Benish, Indy Gresch  
Sims: Mitchell Quinn, Nadia Raupp, Theo Morrison

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## Letter from the Dias

To our delegates,

I want to start this off with a thank you: without your contributions, thoughts, and speeches, these Model UN events would not be possible; without a committed group of delegates, we would not have our ideas challenged and changed, and we most certainly would not enjoy all the countless preparations we have made to get this committee set for conference. Reflective of our endless gratitude to the secretariat who helped organize this entire conference, McFarland High School for hosting, and for the dedicated delegates: we hope to have committed enough effort into these materials that show our gratitude for the countless others that have made this committee possible.

I want to continue this letter, by expressing my hope that you will share the dias' passions in this topic. As we have diligently worked through our material and this background guide, we have grown a particular passion for the Cold-War era Germany; we have enjoyed being able to do the research and exploring the many interesting dynamics that occurred during this conflict. We hope that you will grow to have a similar passion, to enjoy the complex workings of East and West Germany and end up showing up to committee with a degree of enthusiasm and passion for the debate. We would urge all delegates to thoroughly research their position and the circumstances around this event and the context around it; this background guide strives to be as dynamic to the circumstances as the event demands, but we cannot cover everything, and the best delegates come prepared with the fullest view possible. In all regarding the topic, we are eagerly awaiting the unique thoughts we are sure will arise out of this intriguing committee.

To go into some more dull affairs, I thought it prudent to go over some baseline expectations prior to the day of conference, that way, nobody is caught off guard or unprepared when we get into the room. I would strongly advise delegates to print out a copy of their notes from research, especially relevant statistics as I have found that they can serve as a helpful tool to create speeches and sound knowledgeable on a subject. On the same note, please come prepared with pen/pencil, paper, post-its/note-cards as desired for notes, and any other printed material you may desire to have during the committee. I also want to highlight the committee electronics policy: we shall not allow any electronic device to be used during committee time unless under special circumstances that we are made aware of. To be absolutely clear, this means that unless you have a valid excuse, you cannot have a phone or computer or other device out during the time that committee is in session.

With everything else out of the way, all I have left to say is that we are here to help. PLEASE reach out with any questions or concerns with ANYTHING related to MADMUN or the committee; we are EXTREMELY happy to be of service to anyone who needs it, and it will not impact awards whatsoever, so please do not hesitate to reach out. To expand on that, we are happy to help any first-time crisis delegates (or any delegate regardless of experience, we forget stuff too, we understand) answer any questions regarding format or function. On 11/08/2025, we plan on hosting an online Crisis 101/Q&A session around 6pm, please email the contacts below if you're interested, even if unavailable, we can move the date around depending on demand.

Looking forward to seeing all the amazing ideas and speeches.

- Theo Morrison & The Entire JCC East Germany Dais

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# Background

## Economic Recovery Post WWII - East Germany 1975

After WWII ended in 1945, Germany was in a perilous state. Food production was cut in half, 30% of the male population was killed or injured, and industrial output declined by a third.<sup>1</sup> In an attempt to restore peace and prosperity to Germany, the Western Allies divided the country into four zones. France, Great Britain, and America each policed a third of the western half of Germany. The Soviet Union, already occupying the majority of the eastern quadrant, carried out the 5 D's (demilitarization, democratization, denazification, decentralization, deindustrialization) in their sector.

### *Primary Section - Extraction of Raw Materials*

After World War II, both East and West Germany faced major shortages of raw materials. However, by the mid 1970s West Germany had almost fully recovered with the help of the Western European countries. West Germany imported the majority of their raw materials while East Germany still relied heavily on solely the Soviet Union. Directly following the war, the Soviets took control of and dismantled much of East Germany's industry and reparations.<sup>2</sup> This led to East Germany retaining less control over their own economy. 89% of East Germany's crude oil and nearly all of its natural gas was obtained from the Soviet Union.<sup>3</sup> Ores, metals, and other strategic materials were similarly supplied. While subjugated by the Soviet Union, East Germany would not make a full recovery to its pre-war state. While West Germany became a democracy, East Germany remained run as a communist country.

### *Secondary Section - Manufacturing and Production*

Under a similar trend, West Germany's industry saw rapid growth during its "economic miracle" in contrast to East Germany's slower recovery under the Soviet's command economy. Factories and infrastructure had been destroyed by allied bombers forcing East Germany to lean more on the Soviet's support. The Soviet Union took hold of and withdrew industrial equipment and even entire factories.<sup>4</sup> However the new government wasn't all bad. While strict, the Soviet policies had small successes. Although still lagging behind West Germany, the industrial output of the GDR grew notably between 1949 and 1975. This included, but was not limited to, an emphasis on technology (microelectronics), and chemicals (petrochemicals and plastics). East Germany began to regain its footing, while West Germany was on stilts.

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<sup>1</sup> "German Economic Miracle," *Investopedia*, last modified September 10, 2021, <https://www.investopedia.com/articles/economics/09/german-economic-miracle.asp>

<sup>2</sup> "Germany After WWII," *Study.com*, accessed September 1, 2025, <https://study.com/learn/lesson/germany-after-wwii.html#:~:text=The%20German%20economy%20after%20WWII,under%20its%20Soviet%20communist%20leadership>

<sup>3</sup> Central Intelligence Agency, *CIA-RDP08S01350R000601980002-2*, 1980, <https://www.cia.gov/readingroom/docs/CIA-RDP08S01350R000601980002-2.pdf>

<sup>4</sup> "Post-World War II Economic Expansion," *Wikipedia*, last modified August 28, 2025, [https://en.wikipedia.org/wiki/Post%E2%80%93World\\_War\\_II\\_economic\\_expansion#:~:text=West%20Germany%2C%20under%20Chancellor%20Konrad.European%20Economic%20Community%20in%201958](https://en.wikipedia.org/wiki/Post%E2%80%93World_War_II_economic_expansion#:~:text=West%20Germany%2C%20under%20Chancellor%20Konrad.European%20Economic%20Community%20in%201958)

### *Tertiary Section - Services*

Services were elucidated by the state-controlled socialist system heavy industry and social welfare over consumer-oriented wants and needs.<sup>5</sup> Regardless, this was where the GDR looked almost successful. The main social services that the GDR provided were free healthcare, education (including higher levels), and social security. Compared to the US, this sounds like a dream. A minor issue was that these services weren't prioritized compared to the other sections so their quality and development failed to keep pace with West Germany. There seems to be a common theme here.

East Germany improved the extraction of raw materials, manufacturing and production, and services post WWII up to 1975, but nothing could compare to the economic miracle of the west. One can only hold so much control over a being until it breaks free, and with each decade following The Great Patriotic War, East Germany took one step closer to sovereignty.

## **The Three Major Powers**

This period of extreme tension, the entire affair, has been driven by distinct powers in this world. We have seen the world submerge itself in death and war: committing genocide against the Jews and other minorities, killing tens of millions in the process of the war, and the development and devastating usage of atomic weapons on the Japanese homeland. We now witness a world shaped by our recovery from such ruin; the recovery from the Second World War has been measured not by processes of rebuilding, but by the speed upon which the East and West developed their own post-war spheres of influence.<sup>6</sup>

To the East lies the Soviet Union, a communist state; to the West lies the United Kingdom and the United States of America, both respectively capitalist societies. During the Second World War, all three allied together to defeat Nazi Germany, being termed as the "Allies". When it eventually became apparent that the Allies were soon to defeat Nazi Germany, the three allied forces met to discuss the future of Europe. The Yalta Conference articulated that Germany's military industry would be dismantled, that the Allies had no duty to the Germans past the bare minimum necessary for survival, that war criminals would be tried before international court, and that the issue of reparations would be sent to a commission. The biggest point however was the fate of former Nazi-occupied states; upon discussion, it was eventually agreed upon each state would hold free and fair elections to determine government. The sole item of importance that had noteworthy disagreement was the recognition of a Polish provisional government: the Soviets recognizing a heavily communist aligned committee of national liberation, the

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<sup>5</sup> "DDR Health Care," *Tricontinental: Institute for Social Research*, accessed September 1, 2025, [https://thetricontinental.org/studies-2-ddr-health-care-2/#:~:text=The%20German%20Democratic%20Republic%20\(DDR,rights%20between%20men%20and%20women](https://thetricontinental.org/studies-2-ddr-health-care-2/#:~:text=The%20German%20Democratic%20Republic%20(DDR,rights%20between%20men%20and%20women)

<sup>6</sup> Robert Rath, James Portnow, and Daniel Floyd, *Berlin Airlift: The Cold War Begins - Extra History*, YouTube (Google LLC, 2017), <https://www.youtube.com/watch?v=nwjFSQCrShM>.

Americans and British recognizing a Polish government-in-exile sheltered in London. Neither side was willing to compromise their position; it was eventually settled that the committee would be allowed to operate as the provisional government, recognition from the West contingent on the committee opening up to a broader spectrum of political parties in Poland. Beyond Europe's future, the foundation of the UN Security Council was formed, outlining voting protocol, including the all-powerful veto power for the major powers.<sup>7</sup>

Promises are fragile things, more so when made between two antithetical societies as between the capitalist West and the communist East, and despite the likeable story of two opposites joining together during the Second World War, opposites do not mix, in drinks or in world politics. When the agreements were made between the three powers at the Yalta Conference, they all lacked one important aspect: an ability to enforce the promises.<sup>8</sup> This notable exclusion was paramount to the Soviet Union's ability to achieve its ultimate design: to protect itself from what it would perceive to be a capitalist threat.<sup>9</sup> This protection took the form of rigging elections in Poland, Czechoslovakia, Hungary, Romania, and Bulgaria to install communist puppet states, something that was never imagined by Winston Churchill and Franklin D. Roosevelt who believed Joseph Stalin was able to be trusted to keep his word. The American public expressed their outrage, and so followed the American government.<sup>10</sup>

As planned, Germany and Austria were split into separate occupation zones for each respective power: one zone for the United States, one zone for England, one for the Soviet Union, and one for France. Their capitals were each split up too: one zone of each capital for the United States, one zone for England, one for the Soviet Union, and one for France.<sup>11</sup> In Berlin, the contrast of how the powers were going to deal with the defeated Nazis became apparent: the Soviet Union brutalized Germans, engaging in mass murder and mass rape without consequence; the Americans, while not immune to either rape or murder, treated the acts as crimes.<sup>12</sup> This friction regarding the post-war treatment of Germany extended to the issue of reparations, the West was reluctant to invoke reparations citing the effects of them under the Treaty of Versailles, the East on the other hand, who had suffered the most extreme brute destruction of the war, demanded reparations to pay for the rebuilding. In a compromise, it was agreed that the West would provide cash reparations and finished goods from their occupation zones in exchange for food shipments; the promise of exchanges was broken though, the Soviet Union stopped their food shipments, and the West followed, fostering further opposition between the two.<sup>13</sup>

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<sup>7</sup> "Yalta Conference," Encyclopædia Britannica, July 26, 2025, <https://www.britannica.com/event/Yalta-Conference>.

<sup>8</sup> Ibid

<sup>9</sup> Rath, Portnow, and Floyd, *Berlin Airlift*

<sup>10</sup> "Yalta Conference"

<sup>11</sup> "Potsdam Conference," Encyclopædia Britannica, July 11, 2025, <https://www.britannica.com/event/Potsdam-Conference>.

<sup>12</sup> Robert D Fenton, rep., *THE BERLIN AIRLIFT AND THE USE OF AIR MOBILITY AS A FUNCTION OF US POLICY* (Montgomery, Alabama: Air University, 2016).

<sup>13</sup> Dave Roos, "How Germany Was Divided After World War II," History.com, May 28, 2025, <https://www.history.com/articles/germany-divided-world-war-ii>.

“On 12 March 1947, President Truman, in a joint session of Congress, provided the framework to combat communism. Known as the Truman doctrine...”<sup>14</sup> it outlined the United States’ intent to fight against what was perceived to be the “communist threat” originating from the Soviet Union.<sup>15</sup> The United States was at war.

## Human Rights - East Germany 1975

### *To Flee or Not to Flee*

Nearly 3 million people attempted to escape East Germany after WWII, and only a fraction were successful.<sup>16</sup> Due to the breathtakingly low quality of life in the GDR, it seemed fleeing was the only hope for some families. A merciless border, terrifying stakes, unreasonable imprisonment, and many more exemplify how human rights were put on the backburner.

### *The Berlin Wall*

Even nearing the wall was a death wish. In 1962 Peter Fechter attempted to cross, but as he neared the top he was shot and was left to bleed to death in the death strip.<sup>17</sup> Mines, tripwire, 30 watchtowers, hundreds of armed guards ordered to kill, all in addition to the two layer concrete wall. If all this was to keep citizens inside, how bad was it inside? An escape to freedom was on the same level as murder, treason, and genocide.<sup>18</sup> Human rights are by definition fundamental freedoms and protections that everyone is entitled to for simply being alive. Those who inhabited East Germany had these fundamental freedoms stripped from them. They were incapable of choosing their own path, they were trapped in a sinking ship.

### *Political Prisoners*

Freedom of speech and assembly were heavily restricted under the command of the Soviets. Even minor opinions against the government could land someone years in prison if said to the wrong person. Sentences could include harsh labor and were primarily based on politically motivated charges.<sup>19</sup> Even after signing the Helsinki Final Act, which addressed the improvement of human rights, the GDR continued the prosecution of political opposition.<sup>20</sup> It came to such a severe point that West Germany began paying the GDR in exchange for release of

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<sup>14</sup> Fenton, BERLIN AIRLIFT AIR MOBILITY

<sup>15</sup> Ibid

<sup>16</sup> "Victims of the Wall," *Berlin.de*, accessed September 1, 2025,

<https://www.berlin.de/mauer/en/history/victims-of-the-wall/#:~:text=Well%20over%20100%2C000%20citizens%20of.themselves%20when%20they%20were%20caught>

<sup>17</sup> "Peter Fechter Dies Trying to Escape," *The Berlin Wall*, accessed September 1, 2025,

<https://www.the-berlin-wall.com/videos/peter-fechter-dies-trying-to-escape-542/#:~:text=information.Checkpoint%20Charlie%20on%2017%20August>

<sup>18</sup> "Sentencing," *U.S. Department of Justice*, accessed September 1, 2025,

<https://www.justice.gov/usao/justice-101/sentencing#:~:text=The%20death%20penalty%20can%20only.or%20a%20Supreme%20Court%20justice>

<sup>19</sup> "Buying Political Prisoners Out of the GDR," *The Berlin Wall*, accessed September 1, 2025,

<https://www.the-berlin-wall.com/videos/buying-political-prisoners-out-of-the-gdr-644/#:~:text=information.behalf%20of%20the%20protestant%20church>

<sup>20</sup> Cadal, *Documento PD59*, accessed September 1, 2025, <https://www.cadal.org/documents/DocumentoPD59en.pdf>



prisoners. In 1975 West Germany hit a record high, paying over 100 million Deutsche marks to free political prisoners.

### *Control of the Press*

There was no freedom of press. The media environment was tightly controlled by the Soviet Union. The media was simply a tool to spread government propaganda. The ADN (Allgemeine Deutsche Nachrichtendienst) was a state-controlled news service that held a monopoly over all news distribution.<sup>21</sup> Before anything was published, it went through a multi-tiered review process, concluding with a review by the Ministry of Culture to ensure that each piece spread the ideological conformity. Safe to say, even the minds of GDR citizens were under attack.

The Berlin Wall, imprisonment of political opposition, and media-spread propaganda was plenty of incentive for families to flee, but that wasn't an option for most. The importance of human rights went down the same path as East Germany's economy (downwards).

## The Berlin Wall & The Berlin Blockade

The capital of Germany, Berlin represented post-war Germany; the process of denazification would be measured there, as would the political fight between the capitalist West and communist East. From the onset, the competition between the two compounded existing problems. The Eastern bloc, being overseen by the Soviet Union, widely stripped East Germany of its resources, refusing to aid the struggling post-war economy in Germany. In June of 1948, the industrial production of Germany was half of the 1936 pre-war level, a statistic made by the design of an agreement between the East and the West. Both rival blocs could agree on one thing: Germany cannot rise again to such violence. The manner they achieved such an ambition varied wildly.<sup>22</sup>

The Soviet Union punished the Germans for the pain and suffering they inflicted, the West however, was much more benevolent to the conquered Germans; Western powers encouraged and enabled recovery efforts for a failing German economy, starting with replacing a now-worthless Reichsmark with a new currency.<sup>23</sup> The Soviets could not allow this economic recovery: if Eastern Germany lost its workforce to the West, the Soviets would lose valuable

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<sup>21</sup> Michael Zipser, "Literary Censorship in the GDR," *Michael Zipser's Blog*, last modified February 2018, <https://zipser2018feb.wordpress.com/literary-censorship-in-the-gdr/#:~:text=Formally%2C%20they%20never%20censored%20anything,the%20provisions%20of%20its%20constitution>

<sup>22</sup> Christian Monson, *Wirtschaftswunder: The Post-WWII Rise of Germany*, YouTube (Google LLC, 2012), <https://www.youtube.com/watch?v=k1n2H9LjbR4>.

<sup>23</sup> Anne Walther, "Deutsche Marks and More: German Currency before the Euro," Lingoda, April 17, 2023, [https://www.lingoda.com/blog/en/german-currency-before-euro/#:~:text=Since%201873%2C%20German s%20have%20paid,the%20Deutsche%20Mark%20\(1948\):Rath,Portnow,andFloyd,BerlinAirlift](https://www.lingoda.com/blog/en/german-currency-before-euro/#:~:text=Since%201873%2C%20German s%20have%20paid,the%20Deutsche%20Mark%20(1948):Rath,Portnow,andFloyd,BerlinAirlift)

production ability, but more significantly, it would signal weakness to the world in the fight against the Capitalist West. The first attempt to replace the Reichsmark in West Germany was rebuked by the Soviet Union: they flooded the market with the new currency, making it entirely worthless. A second attempt, despite the insistence otherwise by the Soviet Union, was made, and succeeded; the Deutsche Mark maintained its value, boosting the West Berlin economy, and further incentivizing Eastern defection.<sup>24</sup>

To punch back, the Soviet Union blockaded Berlin: nothing would cross the border between East and West Germany, no resources, no food, no fuel. West Berlin would starve in 36 days, they would lose fuel in 45 days; the facts painted a morbid picture of the future, and so started the Berlin Blockade.<sup>25</sup> The Soviets aspired to use starvation as a weapon in the Cold War: starve to death loyal to capitalism or defect to the communist East and survive. The West created a third option: innovation and collaboration.

Coordinated by the United States, on June 26, 1948, military aircraft flew supplies over Soviet-occupied East Germany and into West Berlin, providing relief from the blockade. It was estimated by British experts that 4,000 tons of food and fuel a day were needed to enable West Berlin's survival, the problem: even with planes being brought in from Guam, the effort could only supply 1,000 tons of food and fuel per day, 25% the needed capacity. Despite the shortcomings, the aid boosted relations between the occupied Germans and the occupying Western forces, though American General William Tunner was shortly dispatched to rectify the shortcomings. Through masterful use of logistical maneuvers, streamlining equipment, and the use of German ground crews in West Berlin alongside Western forces, Tunner achieved his objective on Aug. 12: West Berlin could survive. The Soviets continued the blockade through the winter, hoping the bad weather would foil the flow of supplies, instead, record amounts made it through to West Berlin, and, on May 12, 1949, the blockade was lifted. The effort in all, intended to stifle capitalist influence in Germany, emboldened it: the world united against an image of the Soviet Union starving innocents to achieve its goals, Western Europe, Canada, and the United States created NATO to prevent the expansion of the Soviet Union, and West Germany becoming a state backed successfully by the capitalist West.<sup>26</sup>

The Soviet Union still struggled; East Berlin was failing in the early 1960s, and they were losing their workforce to the capitalist West. In yet another attempt to stifle the capitalist influence in West Berlin, the Berlin Wall was put up on the night of Aug. 12, 1961. Intended to stop the loss of skilled labor to the West, the Berlin Wall was a response to a relative 20% loss in population in East Berlin, representing a dangerous economic possibility for the Soviet Union.<sup>27</sup> The Soviet Union put up barbed wire, mines, guardtowers, and gun emplacements around the solid wall in order to prevent the escape of East Berlin citizens.<sup>28</sup>

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<sup>24</sup> Rath, Portnow, and Floyd, *Berlin Airlift*

<sup>25</sup> Ibid

<sup>26</sup> Rath, Portnow, and Floyd, *Berlin Airlift*

<sup>27</sup> Konrad H Jarausch, *The Rise and Fall of the Berlin Wall - Konrad H. Jarausch, TED-Ed* (YouTube, 2017), <https://www.youtube.com/watch?v=A9fQPzZ1-hg>.

<sup>28</sup> "Berlin Wall," Encyclopædia Britannica, August 3, 2025, <https://www.britannica.com/topic/Berlin-Wall>.

The Berlin Blockade and the Berlin Wall both represent the efforts of a raging war between the East and West, while there may be no direct conflict between the two, each side carefully maneuvers itself against the other. A person cannot wander the world without seeing the opposition, the efforts for and against communist revolutions, the money discreetly being poured into insurgency groups and anti-insurgency efforts by governments seemingly unrelated to the Soviet Union or United States; the world will be shaped by the victor of this silent fight, an outreach of will between two powers who cannot touch each other.

## Questions to Consider

1. How has World War Two and the ensuing post-war world influenced the conflict between the East and West?
2. What elements of the Berlin Blockade or the Berlin Wall were/are successful? What were/are not?
3. How have the policies implemented during the standoff between the East and West influenced the public? How has it impacted public morale?

# Topic Section

## Stasi Intervention

The Ministry for State Security, most commonly known as the Stasi, was the secret police force of East Germany. The Stasi lasted 40 years and had a singular main goal: maintain state authority for the Socialist Unity Party of Germany (SED).<sup>29</sup> To secure this goal, the Stasi ran a wide array of operations from surveillance of East German citizens private affairs to foreign espionage and funding terrorism. It is estimated that organization depended on hundreds of thousands of informants and official workers, all in the name of keeping the SED in power and sabotaging the West.

One of the main ways, the Stasi tried to sabotage West Germany was by funding West German terrorist groups, one notable example including the Hepp-Kexel Group. The Hepp-Kexel group, a right-wing extremist group, was confirmed to have been involved in multiple bomb attacks around West Germany. The group believed strongly in an anti-imperialist freedom struggle from the United States and Israel. They openly "condemned those they called bourgeois nationalists for flirting with the capitalist West" and "accused it [United States] of occupying West Germany and mentally and spiritually suffocating the German people".<sup>30</sup>

On the other side of the political spectrum, the Stasi also funded, supplied and trained the Red Army Faction (RAF), a radical leftist group in the West, known for committing arson, bombings and bank robberies, mainly targeting West German companies and US military infrastructure. They believed that the West German government was a "fascist holdover of the Nazi era".<sup>31</sup> Their main objective was to cause chaos and prompt a response from the government that they believed would strike a match toward a rebel movement.

As is evident by the paragraphs above, the Stasi funded a multitude of terrorist organizations to cause chaos and disrupt the West politically, socially and economically. They weren't actually totally in support of these groups, they more so used them to create instability in the West, make them look less competent, less organized and weaker. They thought was that if they created enough instability and disruption, the credibility of West Germany would plummet and so would it's economy, maybe in the long term even becoming socialist.

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<sup>29</sup> Cameron, J.D. "Stasi." Encyclopedia Britannica, August 28, 2025. <https://www.britannica.com/topic/Stasi>.

<sup>30</sup> "Terrorism Review." 1983. CIA.gov. Central Intelligence Agency. June 9, 1983. <https://www.cia.gov/readingroom/docs/CIA-RDP84-00893R000100180001-1.pdf>.

<sup>31</sup> Jenkins, John. 2025. "Red Army Faction | History, Members, & Facts." Encyclopedia Britannica. January 10, 2025. <https://www.britannica.com/topic/Red-Army-Faction>.

# The Enemy, West Germany

## Economic Overview

Although West Germany is widely considered globally, technically speaking, their economy is known as a Social Market Economy. This concept of a Social Market Economy is to protect the foundations of capitalism, its freedom and competition; while providing social services that help grow the country and protect its citizens.<sup>32</sup> West Germans allies unsurprisingly are the United States and a large part of Western Europe.

Starting in 1948, West Germany also transitioned to a new, allied backed currency called the Deutsche Mark,<sup>33</sup> which turned out to be a success for West Germany due to the old currency, the Reichsmark, having little to no value. With this newfound belief in the currency, bartering and the black market ended. Along with the newfound belief in the currency, came a shift towards more industrialization and less and less agriculture.

## Strengths

Two things swiftly helped the West German economy increase in size and stability. Those two things were the lack of Reparations the country had to pay back and the Marshall Plan. After winning WW2, the Allies decided to forgo a major percentage of reparations that the Allied controlled part of Germany (later, West Germany) would have had to pay. This means they had more money to use on their own economy. Alongside that, the Allies, mainly the United States, contributed money to help rebuild the economy and country through the Marshall plan, instituted between 1948 and 1952.<sup>34</sup>

With all this money to spend on rebuilding and growing the countries economy, West Germany rapidly grew and continues to grow. With thousands of soldiers coming back from the war, those soldiers were then included in the workforce, increasing the labor force. Between the decade between 1951 and 1961, West Germany's GDP grew by 8% per year.<sup>35</sup> West Germany's focus on competition and constant improvement, through new technologies, inventions and

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<sup>32</sup> deutschland.de. 2018. "70 Years of Social Market Economy." Deutschland.de. June 18, 2018.

<https://www.deutschland.de/en/topic/business/social-market-economy-in-germany-growth-and-prosperity>.

<sup>33</sup> Nagel, Joachim. 2023. "The Economic and Currency Reform of 1948: The Basis for Stable Money."

Www.bundesbank.de. August 28, 2023.

<https://www.bundesbank.de/en/press/contributions/the-economic-and-currency-reform-of-1948-the-basis-for-stable-money-915302>.

<sup>34</sup> Leyser, K., Kirby, G.H., Bayley, C.C., Duggan, L.G., Elkins, T.H., Geary, P.J., Berentsen, W.H., Barkin, K., Sheehan, J.J., Schleunes, K.A., Strauss, G., Heather, P.J., Turner, H.A., Hamerow, T.S., Wallace-Hadrill, J.M. "Germany." Encyclopedia Britannica, September 2, 2025.

<https://www.britannica.com/place/Germany>.

<sup>35</sup> Leyser, K., Kirby, G.H., Bayley, C.C., Duggan, L.G., Elkins, T.H., Geary, P.J., Berentsen, W.H., Barkin, K., Sheehan, J.J., Schleunes, K.A., Strauss, G., Heather, P.J., Turner, H.A., Hamerow, T.S., Wallace-Hadrill, J.M. "Germany." Encyclopedia Britannica, September 2, 2025.

<https://www.britannica.com/place/Germany>.

ideas, allowed it to prosper and recover extremely quickly from the massive destruction of the war.

### Weaknesses

One of the major weaknesses of a capitalistic economy such as West Germany's is that there are very distinct social economic classes where there are a small number of wealthy people and a large number of citizens in the middle and lower classes. This is due to the fact that Capitalism centers itself around competition, where the people that are most able to compete are the rich and the people less able to compete, the middle and lower classes. This leads to the the rich getting richer and the other classes not being able to grow their wealth. Even though West Germany's Social Market Economy tried to implement social policies to distribute wealth and lessen the negative effects of that competition, it still exists and affects every citizen.

The West German economy has been and continues to be heavily oriented on trade which has its positives, but also has significant negatives. For starters, the country's economy is extremely focused on exporting its consumer products such as cars and chemicals. This causes them to be vulnerable and susceptible to the global market, which includes constant price changes and international recessions, making income unpredictable. On the other hand, West Germany obtained most of its energy from imports. 55% of West Germany's energy came from imported oil, "75% of which came from Arab nations".<sup>36</sup> As a result, recently when the 1973-1974 oil crisis hit and oil prices skyrocketed, there was and continues to be substantial inflation and reduced economic growth.

Starting a few years ago, at the beginning of the 1970s, mainly due to the oil crisis, the West German economic miracle ended and with it came an increase in unemployment, rising from 1% at the start of the 1960s to 4% where it is now in 1975.<sup>37</sup> Could this be the start to a downward trend for the country?

### Questions to Consider

1. What are general weaknesses of past Capitalist societies to exploit and take advantage of?
2. What are the strengths of East Germany's economy to grow and use?
3. Who should be involved within the government or amongst the citizens?
4. What is the best course of action when trying to sabotage another economy such as West Germany's?
5. What direction is West Germany headed in now, as of 1975 and what can East Germany do in regard to that

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<sup>36</sup> "Navigating the Oil Crises: Driving Restrictions and Economic Downturns | Celebrate 75 Jahre Ifo!" 2015. Celebrate.ifo.de. 2015. [https://celebrate.ifo.de/en/node/43?utm\\_](https://celebrate.ifo.de/en/node/43?utm_).

<sup>37</sup> Paqué, Karl, and Heinz. 1990. "A Service of Zbw Leibniz-Informationszentrum Wirtschaft Leibniz Information Centre for Economics." <https://www.econstor.eu/bitstream/10419/47240/1/25609974X.pdf>.

## Position Descriptions

Name	Title	Desc.
Erich Honecker	General Secretary of the Socialist Unity Party, Chairman of the National Defense Council	Arrested in his early adulthood by the Nazi forces as a result of communist beliefs, he was later freed by the Soviets when he formed the German communist youth group before advancing to leadership
Willi Stoph	Chairman of the State Council	A member of multiple communist organizations in his youth, Stoph was conscripted into the Nazi armed forces where he served until the end of the Second World War when he rose to leadership
Werner Lamberz	Secretary for Agitation of the Central Committee Secretariat of the Socialist Unity Party	A member of Hitler Youth and an attendee to a school for future Nazi leaders, he later rose through the ranks to join the occupying communist government upon the Nazi defeat
Erich Fritz Emil Mielke	Minister for State Security	A fanatic communist, he was responsible for one of the most extreme police states in German history, orchestrating the construction of the Berlin

		Wall and the order to use lethal force to prevent East Germans from escaping
Harry Ott	Ambassador of the German Democratic Republic to the Soviet Union	Bouncing around a variety of academic institutions, Ott eventually got a job in government, though eventually shifting to the diplomatic service where he was assigned to be the ambassador to the Soviet Union
Werner Krolikowski	Secretary for the Economy of the Central Committee Secretariat	Krolikowski grew his career primarily through local branches of government before moving to the national government where he rose to his current position
Michael Kohl	Deputy Foreign Minister, State Secretary	Kohl represented East Germany in prominent foreign affairs, including in collaboration of a treaty between East and West Germany
Gunter Glende	Head of the Management of Party Enterprises Department of the Central Committee	Conscripted to serve in the German army, he later joined the Communist Party following the war and served in a number of minor roles before ascending to his current



		position
Jürgen Kuczynski	Journalist	Publishing a number of notable pro-communist writings in his youth, he was recruited by US intelligence while in exile in Britain, during which he also served as an agent of the Soviet Union before returning to Germany where he ended up in the Soviet occupation zone
Kurt Hager	Head of the SED Science Department, Various Other Departments	A communist, Hager actively defied Hitler during his rule under Nazi Germany, forcing Hager's eventual move to France where he was eventually arrested, emigrated to England, where he was yet again detained following the outbreak of the Second World War
Heinz Hoffman	Minister of National Defense	Fleeing an arrest warrant in Nazi Germany, Hoffman ended up attending school in Moscow before deploying to the Spanish Civil War where he got injured in combat, he returned to the Soviet Union before rising up in the ranks of East Germany, eventually

		gaining his current post
Egon Krenz	Chairman of the Free German Youth	A teacher and journalist early in his life, Krenz attended a communist leadership school in Moscow before eventually rising to chair the Free German Youth
Erich Peter	Deputy Minister of National Defense, Chief of Border Troops	A Nazi soldier, Peter was captured during the Second World War by American Forces, he eventually was released and joined the communist movement, attended a Soviet military academy, and rose through the ranks to his current position
Ingeburg Lange	Head of the Department of Woman of the Central Committee	Born into communist beliefs, she joined an antifascist movement during Nazi Germany before rising to numerous positions within the Free German Youth prior to her becoming a teacher, then engaging back with national politics, eventually ending up dealing with East Germany's policies with relation to women, eventually ending up in her current role.
Markus Wolf	Head of the Main	Fleeing Germany as both

	Directorate for Reconnaissance	a Jewish and Communist family following the rise of the Nazi Party, Wolf attended a school for German refugees in Moscow, following his graduation from school he was prepped to go behind enemy lines, he later used those skills in his post in East Germany where he founded the state's intelligence service developing an extensive array of spies in the West
Peter Florin	East German Ambassador to the UN	His family leading figures in the German communist movement prior to Hitler's rise, they fled to France than the Soviet Union, where Florin fought on behalf of in Belarus, which led him to a newspaper job after the war, leading to a job in East German foreign affairs, leading to his UN ambassadorship
Rolf Sieber	East German Ambassador to the US	After undergoing a commercial apprenticeship during the Second World War, he joined the communist party, eventually getting trained in diplomacy by Peter Steglich for his current appointment

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