This PDF is a selection from an out-of-print volume from the National Bureau of Economic Research

Volume Title: The Labor Force in War and Transition: Four Countries

Volume Author/Editor: Clarence D. Long

Volume Publisher: NBER

Volume ISBN: 0-87014-351-4

Volume URL: http://www.nber.org/books/long52-1

Publication Date: 1952

Chapter Title: Weakness of German Manpower Policy Explained

Chapter Author: Clarence D. Long

Chapter URL: http://www.nber.org/chapters/c3134

Chapter pages in book: (p. 37 - 45)

### Table 6

Peak Excess of World War II Labor Force (including armed forces) per 1,000 Population of Similar Age and Sex

	United States April 1, 1945*	Great Britain June 1, 1943 <sup>6</sup>	Canada June 1, 1945°		German ay 1, 19 <i>B</i>	
A BOTH SEXES 14 AND OLI	DER					
Actual proportion						
Both sexes	623	658	594	649	639	672
Males	879	916	909	861	853	874
Females	370	423	265	449	449	473
Excess over prewar proportio						
Both sexes	82	47	46	0	-10	21
Males	70	19	55	2	-6	14
Females	96	73	42	4	4	19
B MAJOR AGE-SEX EARNING	G GROUPS					
Actual proportion						
Men 25-64	958	974	970			
Others	459	509	411			
Young persons 14-24	639	872	646			
Elderly persons 65+	289	260	378			
Women 25-64	374	377	218			
Excess over prewar proportion	n					
Men 25-64	18	3	10			
Others	111	66	66			
Young persons 14-24	. 176	43	91			
Elderly persons 65+	43	50	111			
Women 25-64	91	102	42			
See Table 5 notes						

See Table 5, notes.

# 5 WEAKNESS OF GERMAN MANPOWER POLICY EXPLAINED

The failure of Germany to augment its labor force with citizens calls for careful scrutiny, especially in view of the Nazis' supposed dictatorial advantage and reputation for total warfare. We must be sure, first, that it was not because civilians were stricken by bombing or sent out to conquered territories.

Emigration can be disposed of fairly quickly. "According to a slogan coined by Chancellor Hitler and frequently repeated by National Socialist leaders, 'the conquests of the German sword must be consolidated by the plough'. The German victories throughout Europe did not, however, lead to any appreciable volume of German settlement apart from the resettlement of Germans abroad. . . . There are, of course, millions of Germans from the Reich in the territories conquered, annexed, or occupied by Germany, but the overwhelming majority of them are directly connected with the military operations" (p. 27). "The number of Germans working abroad in commercial undertakings should not be overestimated, since it must be remembered that retail trade, which commonly absorbs the great majority of people engaged in commerce, is left in the hands of local merchants" (p. 33).<sup>29</sup> Thus, apart from those in the armed forces, most Germans in occupied lands were police and other government officials; employees on military railways; civilian auxiliaries to the army; or overseers, foremen, and skilled workers building fortifications and armament factories. For such construction the chief administrative arm was the Todt Organization. In May 1943 one of its officials could say that "it is today undoubtedly the biggest employer in the world". Nevertheless, it had few citizens in foreign countries; more than four-fifths of its employees in late 1942 were aliens. Even its small supervisory minority came in good part not from the fatherland but from places like Poland where they were classed as racial Germans for purposes of National Socialist statistics.<sup>30</sup> On November 30, 1944 the Todt Organization Regional Construction Corps employed no more than 47,423 nationals outside the Reich.<sup>31</sup> "With few exceptions, they have been sent under orders and are performing work to which they have been assigned. . . . "<sup>32</sup> Though abroad, they were almost certainly counted in the German labor force.

Civilian casualties also are not responsible. Injuries from air raids were about 1 million, but less than half occurred before summer 1944, and of these no more than half affected the labor force. Since two-thirds of those wounded survived, a large number of the 250,000 pre-1944 labor force casualties doubtless returned subsequently to work.<sup>33</sup>

As reasons for the poor showing of Germany the Strategic Bombing Survey stressed several factors. The National Socialists had been preaching that woman's place was at home and were loath to reverse themselves. Party members at all levels got female relatives exempted — a bad example. Allied bombing impeded the release of wives and daughters from household responsibilities by making housekeeping conditions difficult.

88 Ibid., p. 39

<sup>&</sup>lt;sup>20</sup> Eugene M. Kulischer, *The Displacement of Population in Europe* (International Labour Office, Studies and Reports Series O, No. 8, Montreal, 1943). About 600,000 persons of German stock repatriated from conquered countries may be ignored, since nearly all were resettled in outside areas, chiefly Poland.

<sup>&</sup>lt;sup>30</sup> The Exploitation of Foreign Labour by Germany (International Labour Office, Studies and Reports, Series C, No. 25, Montreal, 1945), pp. 72, 74.

<sup>&</sup>lt;sup>s1</sup> Strategic Bombing Survey, Appendix Table 50.

<sup>&</sup>lt;sup>22</sup> Kulischer, op. cit., p. 31.

These explanations are more ingenious than convincing. The Nazis were doubtless embarrassed to urge women to take jobs, but Hitler was not given to sticking to logic at all costs, and without question would have jettisoned his *Kinder*, *Kueche*, *und Kirche* slogan had he been really apprehensive at an early date. Difficulties of keeping house under bombing also rank low. The British persuaded females to take jobs despite damaging air attacks. Although the Germans ultimately sustained heavier raids, the proportion of girls and women in their labor force shrank in the years when bombing was negligible and sporadic, and actually rose as it grew in frequency and fury.

Various statistical explanations, such as the peacetime reserve of those not in the labor force, merit more consideration.

Boris Shishkin offers the suggestion that Germany's additions may have been meager because it had already been in "full mobilization" before the outbreak. Actually, except for having achieved full employment, it was far from attaining a complete muster of its manpower. Its armed forces had expanded to barely an eighth the number they were ultimately to call into service, and its May 1939 labor force proportion was not in excess of that found by the Census in 1925, a year of peacetime high employment. Indeed, the failure during the war to keep up with the small growth in working age population resulted in a labor force proportion in 1943 of only 0.5 to 1.0 percent above that in the deep depression a decade before.

It might be argued next that the peacetime German labor force is traditionally so high, in boom or depression, that when war comes its population has no reserves to draw upon. This line of argument is not, however, strong enough to hold. As the *Strategic Bombing Survey* remarked (p. 31), women workers were a large proportion of the prewar German female population only in agriculture. The nonfarm population turned out to have the same percentage of workers 14 and older as in Britain for females and not much higher for males. Britain, moreover, has one of the very highest peacetime labor force proportions, yet it added more during wartime than Canada, which has a very small normal labor force in relation to population.

At first glance the more definite cause suggested by the *Strategic Bombing Survey* (p. 35) — "the relatively high birth rate under the Nazi regime" — derives support from the experience of Britain, which with low birthrates got its labor force proportion up to higher levels than any other country here considered. In point of fact, however, the "vast broods" are an easily exploded myth. Far from having a "number of children under 14... probably higher than anywhere else in the 'western world'", the Germans had fewer, relatively to females of working age, than the Americans or Canadians and not many more than the British. Birthrates under the Nazis were barely at reproduction rates.<sup>34</sup> Moreover, with a lighter child burden on their women — 437 children 0-9 per 1,000 females 14-64 in May 1945 compared with 503 in the United States in April and 573 in Canada in June — they lost female workers while this country and Canada gained them.

On the other hand, related to women *outside the labor force*, child care responsibilities were greater in Germany than in the United States or Britain (Table 7, line 2). Furthermore, among the four nations there was a very good (inverse) rank association between additions to the labor force from each 1,000 females not gainfully occupied (employed or unemployed) under peacetime conditions of high employment, and the number of children they must presumably nurse and cook for (Table 7, lines 1 and 2). These differences in responsibilities were, however, too small to explain the very large contrasts in labor force additions. For example, German women had the same relative child care responsibilities as Canadian, yet left the labor force per 1,000 as women in the United States.

<sup>84</sup> Population Index (Office of Population Records, School of Public Affairs, Princeton University, 1947), XIII, Table 3, p. 168.

#### Table 7

Additions of Females to Labor Force in World War II and Two Factors Accounting for Them Germany

		U. S. April 1945	G. B. June 1943	Canada June 1945	New Boundaries May 1943
1	Female labor force additions per 1,000 females outside the labor force under peacetime condi- tions of high employment	103	112	32	8
2	Children 0-13 to be cared for per 1,000 females outside the labor force under peacetime condi-	פרס	704	935	935
~	tions of high employment	872	704	955	935
3	Allowance-income index (Table 8)	100	104	193	198

40

As a matter of fact, though freedom from child cares might enable a woman to take a job, it would not ensure that she would actually work unless she was under pressure to earn her keep. Could it be that in some countries relatively liberal allowances to dependents of fighting men make it possible for wives, sisters, daughters, and parents to live without working and that in other countries less ample stipends drive them into the labor market? Here caution is in order. Difficulty lurks in hundreds of pay and subsidy combinations, as well as in wide variations between living standards; what would appear stingy to an American might strike a German as bountiful. It is more meaningful, therefore, to relate allowances to peacetime incomes. The ratios in Table 8 were computed by dividing prewar disposable income per equivalent adult male into minimum allowances plus allotments granted a wife and two children of lower rank service men during the first years of the war, when most accretions were made. These allowances, together with the child cares of females outside the labor force, help explain why, compared with the United States, Britain drew in a large percentage of unoccupied females, Canada a low percentage, and Germany none at all (Table 8).

If the American ratio is taken as 100, Britain was somewhat more generous. Supplementary grants, adjusted to current needs and prior commitments such as for rent, illness, taxes, and insurance, raised its subsidies, relative to income, still further above the moderate liberality of the United States. Canada, whose labor force additions were small compared with those of the United States, paid almost double its allowances (in relation to workers' incomes). Germany, which enjoyed no significant labor force addition, paid the most ample of all and made them available besides to wide categories not covered in other countries — to wives of railway guards, of Red Cross and post office workers, and of men in the labor and air protection services; to stepchildren, adopted and illegitimate children; and to other dependent relatives. Founded on the principle that soldiers' families must maintain their prewar living standards and widows their customary social levels, its subventions were even more munificent than the index suggests.<sup>35</sup>

The influence of service allowances may seem to contradict the finding in 'Labor Force, Income, and Employment' that the labor force has been insensitive to changes in income. However, incomes are, for the most part, rewards for working. Allowances, on the other hand, were <sup>35</sup> Monthly Labor Review, Dec. 1943, p. 1130.

### Table 8

Allotments and Allowances to Dependents of Armed Force Members United States, Great Britain, Canada, Germany

Allotment & allowance (monthly)	U. S. 1942	G. B. 1943	Canada 1941	Germany 1939
to wife & 2 children of lower rank enlisted personnel Disposable monthly income per	72ª	186 <sup>b</sup>	78.50°	147ª
equivalent adult male	196*	488 <sup>b</sup>	111°	· 202ª
Ratio: allowance to disposable in- come Index (U. S.: 100)	0.367 100	0.381 104	0.707 193	0.728 198

Source of data on allotments and allowances, Helen Tarasov, 'Family Allowances: An Anglo-American Contrast', Annals of the American Academy of Political and Social Science, May 1943, pp. 9-21; D. C. Cline, 'Allowances to Dependents of Servicemen in the United States', ibid., pp. 1-8; Monthly Labor Review, Dec. 1943, pp. 1129-30; Social Security Bulletin, April 1941, pp. 11-78; Dec. 1942, p. 22.

Labour Gazette, Sept. 1944, p. 1171. Hedwig Wachenheim, 'Allowances for Dependents of Mobilized Men in Germany', International Labour Review, 49 (March 1944), No. 3, pp. 323-38.

<sup>a</sup> In U. S. dollars. Ranks below the top three grades of enlisted personnel. Amounts of deduction and allowance did not vary with enlisted men's pay grades. Deductions were not rigidly compulsory, but servicemen with Class A dependents were "expected to participate". Allowances were tax exempt, as, for all practical purposes, were salaries of enlisted personnel and lower ranks of officers.

<sup>b</sup> In shillings. Ranks below sergeant; wife's allowance increased somewhat with rank of serviceman; children's allowances varied only with number of children up to three. Allotments were optional; if serviceman did not make an allotment, the government did not grant an allowance. War Service Grants were available to family or dependents up to 260 s. per month on proof of hardship; and, if justified by living standard before service, so were funeral and sickness allowances. Allowances to dependents other than wife, very much circumscribed and based on need, were tax exempt.

<sup>c</sup> In Canadian dollars. Ranks below warrant officer, Class I. Allotments, amounting to 15 days' pay, were compulsory. Allowances increased with rank. They were exempt from income taxes, as, for all practical purposes, were salaries of the lower ranks of military personnel.

<sup>d</sup> In Reich marks. Ranks below sergeant; men of higher rank were expected to support their families from their pay. Allowances were tax exempt. See text.

for status and in some cases withdrawn in part if dependents took gainful jobs.

The United States did not penalize dependents, regardless how much they earned.<sup>36</sup> Britain docked them for extra income<sup>37</sup> but, like this country, set their allowances so low that they were obliged to work in order

<sup>38</sup> Public Law No. 625, 77th Cong., 2nd Sess., June 23, 1942.

<sup>87</sup> The limit on the monthly income of dependents beyond which allowances would be reduced was set (depending on rank), first at 65s, 80s 2d, 101s 8d; then at 69s 4d, 86s 8d, and 108s 4d (Cmd. 6260, the British War Office, *Monthly Labor Review*, Sept. 1941, p. 720). to live. Each therefore had systems well designed for recruiting wartime labor. In Canada and Germany, however, a wife could get much of her ration without working and since there was also a scarcity of things to buy, often lacked incentive to earn. Both gave less to dependents who worked for pay. The former gave all servicemen the same amounts for children but varied allowances for wives and other relatives according to rank, and applied a means test: up to the end of 1942 total income could not be more than double the basic rate.<sup>38</sup> The latter, in an autumn 1939 amendment, let the applicant choose between a grant based on family responsibilities in relation to local living costs and one based upon the wages last earned by the person called up. Both methods weighed income from all sources; two-thirds of a wife's monthly wage could be deducted, one-third of a child's (*ibid.*, Dec. 1939, p. 1364; March 1940, p. 602).

Why did the Nazi government establish such a short sighted scheme? Why did it not institute incentives and compulsions to expand the native labor force?

Theoretically, it enjoyed absolute power. It had introduced compulsory labor service as early as 1935, extending it in 1939 to all ages and to females. Nevertheless, not until late did it use these powers or even press women into work in less direct ways. It did, of course, take measures to get its nationals into the labor force. These, on paper, make a formidable list. At the outbreak of war, 15,000 day nurseries had accommodations for 500,000 children; by 1943, 22,000 nurseries for 1,000,000; by 1944, 32,000 nurseries for 1,200,000 children. Many women were said to work parttime in offices - on an average over 30 hours a week. Beginning with 1941 young girls were required to work at least six months. The obligation was later extended to a year and to girls as young as 17. Vacation work was compulsory for school children. Boys became tram conductors and auxiliary policemen. Fairly early in the conflict all retired men under 70 had to register for employment. Old men's corners were organized in workshops to enable those past retirement to work at a slower pace and, of course, at lower pay. The Manpower Director was repeatedly replaced. About 1941 the post was filled with a Nazi Party leader in order to bypass the bureaucracy.

Opinion, or propaganda, fluctuated. In the early days of the war <sup>88</sup> From the beginning of 1943 allowances were cut only if the dependent earned more than \$40 a month; *ibid.*, June 1943, pp. 1114-6. the press derided the British for their chaotic labor market, flaunting Germany's own alleged increase of women in civilian employment. Later it acknowledged, for example, that on only 18 of 105 Pomeranian farms did all residents help with the root crop and on the other 87 only 40 percent. Up to the end of 1943 it was beseeching women to register and complaining that the wealthy were moving to avoid registration. In May 1944 it admitted that war work in the home, promoted for two years, was carried on by fewer than 300,000 persons.<sup>39</sup> Such sidelights render less puzzling the huge deficits in the civilian labor force, compared in Table 1 with those of the three Allies.

Clearly not until after its defeat at Stalingrad — too late — did it even begin to enforce compulsory conscription of women. In mid-war their deployment by Britain was said to be "more militaristic than anything considered as useful or dignified in Germany" (*Economic Journal*, 1942, p. 23). Nor were wives and mothers induced to volunteer for parttime, the sole way really feasible in view of the many alibis they could plead. Some regulations were strict without being effective, it being conceded that women were staying out of employment for fear of becoming "slaves of their labor book". In contrast, Britain was then, as we noted, relieving married women of unemployment compensation payments and freeing them from essential work orders (so they could enter the labor force with confidence that it was not a trap door); moreover, it exempted them from taxes on annual earnings up to £80.<sup>40</sup>

The real reason for Germany's manpower shortcomings may well be its conviction during the crucial years that it need not mobilize completely in order to win.

Until the first defeat there was a general belief, almost a promise to the people, that hostilities would be short and confined to Europe. The belief led to preparation in 'width' rather than 'depth': from the beginning industry was converted not to extending steel and other industrial capacity, but to making finished articles, thereby yielding quick and plentiful output of powder and shot without detracting from Nazi popularity with business men or labor. This is the comfortable preparation which many have always imagined a dictatorship could avoid, in

<sup>39</sup> H. W. Singer, 'The German War Economy in the Light of Economic Periodicals', Economic Journal, 1941, pp. 24, 408; 1942, pp. 21, 186-7, 192, 194; 1944, p. 209. <sup>40</sup> The War and Women's Employment, N. S. I. (International Labour Office, Montreal, 1946), pp. 24-5. view of its supposedly arbitrary powers. When it finally dawned on the Germans that the industrial base was too narrow, there was no longer time to broaden it; to do so would have taken manpower and steel from immediate output and worsened the shortages. The Nazis did not, therefore, draw upon all their reserves, at least not until late 1944: at first because it seemed unnecessary in view of their successes in the field and apparent abundance of foreign labor; subsequently because it was obviously too late. It is tempting to conclude that countries do not exert more effort in war than they have to, that the Germans were in the end partly undone by their early conquests and the resulting trainloads of prisoners and booty.<sup>41</sup>

# 6 INCREASE IN HOURS DURING WORLD WAR II: UNITED STATES

Gains from a longer workweek are estimated by deducting employment measured in persons from employment measured in equivalent fulltime workers (Table 9). These accretions reached a maximum in 1943 of 7.6 million equivalent workers (line 14), then declined to 5.5 million in 1945. Why were some of the gains that had been made during 1940-43 lost during 1944-45?

The answer may be found by separating parttime from overtime work. Little was gained or lost during 1940-43 as a result of changes in the extent of parttime employment but during 1944-45 the time lost rose (Table 10), apparently in some degree because young people and women had become a larger element in the civilian labor force and men a smaller element. Many young people could work only after school and on Saturdays. Some women, burdened by children and home duties, could spare no more than a few days a week; and women always take more time off for ill health than men. Finally, keen demand for labor is usually accompanied by higher absenteeism and turnover. The gains

<sup>41</sup> Germany used foreign labor not only directly but also indirectly: it confiscated commodities or bought them at low prices; an eighth of its pig iron and about 5 percent of its machine tools came from occupied Poland, France, Belgium, and the Netherlands; early it captured stocks of oil, copper, and other strategic materials. During 1939-44 foreign contributions to national product ranged from 16 to 25 percent (*Strategic Bombing Survey*, pp. 21, 22, 260). These imports, even though all were not costless, unquestionably took the place of some native labor. Nevertheless, its plunder was not enough to meet its war needs and, though it faced desperate labor scarcities from 1942 on, it was unable or unwilling to call on its substantial reserves among its own nationals.