POLITICIZING CONSUMPTION: ON THE CONTESTED ROLE OF THE CONSUMER IN THE WEIMAR REPUBLIC

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EUI Working Paper MWP 2010/38
Abstract
In the Weimar Republic, consumption served as a vanguard point from which to redefine the relation between politics and economics. This paper traces the way the figure of the consumer was conceptualized in different discursive settings. It is shown how the political prominence of the consumer was strongly invoked in the debate that took place in the period of reconstruction about consumer representation. This failed attempt to institutionalize the consumer interest was superseded by competing visions of consumer society ranging from a co-operative utopia to national socialist ideas of German autarky. The consumers’ rights and duties were of crucial importance to these approaches, however differently they defined them.

Keywords
Weimar Republic, consumption, political history.
Introduction

Two major developments in the 1920s and 1930s coincided to draw the attention of political actors to private consumption. Recurrent economic crises jeopardized the satisfaction of basic needs in large segments of the population while the breakthrough of popular culture fostered desires for material well-being. A wide range of consumer needs was thus perceived to be politically relevant and became an object of public intervention. Different political actors and commentators regarded consumption (whether it was of food, housing, entertainment, luxury, or the standard of living itself) as essential to societal stability and political legitimacy. But the politics of consumption was more than just another field of growing state interventionism in interwar Germany. I will argue that consumption served as a vanguard point from which to redefine the relation between politics and economics that many contemporaries considered to be the most fundamental problem on the political agenda. In this paper I will trace the way the figure of the consumer was conceptualized in three different discursive settings.

To begin with, in Imperial Germany, four major economic thinkers (of different political attitudes) will be examined with regard to the multi-faceted image of the consumer they shaped and left as a discursive legacy to the Weimar republic. The analysis continues by showing how the political prominence of the consumer was strongly invoked in the debate that took place in the formative years of the republic about consumer and/or producer representation. Finally and most importantly, three competing conceptions of consumer society (socialist, liberal, national socialist) that were meant to be visions of a future, more cohesive, German society will be unravelled. The consumers’ rights and duties were of crucial importance to these approaches, however differently they defined them.

Discursive foundations – affluence, scarcity, and the ambivalent image of the consumer in Imperial Germany

Let me first take a step back and briefly show how consumption was put on the intellectual map in Germany before and during World War I. In doing this, we will come to understand how the deeply ambivalent notion of consumer needs preconditioned the succeeding political discourse in the Weimar republic.

After having long neglected the study of consumption, German economists turned their attention to it in the boom decade before the First World War. In 1908, the influential liberal Lujo Brentano presented his theory of needs to the Bayerische Akademie der Wissenschaften. In Brentano’s study, the consumer is not conceptualized as a political subject, either individually or collectively, yet the image of the consumer is significantly shaped through anthropological and historical reflections on needs. Brentano acknowledges the dynamic character of needs and, especially, the beneficial function of the desire for luxuries as a mechanism for the historical “uplift” and refinement of needs. At the same time, he tries to reconcile this consumerist diagnosis with a protestant work ethic. In Brentano’s view, marginal theory that has boredom and ennui putting an end to any particular satisfaction does not apply to ever-changing spiritual and active needs. Not the actual experience of pleasure, but the seeking of pleasure in the sphere of high cultural values and taste is what guarantees the perpetual strife that is at the heart of bourgeois society. The consumer, then, is not someone simply wallowing in the amenities of life, but a person who ventures to develop and educate his needs. Although Brentano does not address the political consequences of this in his study, his work as a social reformer teaches the lesson to be learnt quite clearly: in civil society, élites were to help and educate workers as consumers.

The dynamics of consumption were equally emphasized in Werner Sombart’s Love, Luxury, and Capitalism (1913), in which he provided a counter-Weberian account of the rise of capitalism out of the spirit of consumerism. The main argument runs like this: in late medieval and early modern Europe, especially in Renaissance Italy, the emancipation of love and eroticism from monogamy – visible, for example, in the rise of courtesanship – inspired a contest of conspicuous consumption

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among the élites. Increasingly, luxury was used in order to impress, woo, or bind the partner, and, accordingly, the expansion of luxury industries can be traced to these contexts. “And so, luxury, which itself was […] the legitimate child of illegitimate love, bore capitalism”, as Sombart succinctly remarks at the end of his book. Apart from the trickle-down effect of luxury, the most decisive aspect of this narrative is that the consumers are mainly female. Women are the driving force behind the processes of privatization, commodification, and refinement that determine the history of consumption. If the attention that Sombart’s book continued to receive in the Weimar years is anything to go by, then it may be supposed that, to contemporaries, the gendered identification of the consumer was not merely of historical interest, but seemed to hold true for modern society as well.

“Wealth, the free arrangement of love-life, the striving of certain groups to establish their position against others, the life in the metropole”: this account of the historical conditions of “great luxury” was easy to read as a commentary on the modern hurly-burly of consumption.3

Yet another modern element in the construction of the consumer was highlighted in Karl Oldenberg’s authoritative article on consumption in the Grundriss der Sozialökonomik (1914). In line with his abstract definition of consumption as the satisfaction of demand, Oldenberg initially holds that all human beings are consumers, which includes those who (like the unemployed, pensioners, the disabled) receive subsidies or welfare provisioning. Yet, he does not identify the consumer with the public interest because a conflict of interest might arise between consumers and producers from the fact that not every consumer is at the same time a producer. “In particular, the pure consumer is a born free trader”, a notion pointing to the debates over trade policy in Great Britain and in Germany, where the SPD refashioned their interest politics by catering to the interests of urban consumers and their votes. Indeed, the city-dweller figures as the prototypical consumer in Oldenberg’s extensive account of modern trends in consumption. The two major developments that he identifies are the transition from economies of subsistence to market society, and, bound up with this, the increasing urbanization of all modern societies. Interestingly, the dissociation of the workers from the means of their own subsistence together with the expansion of urban forms of life are discussed exclusively with reference to the effect on food consumption and nutritional subsistence levels. This treatment reflects a clear bias in the sources of knowledge on consumer behaviour; for all the recognition of the dynamics of needs, nutritional experts, who were especially eager to assess the sharp increase in meat consumption among the urban population that had taken place in the previous decades, focussed on what was to be considered biologically necessary and, therefore, essential to the health of the nation. Cultural factors and needs that were much harder to quantify and explain were relegated to the margins of household statistics.4

Oldenberg’s concluding description of the state’s tasks with regard to consumer regulation testifies to confident expectations in late Imperial Germany of continued growth in affluence driven by free market regulation. “Generally, the modern state gives the consumer a free hand.” Only narrowly defined immoral and unhygienic consumption should be subject to prohibitive state intervention; excessive display of luxury, for example, being exempted from it. The chief regulatory instruments of taxes and tariffs are criticized insofar as they raise the price of necessary consumer goods and thereby unduly burden low-income households. Subsidies are, therefore, given more weight, thereby characterizing the state as the beneficent provider of certain necessary and culturally valuable goods or services. Public expenditure on education, welfare, public transportation, arts and sciences, etc. appears as the third branch of the politics of consumption.5

The catastrophic experiences of scarcity and mismanagement during the First World War pressed for new conceptions of the state’s regulatory functions. The politicization of consumption

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4 Oldenberg, ‘Konsumtion’, 109 (quotation), 139-57; see also C. Nonn, Verbraucherprotest und Parteiensystem im wilhelminischen Deutschland (Düsseldorf 1996).

5 Cf. Oldenberg, ‘Konsumtion’, 159-64, quotation: 159.
reverberates throughout Walther Rathenau’s *Von kommenden Dingen* (1917). Rathenau, the entrepreneur, politician, and public intellectual, takes the relation between politics and economics to be out of joint. Although it depicts the nation as a community of producers, the zero-sum notion of the national income that cannot be significantly increased in the short run, but can only be prudently distributed, has the effect of shoving the regulation of consumption into the centre of attention. Rathenau’s criticism rests on perceptions of gross distributional injustice and moral degeneration that were reflected, on the one hand, in many people’s inability to satisfy even their most basic needs because of economic hardship, and on the other hand, in the desire for luxury, entertainment, and other extravagant needs which were no longer the sole domain of the élite, but had infiltrated the masses, which fell for fashion and popular culture. The conjuncture of socialist sensibility and cultural criticism that informed Rathenau’s view made it obvious that the subsistence level could not be guaranteed, and the rising consumer culture did not promote idealistic values. The political conclusion that was to be drawn was that consumption was not a private, but rather a public matter. When, in the future, politics was to precede profit, as Rathenau envisioned, the utility-maximizing individual was to be superseded by rational economic planning executed by the state as the centre of socio-economic organization. The notion of the state as the potent organizer, provider, and educator of the economy in general, and of consumption in particular, inspired a fully-fledged agenda for consumer politics. Taxes on alcohol and tobacco, tariffs on luxury commodities, the education of consumers’ needs, the rationalization of retail structures and even the reform of the law on inheritance – all these instruments were to coincide for the double purpose of securing a minimum standard of living and transforming shallow mass culture into the pursuit of high cultural values. In this second respect, the consumers to be addressed were, first and foremost, urban and female. They were denounced as the main gluttons wasting German productivity in their craze for fashionable commodities, entertainment and “Sinnenrausch” (sensual ecstasy). The “joys” that the “mechanized spirit” supplied in the “frenzy of the metropole” were those of “children, slaves, and lower women”. Ironically, the role that capitalist development assigned to women after the gendered differentiation of the spheres of home and work in the twentieth century came to be interpreted as that of the rational manager of the household. But having become “almost the sole and incessant buyer”, women were constantly tempted by, and frequently succumbed to, the lure of consumer culture.

In late Imperial Germany, political and economic theorists such as those presented above focussed on consumers’ needs and their development when thinking about the political relevance of consumption. Conceptualizing the historical trajectory as well as the future development of German society in terms of consumers’ needs, they juggled expectations of affluence and scarcity. They had experienced the flourishing of the economy before 1914 and its subsequent collapse. On the one hand, it was considered essential that consumers be able to satisfy their basic needs and to maintain a level of subsistence. On the other hand, it seemed just as important that Germany resume the long-term trend of a rising standard of living, but without letting consumers’ needs develop unattended. The education and cultivation of needs was to prevent the degeneration of desire. The moral foundations of society were built on the figure of the materially secure and rational consumer. This type of consumer was not the natural offspring of socio-economic development, but had to be nurtured by politics.

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7 This is a point against Belinda Davis, who has argued that in the First World War women were empowered when their public image was changing because of their appearing as victimized consumers and rational planners of the household. Reading Rathenau, it seems that such a change, which Davis traces in newspapers and police records, did not diffuse into this key interpretation of wartime economy and society and thus did not supersede older stereotypes of women as seductible consumers. See B. Davis, ‘Food Scarcity and the Empowerment of Female Consumers in World War I Berlin’, in V. de Grazia and E. Furlough (eds.), *The Sex of Things. Gender and Consumption in Historical Perspective* (Berkeley 1996), 287–310.
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Consumers and/or producers? The struggle for political representation in the formative years of the Weimar republic

The question now is how the recognition of the relevance of consumption translated into debates about the political representation of the consumer. In the formative years of the Weimar republic, when democratic institutions were established, such a debate centred upon the proper representation of the “consumer interest”. Very soon it became clear that any advocate of consumer interests would have to accommodate the strong traditions of corporatism and productivism.

A leap in institutionalization was made in 1915, when the Kriegsausschüsse für Konsumenteninteressen (KAKI) (War Committees for Consumer Interests) were founded at all levels – national, provincial, district, and local – in order to guarantee, in coordination with the War Department of Food, the provision of necessary consumer goods. The KAKI served as mediators between state and society, teaching the public “rational”, i.e. thrifty, consumer behaviour in times of scarcity, and pressing the military and state administration for price controls and a production and distribution policy that would enable people to make ends meet in the ravaged war economy. The status of the KAKI as a semi-official corporate institution re-presenting consumer interests, principally against the rival interests of entrepreneurs and retailers, remained the model for consumer advocacy in the political domain in the post-war period.

Already in 1916, Robert Schloesser, one of the protagonists of the Reichsverband deutscher Konsumvereine (National Association of Consumer Co-operatives) and a member of the KAKI, wrote a memorandum that spurred discussion of the appropriate form of consumer representation.9 Schloesser suggested that consumer chambers be established parallel to the chambers of agriculture, commerce, and industry, where producers had long been permitted by public law to pursue their corporate interest politics. The purposes of the consumer chambers were clearly derived from those of the KAKI. Their primary task was to represent the interests of the consumers in the public sphere by way of advising and lobbying in legislative and bureaucratic authorities. The chambers would also educate people to consumer behaviour that avoided wastage and refraining from the wartime survival strategies of hoarding and borrowing in order to re-establish a work-and-spend culture. The statistics and surveys necessary for the intended management of consumer affairs had to be collected under the supervision of the chambers, too. Finally, they had to work towards a rationalization of production and retail methods that would reduce the price of mass consumer goods.

Still, more fundamental was the question of whether the corporate interest politics envisioned by Schloesser rested on a legitimate understanding of the constituency. Who, in other words, were the consumers entitled to elect and entitled to be elected to the chambers? Schloesser took considerable pains to answer this question. Although he acknowledged the “double nature of man as consumer and producer”, he argued that these abstract modes of being did not create a parallel balance of interests within the individual. When it came to economic pursuits and to political representation, either consumer or producer interests predominated. Only at the level of society was it possible to resolve the inner conflict. “The conflict within every human being can be put to good use by letting the opposite directions of the will become organizationally independent.”10 The real consumers in this sense were the blue- and white-collar workers, the public employees and civil servants, the pensioners and the unemployed. In Schloesser’s view, this otherwise heterogeneous and ill-defined social group was united by the fact that it exclusively subsisted on a given nominal income which made it dependent on the price of commodities. By contrast, producers who consisted of all the independent entrepreneurs in agriculture, trade, and industry were in a stronger position to raise their income and pass costs on to prices. Schloesser realized that, with the rising power of the trade and labour unions after the revolution, workers had reached a far better bargaining position with regard to their nominal income and could, therefore, be held to adopt producer interests themselves. Consequently, he downplayed the possibility that wage earners might effectively raise their real income in the long run and argued that they would never be able to divest themselves of consumer interests. Even though the

9 See R. Schloesser, Konsumentenkammern (Köln 1916).
10 R. Schloesser, Der Konsument im Rätesystem (Berlin 1920), quotations: 8, 73.
major conceptual contributions on the consumer in reconstruction Germany came from socialist thinkers. It was not unproblematic to establish this social category within the theoretical framework of Marxism. Schloesser is typical in his attempt to capitalize on this tradition half-heartedly by identifying the consumers with the proletariat – only to admit that they did not exactly fit in this category. As there was no theoretical equivalent to Marx’s concept of class consciousness it was difficult to demonstrate the unity of the “consumers”. Only the growing talk about mass society provided a common, if vague, denominator for identifying the diverse social groups as the “consumer masses” (Verbrauchermassen) as was most frequently done.11

The consumer alliance of workers, employees, civil servants, and pensioners, which, according to Schloesser and his followers had been forged by wartime deprivation and now strove for organization and political representation, was fiercely opposed by the advocates of the so-called production policy (Produktionspolitik), which was championed as the only viable strategy for reconstructing the economy and society after the war. The Sozialistische Monatshefte was the principle vehicle of a producer-oriented position; Max Schippel its chief spokesman.15 They argued that prolonged state control of the provision of necessary consumer goods and of prices would not help to make up for the loss and destruction of productivity inflicted by the war and the Treaty of Versailles. Workers and entrepreneurs had to be convinced that their producer interests actually coincided because they would both benefit from a flourishing economy, now that they had become equally powerful players in the contest of collective interests. The unions, especially, were constantly reminded that restraint was necessary in industrial dispute, lest exorbitant wage demands or a reduction in working hours strangle investment. In this view, the short-sighted consumer interest in the provision and cheapness of commodities did not contribute to the increase in productivity that was invoked as the raison d’État of the early republic.

In his articles, Schippel tried to discredit the “pure consumer point of view” further by arguing, first, that it could not possibly serve as a guideline to trade policy, and, second, that it would prove detrimental to workers’ rights. Trade policy had been the major issue among consumer advocates in Imperial Germany because tariff walls seemed to impede the cheap supply of necessary consumer goods.13 Harking back to this controversy, Schippel showed that, in fact, of the 946 items subject to the German customs tariff, only a tiny fraction was consumed by what he called the “last”, the “personal”, or the “urban pure consumer”.14 It turned out that the true consumer of raw iron, textiles, coal, and even potatoes was a producer (in the finishing industry, for example). Schippel’s strategy was to demonstrate the inchoate nature of the category “consumers” in order to undermine the claim for political representation. Similarly, he argued that workers were, by no means, “pure” consumers; they could never be exclusively interested in the cheapness of commodities because dumping prices ran against their producer interests in good working conditions, and wage and working time agreements.

The controversy about the political representation of consumers was, therefore, a struggle for discursive hegemony over the social categories with which German society was to be described. The question was not just an academic one, of whether society was made up of consumers and producers, or alternatively, of labour and capital. In the formative years of the republic, it sparked discussion over the right forms in which to institutionalize a balance of interests. The proponents of strong consumer

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13 See Nonn, Verbraucherprotest.

representation in corporations like the consumer chambers ventured to protect consumers against exploitation by the producers’ profit interest and promised to integrate large sections of German society, transcending social barriers, between blue- and white-collar workers, for example. The opposite model of a society of producers held that a coalition of interests could be forged between workers and entrepreneurs, for example in the Zentralarbeitsgemeinschaft. In 1918/19, before it had turned out to be an illusion, the worker-entrepreneur stance was more powerful.

A brief account of the early stages of Weimar democracy reveals the very limited success of a consumer-orientated position. In the revolutionary debates on the establishment of councils as self-governing bodies in the economy, consumer representation was ultimately rejected. This may seem somewhat surprising when we see that the cause of consumers was backed by the likes of socialist theoretical bigshot Karl Kautsky and the newcomer Karl Korsch, both of whom had recently discovered the consumer and emphasized the necessity of regulating the consumer/producer relation when socializing the economy. Also, Rudolf Hilferding as well as the ministry of the economy under Rudolf Wissell and Wichard von Moellendorff slowly began to take consumers into account as the third politically relevant interest group apart from workers and entrepreneurs. Despite this, most political parties, the unions, and the two council congresses marginalized the consumer in their petitions and decisions dealing with the councils. Julius Kaliski, the socialist agrarian expert, and others effectively discredited the interest in cheap consumer goods as a “relapse into Manchesterite trade policy”, and recapitulated Schippel’s argument that consumer interests were a danger to the workers’ social political claims.15

The Constitutional Convention continued the discussion on the setting-up of economic councils as self-governing bodies. Initially, particularly high hopes were placed on the district and national councils’ ability to collectively organize the economy. Again, the consumers had their proponents – one thinks of Hugo Sinzheimer, the famous law professor, advocating their inclusion in the councils – but again the coalition of producers had the upper hand when it came to drafting the Constitution. In the end, the idea of the parity of entrepreneurs and workers dominated the relevant Article 165: “Die Bezirksschulträte und der Reichsschulrat treten zur Erfüllung gesamten wirtschaftlichen Aufgaben und zur Mitwirkung bei der Ausführung der Sozialisierungsgesetze mit den Vertretungen der Unternehmer und der sonst beteiligten Volkskreise zu Bezirkswirtschaftsräten und zu einem Reichswirtschaftsrat zusammen.” The workers were to convene with the entrepreneurs and with “other sections of the population involved”. This phrase did not address the consumers, but it left a door open for them. A petition, put forward by the KAKI in May 1919, and designed explicitly to include consumers in this article was, however, unsuccessful.16

As the Constitution had not yet determined the precise composition of the National Economic Council (Reichswirtschaftsrat), the highest representative body of corporate economic interests, another attempt could be made to push for consumer representation. Originally, the National Economic Council was seen by its supporters as the key instrument by means of which the economy and politics might be reconciled.17 It was designed as the nucleus of an economic parliament that would, by and by, take over the competence of the regular parliament to decide on all economic policy. The rationale for institutionally differentiating economic from other political issues was that expert knowledge was needed to organize the ever more complex economy. The Constitution,

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15 To Kautsky, the consumer was a “new person” as he stated at the Second Council Congress (quoted in Schloesser, Konsument, 34). See also K. Korsch, Was ist Sozialisierung? (Berlin 1919); R. Hilferding, Die Sozialisierung und die Machtverhältnisse der Klassen (Vortrag auf dem 1. Betriebsrätekongreß, 5.10.1920) (Berlin 1920), 16-24; R. Wissell, Praktische Wirtschaftspolitik. Unterlagen zur Beurteilung einer fünfmonatlichen Wirtschaftsführung (Berlin 1919), 111, 116, 135; ‘Denkschrift des Reichswirtschaftsministeriums vom 7. Mai 1919’, Deutsche Gemeinwirtschaft no. 9 (Jena 1919). On Kaliski’s and others’ rejection of the consumer orientation at the Second Council Congress, see Schloesser, Konsument, 30-39, quotation 34.


17 Georg Bernhard, the editor-in-chief of the Vossische Zeitung, was a pronounced advocate. See G. Bernhard, Wirtschaftsparlamente. Von den Revolutionsräten zum Reichswirtschaftsrat (München 1923).
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however, so far only granted the Council the right to issue reports on government bills and to draft bills itself. Nevertheless, competition was tough among interest groups when it came to influencing the ratio of seats on the Council that would be laid down by order of the Reichspräsident in May 1920. This time, a broader coalition rallied for the consumer interest. The KAKI jumped at the idea of expert leadership, portraying themselves as proven experts in the regulation of consumption;18 the consumer co-operatives claimed to be the well-established voice of the everyday consumer; the housewives associations tried to increase the paltry number of women who were likely to be on the Council by calling for housewives as consumer representatives. In the government ranks, Robert Schmidt and Julius Hirsch, from the ministry of the economy, supported these motions against strong opposition by Gustav Bauer, the minister of work, who defended the pure producer position. The compromise solution delegated 30 consumer representatives to a Council of 326 members. Thus, consumers supplemented the economic sectors, trades, and professions the whole body was composed of. The dominating principle of parity between employers and employees within the various sectors was not violated, but it was weakened insofar as a coalition of consumers, free professionals, civil servants, and special government delegates, could now tip the scales in the likely case of disagreement between the two “producer” sections.19

In 1918-1920, when the institutional foundations of the Weimar republic were established, the “consumer” figured rather unsuccessfully in the debates on the political representation of economic interests. While the historical and political relevance of the sphere of consumption had been discovered, and the need for the secure provision of necessary goods was widely recognized, the chances of institutionalizing the consumer interest in high politics were considerably lower than those of the producers. The well-established pressure groups that the entrepreneurs and the workers could rely on were just the kind of corporate institutions that the consumers longed for – and lacked.

Visions of a German consumer society

It is not possible to understand fully the role played by the figure of the consumer if we only look at the problematic claim for political representation. In addition to the discussion described above, which was closely linked to practical politics, the discursive place of the consumer was articulated differently in the divergent visions of the future of German society that will now be explored. This examination conceives the Weimar republic as an experiment in modernity, much as Detlev Peukert and, more recently, Peter Fritzsche and Paul Nolte have done. They have emphasized the intensity of Weimar debates on what German society was discovered, and the need for the secure provision of necessary goods was widely recognized, the chances of institutionalizing the consumer interest in high politics were considerably lower than those of the producers. The well-established pressure groups that the entrepreneurs and the workers could rely on were just the kind of corporate institutions that the consumers longed for – and lacked.

Co-operative utopia

The first vision to be analyzed here originated from the consumer co-operatives that had become an enormously successful movement rooted in civil society. Its appeal was twofold, since it worked to the immediate financial benefit of their members and promised to transform capitalism in the long run. After having already expanded substantially in the Imperial period, membership peaked in the early and mid-1920s when there existed, as had been the case since the split of the movement in 1903, two big associations of co-operatives. In 1927, the “Zentralverband”, which was located in Hamburg and was influenced by the Social Democrats and the free unions, counted more than 2.8 million members

18 Schloesser argued that “to represent the consumer interests, expert knowledge (Sachkenntnis) is required, greatest expert knowledge; a crime, therefore, to leave the representation of consumer interests to a parliament ignorant in these things (sachunkundig).” Schloesser, Konsument, 90.

19 See ibid., 99-128; Bernhard, Wirtschaftsparlamente, 55-62.

in 1,086 co-operatives. The “Reichsverband” in Cologne, was close to the Christian unions and had 0.8 million members in 275 organizations. The two branches hardly differed in their everyday practice, but in the scope of their political intentions there were significant differences. To the “Reichsverband”, the co-operatives were but a necessary complement to private capitalism, forcing the exploitative retailers to delimit their profits. According to the revisionist socialism that was popular in the “Zentralverband”, the movement would gradually transform capitalism into socialism (not waiting for the breakdown as the orthodox view had it) with the continuous spread of co-operative organizations throughout the economy. Such was also the vision of the movement’s main proponents (like Robert Wilbrandt, Robert Schloesser, Fritz Staudinger, and Heinrich Peus), all of whom managed to disseminate their ideas in the leading political journals of the time.21 In order to trace the image of a future consumer society that was an important part of the co-operative utopia, I will concentrate on Robert Wilbrandt, whose writings were widely received by the political public.22

Wilbrandt explained to his readers that both competition and monopoly, the main stages in capitalist development, had inevitably generated self-governing initiatives for consumer protection against deteriorating product quality and profiteering. In 1844, the “Rochdale Pioneers”, Robert Owen and William King, had invented the principles of consumer co-operatives to which even their Weimar descendents still clung. Whenever the German comrades wanted to revel in the bright future of their movement, they looked over to Great Britain, where organizations had developed furthest. Apart from payment in cash, control of product quality, and political and religious neutrality, two key principles guaranteed the thriving of the associations. First, the refunding of profits to members according to the amount of money spent in stores, not according to advance deposits, would make shopping at co-operatives attractive. Second, the equality of the members’ votes on how to spend the surplus was independent of their financial investments, and thus made the co-operative a democratic, rather than a hierarchical institution. The trajectory imagined by Wilbrandt projected that, having organized a substantial number of consumers in co-operatives, the big associations would begin to take over production and organize it too on a co-operative basis.23

The socialist ideal that the rise of the co-operative movement would eventually bring into being was the “Bedarfsdeckungswirtschaft”, the fixed-demand-satisfying economy. Explicitly praised by Wilbrandt as a “socialism of consumers”, this economic model was deliberately organized according to consumer needs. But far more than a distributional system, it was a mechanism for growing social harmony. A “community of consumers” was created through a “reconciliation of egoism and altruism because everybody wins more, the more he lets others participate”.24 The utopian dimension of the co-operative future was pervasive, but was not so much remarked on because the ideal seemed to be in the offing with the ongoing influx of members. Wilbrandt dreamed of an international federation of co-operative associations, “that [would be] powerful in all parliaments because of the masses of members, and stand above today’s big and small nations as an institution, ready to satisfy the economic needs of all consumers”.25 The legitimacy the consumer advocates laid

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21 Cf. R. Schloesser, ‘Konsumgenossenschaft’, in Staatslexikon, vol. 3 (Freiburg 1929), 562; A. Weuster, Theorie der Konsumgenossenschaftsentwicklung. Die deutschen Konsumgenossenschaften bis zum Ende der Weimarer Zeit (Berlin 1980), 577. The different positions of the “Reichsverband” and the “Zentralverband” may be traced in Weuster’s rather ahistorical account of their proponents, Peter Schlack and Heinrich Kaufmann. Cf. ibid., 157-309. For the movement’s presence in the political journals, see the recurrent articles in the Neue Zeit, Die Gesellschaft, Die Hilfe, Sozialistische Monatshefte. On the historical background of the co-operatives, see M. Prinz, Brot und Dividende. Konsumvereine in Deutschland und England vor 1914 (Göttingen 1996).


24 Wilbrandt, Sozialismus, quotations: 89, 93, 104.

claim to was really derived from the future: with the transformation of the economy into a co-operative system, what had been in the past the consumer’s merely partial economic interest would turn into the genuinely public interest tomorrow. The great thing about the “Gemeinwirtschaft” Wilbrandt envisioned was that it promised to relieve consumers of the three capitalist curses – crises, exploitation, and waste – and that all this could be achieved by rational planning. Social engineering with a humanist core, therefore, was the appeal of this model of consumer society.

The economic and moral foundations on which the professed superiority of the co-operative economy rested, implied a specific conceptualization of the consumer. If exchange was to be replaced by planning as the governing principle of socio-economic organization, then it was necessary to calculate demand in advance if one was to make it the basis of a production plan. That way “sales uncertainty is removed by the organization of customers. And with sales uncertainty gone, all the worries and competition for sales disappear, all the costs of salesmen and advertisement, together with the artificial excess of needs instilled by it, and all the over-production that is now crushing us.”

The tremendous costs eliminated by a farsighted calculation of demand could be used to lower the price of necessary consumer goods. The precondition of this was, of course, that consumers’ needs be thought of as rather static and that they not develop uncontrollably as they had done before 1914, when, as was commonly believed, the finery and frippery of consumer culture had begun to spread among the masses. Thus, to promote the demand-satisfying economy was to believe that consumers were almost exclusively interested in the satisfaction of certain necessities, and that the dynamic desire for luxuries was nothing more than a bad habit acquired in supply-driven capitalism that would eventually fade away.

Apart from efficient organization, Wilbrandt emphasized another point that he praised as the true mission of the movement. In the co-operatives, consumers did much more than just shop cheaply, they were being socially educated to become morally better persons. As long as capitalism held sway, Wilbrandt argued, Christianity was condemned to a transcendent exist-ence; the communal work in the co-operatives now granted the chance to practise Christian virtues in real life. Yet, there was a catch in the promise of moral betterment in that it would not flow automatically from organization. It became clear that many members (of the next generation, as Wilbrandt remarked) were not so enthusiastic about devoting their time to voluntary work for the co-operatives. These members also lacked foresight when they pressed for a complete refunding of surpluses instead of voting for reinvestment in the improvement of facilities. Last, but not least, the bureaucratic ways of the co-operative associations tended to eviscerate the idealistic fervour that had contributed to their founding. If, to some extent, common benefit in the future hinged on personal sacrifice in the present, then the educated consumer was a prerequisite for, and not just the result of, the success of co-operatives. That it was, in fact, not easy to instil a sense of duty in consumers is evident from Wilbrandt’s disbelieving criticism of those members who shopped occasionally at private retailers and seemed not to understand “that it is their own shop they boycott”.

To sum up, consumers were entitled to be provided with necessary goods. At the same time they were asked to take political considerations into account in their consumer behaviour because they participated in a collective project to transform capitalism into a “socialism of consumers”. This was a vision of future German society that promised to “heal the national disunity” that came from the rifts of class and political allegiance.

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26 Wilbrandt, Sozialismus, 115.
28 Wilbrandt, Sozialismus, 124.
American affluence

In the mid-1920s, a competing model of consumer society was on the rise and received increasing support from liberals like Anton Erkelenz and Lujo Brentano, and continued to be supported well into the world economic crisis. In the following, Erkelenz, a leading member of the liberal Deutsche Demokratische Partei and co-editor of Die Hilfe, serves as an exemplary proponent of this position. Before proceeding to a discussion of Erkelenz’s thought, it should be noted that he and his like-minded contemporaries did not talk explicitly about “consumer society” when they explained their political strategy, and “consumers” were not addressed as the main actors. Still, as we shall see, the consumer played the key role in this view and was conceptualized in a fashion radically different from that favoured by the co-operatives.

Under the slogan of “Kaufkraftförderung”, which meant the stimulation of purchasing power, an economic growth policy was advocated that tied an increase in productivity to a rising standard of living. Such a view had already existed in the 1880s when the “purchasing power of the masses” had received attention as being a necessary counterpart to the surge in production. In the decade-long break from the path to affluence between 1914 and 1924, the satisfaction of basic needs had occupied first place in the concepts of consumer policy. As the German economy was beginning to recover, the dynamics of needs regained prominence. In Erkelenz’s writings we can trace how the scheme of a distributional management of scarcity was giving way to the idea of general economic growth and of expanding cultural needs. In 1920, Erkelenz already suggested a plan, to be carried out by a strong state, to reduce the consumption of “the superfluous and the unnecessary”. In 1924, he warned entrepreneurs against a tight wage policy, arguing that a decreasing standard of living, which came from real wage losses, had been the cause of all kinds of disruptions in the past, including the political upheavals of 1918 and 1919. Later, under the spell of American mass consumer society, Erkelenz became convinced that the economy, “in order to live and not to rust, had to create new needs, had to satisfy new needs, and had to conjure up the means for larger and smaller sections of the population to be able to afford these needs.”

The plea for high wages was based on a specific diagnosis of the situation the German economy faced in the mid-1920s. According to this, the first wave of rationalization in industry did not reach workers and employees in the form of price cuts or wage raises, but rather hit them with higher unemployment rates. The strong German “trusts” had not sufficiently passed on to consumers the profits deriving from gains in productivity. Overproduction was the consequence, and it was high time that it be counterbalanced by a stimulation of demand. In addition to that, the structural transformation of the German economy that accompanied continuing urbanization had strongly privileged industrial production at the expense of agriculture. A corresponding adjustment of mass consumption (“des Verbrauchs der Volksmassen”) was necessary, as Wladimir Woytinsky explained in Die Gesellschaft, such that consumption went “less and less to food and more and more to clothes, housing, and the satisfaction of cultural needs.” The precondition for bringing about such a change was an increase in

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32 Erkelenz, ’Unternehmer und Arbeitnehmer in der neuen Wirtschaft’ (1920), in idem, Sozialpolitik, 71 (first quotation); idem, ’Der Weg zum Wirtschaftsfrieden’, in Der Arbeitgeber, no. 17, 1.9.1924, reprinted in idem, Sozialpolitik, 165; idem, ’Automobil’, 415 (second quotation).
real wages – as every economist had known ever since Ernst Engel demonstrated the connection between the level of income and the pattern of consumption. To Erkelenz, purchasing power had become the basis of “today’s economic system [which] could only exist through expansion, i.e. the expansion of all needs of life”.  

To be sure, a high wage policy on its own, its proponents had to admit, would just have triggered inflation; but coupled with rationalization it would become the engine of progress. At a conference of the “Gesellschaft für Soziale Reform” in 1927, Theodor Brauer and Emil Lederer explained the ingenious Fordist mechanism of a mutual reinforcement of wage rises and technical improvement. “Speculative” wage increases, Brauer recommended, stimulated demand, which then induced rationalized mass production. Heightened production and more efficient production could obviate the need for price increases, and would instead raise wages such that more mass consumer goods might be sold. The rationalizing effects of mass consumption and the stimulation of demand by rationalization thus combined to create an upward spiral of ever-growing affluence. This is the place neither to assess the theoretical validity of this line of argument, nor to recapitulate Borchardt’s neoclassical case against an exaggerated wage level before the world economic crisis. It should, however, be noted that it was indeed a consumer policy that Weimar entrepreneurs resisted so strongly, even if contemporary discourse focused on talk about workers’ and employees’ rights. It was precisely workers’ financial ability to participate in mass consumption that was at stake in the clash between supply-orientated industry and demand-orientated unions.

The vision of the thriving mass consumer society had the advantage, so its advocates argued, that it did not exist only in the imagination, but had, in fact, already been realized in the United States. When Erkelenz promulgated this vision in Die Hilfe, he was not so much talking economic theory, but rather painting vivid pictures of the American present – and by implication the possible German future. From his travels, he brought home descriptions of the incredible mass motorization, of big industry’s technical superiority, and of the efficacious rationalization instantiated by the trade department under Hoover. It was beyond doubt that there really was an economic miracle in the converging of a stunning real wage level, twice as high as in Germany, with large profits for entrepreneurs. Yet, there was disagreement among the many travellers to the United States on whether American success was the result of specific domestic conditions and on whether it was possible to repeat the American miracle in Germany. Unequivocally, Erkelenz told his readers that it was not natural resources, not the greater productivity of agriculture, nor the more extensive domestic market that was responsible, but rather the double strategy of high wages plus rationalization that might easily be adopted in Germany.

Even a strong supporter of the American model like Erkelenz did not embrace all its aspects whole-heartedly. He disapproved, for example, of instalment plans, and was wary of the possibility of mass motorization in Germany. What made the self-propelling Fordist mechanism so attractive was the spirit of achievement and the social harmony that might flow from a rising standard of living. To increase the purchasing power of the consumer masses was the best social policy, as Erkelenz proclaimed again and again. In this view, the promise to integrate society rested on a dynamic conception of mass consumption in which people had the right and the means to satisfy their changing consumer needs, but, in a sense, also had the duty to do so, for if consumers would not do their duty, then the system would not work.

34 On the conference, see Dr. Fliederstrauch, ‘Geistige Grundfragen der Sozialpolitik’, in Die Hilfe vol. 33 (1927), 347.
German autarky

During the world economic crisis, a wholly different conception of consumer society gained prominence among the right-wing “young conservative” authors, whose ideas largely converged, and sometimes were identical, with national socialist ideology. Earlier, the most influential writer had been Gottfried Feder, who, having impressed Hitler with his “Manifest zur Brechung der Zinsknechtschaft” (Manifest to Break Loan Servitude), had significantly shaped the Nazi party’s thin economic policy in the 1920s. When the young conservative journal Die Tat became popular in the late 1920s, Friedrich Zimmermann, alias Ferdinand Fried, who published his widely-noticed articles on the demise of capitalism there, exerted great influence.38

The primacy of politics over economics was invoked as the basic principle. We find it being explored in Feder’s tedious exegesis of the 1920 party platform, which had partly been informed by his ideas. This would seem to be a draft of a national socialist version of a social contract. State and society are connected by notions of rights and duties that refer to the citizen’s double identity as consumer and producer. The party platform does not talk about wage labourers or salaried employees, but mainly about citizens (“Staatsbürger”), who are also called “Volksgenossen”. A strict reciprocity between the citizens and the state is visible; while the state is obliged to provide employment and subsistence (“für die Erwerbs- und Lebensmöglichkeit der Staatsbürger zu sorgen”), it is the citizen’s “first duty” to work, intellectually or manually. Feder elucidates this construction by stating that “the consumer and the producer are the main participants in every economy”.39 On the one side, the nation is imagined as a community of producers, of the “working people” (“Werktätige”), who are characterized as being infused with the “schaffende Geist”. Feder uses this powerful image to connote hard work and creativity, in opposition to the stereotypical anti-Semitic figure of the “raffende Geist” who was identified with “the jew”, roaming about to pile up money and enslave producers through finance capital. The state’s most urgent economic task, Feder suggested, was to destroy the power of all the exploitative middlemen in trade, retail, and banking, who interrupted the relation between producers and consumers. Of course, that did not apply to “Aryan” small retailers, who formed the “sound middle classes”. In the party platform, these ideas materialized in the call for the communalization of big department stores, for the socialization of trusts, and for the death penalty for profiteers.40 On the other side, the citizens’ duty to work is counterbalanced by their right as consumers to be provided with the goods essential to their subsistence. Just like for the co-operative movement, “Bedarfsdeckung” should replace profitability as the purpose of the economy. Feder defined “Bedarfsdeckung” as the “satisfaction of necessary needs at reasonable prices for all who are joined in the Volksgemeinschaft”. As food and housing were the only goods deemed necessary in this account, the state would see to it that provision of them was guaranteed. While anxious to proclaim that private property remained inviolate as long as it did not harm the public interest, the state did embark on projects like housing programmes and the expansion of Lebensraum, which were announced as a part of the national socialist food policy. Also, if it was not possible to feed the whole nation, the platform stipulated that non-citizens were to be expelled from Germany.41

However unsuccessful Feder later was in the Nazi state, and although he may not have been very explicit about it himself, the decisive point to make about his writings is that he acknowledged the double nature of citizens as consumers and producers and made it the basis of a social contract on

38 See G. Feder, Manifest zur Brechung der Zinsknechtschaft (München 1919); idem, Der Deutsche Staat auf nationaler und sozialer Grundlage (1923) (München 193342); F. Fried, Autarkie (Jena 1932); idem, Das Ende des Kapitalismus (Jena 1931). See also A. Barkai, Das Wirtschaftssystem des Nationalsozialismus. Der historische und ideologische Hintergrund 1933-36 (Köln 1977), 57, 81; A. Ritschl, “Die NS-Wirtschaftsleerologie – Modernisierungsprogramm oder reaktionäre Utopie?” in M. Prinz and R. Zitelmann (eds.), Nationalsozialismus und Modernisierung (Darmstadt 1991), 48-70.


40 Ibid., 18-23; Programm der NSDAP, 92.

which the national socialist *Volksgemeinschaft* would rest. The state was founded upon the citizens’ duty to work and upon their right to be provided with necessary goods.

The figure of the German consumer took further shape in the writings of Ferdinand Fried, who advocated far-reaching state intervention in the economy in response to the world economic crisis. He explored capitalism’s fundamental failure to allocate resources at length, and tried to demonstrate a long-term trend from free trade towards trade war in the world economy. This development would eventually lead to geographically separate economic areas, virtually forcing nations to adopt autarky and the planned economy as the key principles of economic policy. According to Fried, a paradigm shift was on the way as the masses, having suffered most under capitalism and now rising to political power, determined how the state related to the economy. The order of the day was static national subsistence organized by the state, replacing the past axioma of dynamic development and international exchange. When Fried argued that “the demand-stimulating economy (Bedarfsweckungswirtschaft) turns into a demand-meeting economy (Bedarfsdeckungswirtschaft) again”, he was playing on familiar terminology.42

The walling off of the German economy with tariffs envisioned by Fried had consequences for the consumer. Since the priority was to meet demand as far as possible through domestic production, a partial re-agrarization was recommended. Only those products which could not possibly be had from German soil should be imported. Fortunately, as Fried found out when he was sketching a minimalist import plan, most foodstuffs could be produced in ample amounts at home. When it came to extravagant import goods like coffee, tea, or cigarettes, for which there was obviously a demand, a “gradual disaccustoming” was advised. With respect to the difficult provision of fruit in the winter time, it seemed best to “work out a consumer rhythm that is in line with the conditions of the German soil”. When Fried asked whether Germans should “keep on drinking coffee only to do Brazil a favour”, he was trying to teach his readers how eminently political consumption was.43

It may perhaps seem plausible to consider autarky and re-agrarization a retreat from consumer society altogether. Indeed, this conception did venture to break away from some of the economic developments that had created the historical conditions for the concept of consumer society in the first place. Yet, the ideal of autarky made consumption an important element in the construction of national identity. The citizen had to be educated as a German consumer if he or she was to be a full member of the *Volksgemeinschaft*. Thus, the politicized consumer was so prominent in this vision of German society that it, too, was a variation on the theme of the consumer society.

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