

Rebuilding the Economy in the American and British Occupation Zones (1948)

Abstract

This clip is taken from the newsreel series "March of Time," which was produced in the United States by Time, Inc. These newsreels were shown in movie theaters before a feature film and combined documentary footage with interviews and dramatizations. This clip from 1948 describes the efforts to revive industry and the economy in the British and American occupation zones. It makes a point to stress that rebuilding Germany's economy and infrastructure as quickly as possible was of major importance not just to the survival of the German people but to the rebuilding of most European economies as well. Viewers also learn how the labor shortage resulting from the war and the continuing scarcity of food contributed to the challenges slowing down Germany's and thus Europe's economic recovery.

Source

/More immediate than the need for rebuilding Germany's political structure was that of rebuilding its economy, beginning with its transportation system. For the German network of railroads links not only Germany, but the greater part of Europe. Despite shortages of material and labor, much progress has been made.

/With industries getting underway, the Germans have begun to provide themselves with jobs, as well as with some needed goods, which would otherwise have to be supplied by the United States.

/In 1947 much of the slowly reviving industry in the American zone was being concentrated on goods for export with the full encouragement of the American military government. For only by building up on a big scale the export of German consumer goods can Germany get off relief and contribute its share to the European economy.

/Whatever the Americans can achieve, it is in the British zone that the whole problem of Germany's economic rehabilitation centers. For in this zone, with its teeming population, is the most highly concentrated industrial center in the world, the Ruhr district, whose coal and steel production is basic to the economy not only of Germany, but of most of Europe as well.

/Wrecked beyond repair is the great Krupp munitions works at Essen, prime producer of armaments for the Nazis. But this plant is an exception. 75 percent of the Ruhr industrial plants survived the war and many of them are operating today under British supervision, though their output is only a fraction of what it was.

/For iron and steel production, transport and power, all depend upon coal, and Britain has been unable to build up the output of Ruhr coal to meet requirements. In a normal peacetime year, the Ruhr produced 128 million tons, of which some 30 million went for export. In 1946, production amounted to less than half of normal, of which 20 percent was shipped to France and the Low Countries, leaving a totally inadequate supply in Germany. The Ruhr's low rate of coal production is basically a labor problem. The mines are manned today chiefly by the young and unskilled, or the old and tired. Most of the others were killed or taken prisoner in the war while great numbers of experienced supervisors were disqualified as Nazis.

/The amount the miners can produce is diminished by undernourishment, which produces illness and absenteeism and reduces their efficiency when they're on the job. For though an increased ration has been allotted the miners out of Britain's own meager food supply, the men all too often share it with their families instead of benefiting by it themselves.

/Keeping miners on full time is another major problem. For a few days work gives them enough to buy

the week's rations to which they are entitled. Many of the other days they spend hunting for additional food at farms outside the cities, where they barter soap or whatever else they may be able to spare. /For the lack of a few essential commodities, German recovery has been seriously retarded.

Source: "March of Time," Vol. 13 No. 6, 1948. National Archives and Records Administration. NAID: 23820

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