A Failed Empire

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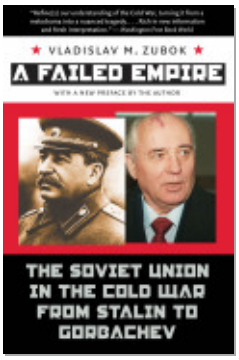

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(CHAPTER 3)

STALEMATE IN GERMANY, 1945–1953

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All we need is a bourgeois Germany if it is peaceful.
—Beria, May 1953

How could a sober-thinking Marxist, one who stands on the positions close to socialism or Soviet power, believe in a bourgeois, peaceful Germany . . . that would be under the control of four powers?
—Molotov, July 1953

Germany's division was one of the most striking outcomes of the clash between the Soviet Union and the Western democracies. But only recently has critical reassessment of Western involvement emerged.[1] And the full extent of Stalin's role cannot be documented even today. The details of many smaller-scale decisions and their implementation remain clouded: Stalin's cipher cables and many records of conversations are still classified in the Russian archives. Nevertheless, the available documents reveal that many developments in East Germany had Stalin's unique imprint and some of them would never have taken place without his explicit authorization. The top Soviet political commissar in East Germany, Vladimir Semenov, recalled in the 1960s the "subtle diplomatic moves" that Stalin made in pursuing Soviet policy on the German Question.[2]

An examination of East German and Soviet archives has convinced some scholars that Stalin would have preferred to build a united non-Communist Germany, not to create a separate East German satellite.[3] Some experts believe that the Soviets had never intended the Sovietization of East Germany but rather stumbled into it in the chaotic process of improvisation.[4] My conclusions in this chapter are just the opposite. Evidence shows that Stalin and Soviet elites never entertained the idea of a neutral Germany. At a minimum, the Soviets wanted to neutralize the part of Germany under Western control and build their own socialist Germany in their zone of occupation. From the ideological angle, building socialism in the Eastern Zone brought together the Bolshevik internationalist dreams of the 1920s and the acquisition of the empire during the 1940s.

From the economic standpoint, the zone became the source of an enormous

flow of reparations, of self-enrichment for Soviet elites, of high technologies for industrialists and scientists, and of almost the entire supply of weapons-grade uranium for Soviet nuclear arms. The division of Germany was also an excellent pretext for constructing a socialist empire in Central Europe. World War II left Soviet elites and the citizenry feeling entitled to have a decisive say in Germany's future. This sentiment, justified by the enormous war casualties, lasted for decades.

Last, but not least, Stalin never wanted to withdraw Soviet troops from East Germany. As the confrontation deepened, East Germany became a true hub—militarily and geostrategically—of Soviet power in Europe. Hundreds of thousands of Soviet troops ended up being deployed there, ready to rush, at a moment's notice, all the way to the English Channel.

As it turned out, East Germany became the most troubled link of the Soviet empire. As an "expert on nationalities," Stalin was careful not to reinvigorate the forces of German nationalism; he felt it was vital to blame the split of the German nation on the Western powers. Thus, the Soviets concealed the gradual integration of East Germany into the Soviet empire, leaving the border between East and West Germany open. These circumstances turned Germany into a place of relatively open competition between free market and Communist systems. In the early occupation years, Soviet authorities seemed to be successful in consolidating "their Germany." By the end of Stalin's life, however, it became clear that the struggle for the pivotal country of Europe was just beginning and that the Soviets could not win it.

ESTABLISHING THE OCCUPATION REGIME

The Soviet authorities planned for occupation, documents suggest, beginning in 1943, well before the first Soviet soldier entered East Prussia. Yet, understandably, those plans were quite vague. Ivan Maisky wrote in his private journal: "Our goal is to prevent the emergence of a new German aggression." This could be achieved, if not by "proletarian revolution" and the "creation in Germany of a strong Soviet regime," then only by the "substantial and durable weakening of Germany that would render it physically incapable of any aggression."[5] Twenty years later, Marshal Rodion Malinovsky and Marshal Sergei Biryuzov stated that they believed that it was Stalin's intention to destroy the German economy in 1945: "He did not believe that we would stay in Germany, and he was afraid that it all would turn once more against us."[6]

Stalin, always suspicious of Western intentions, wanted to prevent a last-minute alliance between Germany and the Western powers. At the Yalta con-

ference, he even did not want to reveal the Soviet Union's extremely strong interest in reparations.[7] According to Maisky, Stalin "did not want to scare the Allies with our demands and make them interested in new opportunities." He also played down Soviet plans to use German POWs as forced labor to rebuild Soviet cities and the economy.[8] In reality, Soviet interest in economic exploitation of Germany was enormous. On May 11, 1945, Stalin instructed Malenkov, Molotov, Gosplan head Nikolai Voznesensky, Maisky, and other officials that the transfer of Germany's military-industrial potential to the Soviet Union must be carried out with maximum speed to ensure economic recovery of the industrialized areas, "particularly [the coal mines of] Donbass." During the discussion, Molotov stressed that the Soviets must strip West Berlin of all its industrial assets before its transfer to the Western powers. "Berlin cost us too much."[9]

At the end of the war, the Kremlin's plans for the future of Germany centered above all on the issues of borders and occupation.[10] Stalin and his lieutenants redrew the map of Germany and erased Prussia, "the hornet's nest of German militarism," from the map. The eastern part of Prussia with the city of Königsberg became part of the Soviet Union. The western part and the city of Danzig went to the reconstituted Poland. Stalin also decided to transfer to Poland the German lands of Silesia and Pomerania, in compensation for the eastern Polish lands that the Soviet Union had annexed in 1939 and retained at the end of the war. The Soviets encouraged the Poles and the Czechs to expel ethnic Germans. The Western allies did not object. Overall, by the end of 1945, 3.6 million German refugees had moved from Eastern Europe to the Soviet zone of occupation; hundreds of thousands fled to the Western zones. It was an awesome geopolitical coup that changed the map of Central Europe.[11]

Despite the initial cooperative stance of the Western powers, Stalin braced for a struggle for Germany. In late March 1945, he told a group of visiting Czechoslovak officials that the Western allies would "conspire" with the Germans. They would try to rescue them from punishment for their crimes, would treat them "more leniently."[12] In May 1945, Stalin said that "the battle for Germany's soul" would be "protracted and difficult."[13] And at a June 4, 1945, meeting with German Communists, Stalin advised them that the British and the Americans planned to dismember Germany, but that he, Stalin, was against it. Still, he said, "there will be two Germanys in spite of all the unity of the allies." To occupy a strong position in German politics, Stalin urged German Communists to merge with Social Democrats and become the party of "German unity" that could reach out to Western zones. The Socialist Unity Party of Germany (the SED) was established in the Soviet zone in February 1946.[14]

Not indigenous Communists but instead the Soviet Military Administration in

Germany (SMAG) became the crucial agency for pursuing Soviet objectives in Germany. In early 1946, SMAG had already emerged as a sprawling bureaucracy in the growing competition with Western occupational authorities. The SMAG apparatus amounted to 4,000 officers, who had privileges appropriate to "imperial administration" in a colony: a double salary in Soviet rubles and German marks; a better living standard than the highest bureaucrats in the Soviet Union; a position from which to lord it over the former "master race" of Europe; and exposure to various influences from Western zones. The Kremlin leader had the two rival secret police agencies, the MVD and the MGB, help SMAG and provide Stalin with a check on its activities.[15]

Marshal Georgy Zhukov, the first head of SMAG, quickly lost his job: his immense popularity, combined with a headstrong character, bothered Stalin. His successor, Marshal Vasily Sokolovsky, was the most sophisticated, cultured, and at the same time modest and unassuming person in the Soviet military command.[16] Stalin also instituted the position of political commissar in Germany. In February 1946, this job went to Vladimir Semenov, a thirty-four-year-old doctor of philosophy and a middle-ranking diplomat; nothing in his past life prepared him for the enormity of his task. His first reaction was to study archival documents on the history of Napoleon's occupation of the German states in the early nineteenth century. Unfortunately for the young appointee, history gave him no insights for future activities.[17]

The uncertainty of the political situation in Germany and in relationship to the Western powers made Stalin deliberately cautious and vague in his instructions to SMAG and Semenov. While Stalin had no doubt there would be a struggle for Germany, he was uncertain about the degree of American involvement. In October 1944, in conversation with Stalin, Churchill said that the "Americans probably have no intention to participate in a long-term occupation [of Germany]."[18] But numerous events since fall 1945 signaled the American intention to stay in Germany. The new assertiveness of the United States after Hiroshima indicated to Moscow that the Americans wanted to challenge Soviet control over Central Europe and the Balkans. From that moment on, the issue for Stalin was not so much the presence of American military power in Germany but rather the maintenance of the Soviet military presence in Central Europe, above all in the Eastern Zone.

In September 1945, Stalin rejected the proposal by U.S. secretary of state James Byrnes to sign a treaty that would demilitarize Germany for twenty to twenty-five years. During his talks with Byrnes in Moscow in December 1945, Stalin, pleased with the American decision to preserve the Yalta-Potsdam formula of cooperation, decided to agree "in principle" to discuss the idea of German

demilitarization. It was a tactical move. Stalin's strong opposition to Byrnes's idea remained in force. Moreover, it came to be shared by the majority in Soviet high echelons. And it became obvious in February 1946, when Byrnes presented to the Soviets a draft agreement on demilitarization of Germany. Stalin and Soviet officials debated this proposal for months. In May 1946, thirty-eight officials, including Politburo members, military, and diplomats, presented their conclusions to Stalin.[19] Zhukov wrote: "Americans would like to finish the occupation of Germany as soon as possible and to remove the armed forces of the USSR, and then to demand a withdrawal of our troops from Poland, and then from the Balkans." They also wanted to disrupt the Soviets in the dismantling of German industries and extraction of reparations and "to preserve in Germany the military potential as a necessary base for carrying out their aggressive aims in the future."[20] Deputy Foreign Minister Solomon Lozovsky was even more categorical in his memorandum. Acceptance of the American project, he wrote, would lead to a liquidation of the occupational zones, withdrawal of Soviet troops, and economic and political reunification of Germany under American domination. This, in turn, would lead "in a few years to a German-Anglo-American war against the USSR." A summary prepared by the Ministry of Foreign Affairs concluded that in presenting the proposal on German demilitarization, the U.S. government pursued the following goals: bringing an end to German occupation; terminating Soviet reparations from Germany; dismantling the Yalta-Potsdam formula and reducing Soviet control over Germany and Soviet influence in European affairs; accelerating restoration of Germany's economic power; and turning Germany against the Soviet Union. These conclusions became a standard formula in diplomatic correspondence evaluating American foreign policy.[21]

Nowhere in Soviet documents on Germany can one see any trace of a fundamental rethinking of Soviet security considerations in view of American atomic capabilities. Yet, undoubtedly, the shadow of Hiroshima's atomic mushroom was present in Soviet thinking on the German Question. Molotov, in a conversation with Byrnes on May 5, 1946, wondered why the United States "leaves no corner in the world without attention" and "builds its air bases everywhere," including Iceland, Greece, Italy, Turkey, and China.[22] From those bases, as Stalin, Molotov, and the Soviet military saw it, American bombers with atomic weapons could easily strike any spot in the Soviet Union. Later, in the early 1950s, this factor would drive a huge increase in the Soviet military presence in Central Europe in order to counteract a possible U.S. nuclear attack.

Stalin and Soviet high officials agreed that an early military withdrawal from Germany would deny the Soviet Union the right to keep its troops in Central Europe and the Balkans. Then the devastated Germany and other countries of

Central Europe would automatically become dependent on American economic and financial assistance and with political strings attached. The best option remaining for the Soviets was the continuation of the joint occupational regime for an indefinite period. Zhukov, Sokolovsky, and Semenov intended "to use the American initiative in any way to tie their hands (and British hands as well) on the German Question in the future."[23] Then, at least, they could hope that the inevitable postwar economic crisis would come and the United States would give up its plans for European hegemony and retreat into isolationism.

The Americans, meanwhile, switched to the "containment" mode and cooled to the idea of cooperating with the Soviets in Germany. Byrnes reached an agreement with Bevin to merge American and British zones into Bizonia. In his speech in Stuttgart on September 6, the secretary of state, accompanied by Republican senator Arthur H. Vandenberg and Democratic senator Tom Connally, said: "We are not withdrawing. We are staying here." In sum, Byrnes proposed that the United States, not the Soviets, should be a major sponsor of Germany's sovereignty and democratic future. In addition to assurance of German sovereignty over the Ruhr and the Rhineland, Byrnes hinted that the United States did not regard the new German border with Poland (the Oder-Neisse line) as irrevocable.[24]

Byrnes's speech reinforced the Soviet official consensus that the U.S. administration wanted to get rid of the Soviet presence in Germany and deny the Soviet Union a sphere of influence in Central Europe. Still, there was room for "softer" and "harder" interpretations. On the "hard-line" flank, Molotov's deputy, Sergei Kavtaradze, wrote that the United States was potentially "the most aggressive state" in the world and wanted to convert Germany into the base of their "dictatorial position in Europe." According to this assessment, the speech was part of the strategic plan aimed at the Soviet Union. Other Foreign Ministry officials wrote that Byrnes wanted to mobilize German "reactionary" nationalism against the Soviet Union, yet they did not characterize American actions as an aggressive plan. Some of them continued to argue that political and diplomatic compromise on the German Question was possible.[25] The official discourse, however, did not provide any clues to the nature of this compromise.

Only Stalin's guidance could ease this problem. The Kremlin potentate discussed German affairs with Molotov, Vyshinsky, Vladimir Dekanozov, Zhukov, Sokolovsky, and other officials. In his instructions to the German Communist leaders Walter Ulbricht and Wilhelm Pieck in February 1946, Stalin used the same language the Bolsheviks had used to chart their political strategies during the Russian revolutions: the "program-minimum" was to preserve a German unity; the "program-maximum" stipulated construction of socialism in Germany along the "democratic road."[26] If one takes this jargon seriously, it meant that Stalin

was prepared to temporize with the Sovietization of the Soviet zone in the hope that Communist influence could spread throughout the rest of Germany. Stalin's two-stage scenario would have made sense, if there had indeed been a postwar economic crisis and the United States had pulled out its troops from West Germany. This, however, did not happen in 1946 or later.

Semenov recalled in his journal that Stalin had met with him and German Communists at least "once in 2–3 months." He also claimed he received instructions directly from Stalin to focus exclusively on major strategic questions and construct, bit by bit, a new Germany in the Soviet zone. According to him, there are records of "over a hundred" conversations with Stalin on the issues of political strategy in postwar Germany. But the journal of Stalin's visitors shows only eight meetings between the Kremlin ruler and East Germans in the Kremlin, and archival explorations have failed to produce the rest.[27] Since 1946, Stalin's health problems increasingly caused him to delegate German affairs to his lieutenants and the bureaucracy.

The vagueness or even absence of Stalin's instructions is difficult to interpret. It can be explained by the continuing uncertainty of the German Question, but also by other factors. As he often did earlier in his career, the Kremlin leader encouraged political feuds among his subordinates and played a mediating role in bureaucratic conflicts. He tolerated and even encouraged different, sometimes conflicting, versions of Soviet policy toward Germany. As a result, Soviet bureaucratic politics complicated SMAG's activities. Soviet officials in Germany were subordinate to various structures in Moscow, including the Ministry of Defense and the Ministry of Foreign Affairs; at the same time, some of them enjoyed direct contacts with Stalin and his lieutenants, as well as with the heads of various departments in the party's Central Committee. SMAG officials had different domains, according to their functions and tasks, with intersecting, but sometimes conflicting, responsibilities. Their working relations with different groups of Germans and their patronage ties to different bosses in Moscow, as well as the intensified political infighting in Stalin's entourage, added to the picture of confusion.[28]

The evidence does not point to Semenov having an exclusive role in Soviet policy making in Germany.[29] There were other architects of Soviet policies in the zone. One of them was the head of SMAG's division of political information and propaganda, Colonel Sergei Tyulpanov, a military intellectual with expertise in international economics and propaganda. Tyulpanov seemed to have had powerful patrons in Moscow, including Stalin's influential lieutenants Lev Mekhlis and Alexei Kuznetsov. The latter was one of the Leningraders, the party officials who had worked under Andrei Zhdanov. As a result, until 1948, Tyulpanov worked

independently from Semenov and his SMAG superiors, managing media and censorship, cinema, and political parties and trade unions, as well as science and culture, in the zone. He even survived the repeated sharp criticism from a number of high Soviet officials, who blamed him for the failures of the SED and Communist propaganda in West Germany.[30]

Soviet interests in Germany were so diverse and contradictory that Sokolovsky, Tyulpanov, and other SMAG officials continually had to walk the tightrope. On the one hand, they sought to organize East Germany in the only way they knew, that is, in the Soviet way. On the other hand, they and their patrons in the party leadership understood that abusing civilians, as well as dismantling industrial assets in the Soviet zone, would only complicate the struggle for Germany.[31] In partial compensation for the dismantling, East Germans got more food to eat. At the height of the severe postwar famine in the USSR, Stalin did not extract agricultural reparations from Germans, although it would have saved many Russians and Ukrainians from starvation.[32] In October 1945, Stalin decided to curb industrial looting in the Eastern Zone. In November, he told visiting Polish Communists that the Soviets were planning to leave some industries in Germany and would only extract their final production. The Soviets organized 31 stock companies (SAGs) that operated on the basis of 119 German plants and factories originally scheduled for removal. "By the end of 1946," writes Norman Naimark, "the Soviets owned close to 30 percent of all production in eastern Germany." A stock company of highest strategic value was the Wismut uranium project in Lower Saxony that produced the fuel for the first Soviet atomic bombs.[33]

The contradictions among different priorities, the dismantling, the construction of a new Germany in the zone, and the struggle for the whole of Germany, remained unresolved. The transfer of industrial assets to the Soviet Union continued, dictated by the needs of Soviet industries as well as by the gigantic armament projects. The Western counterparts declined all requests for resources and equipment from Western zones, which led to more dismantling in the Soviet zone.[34] Meanwhile, the intensification of the Cold War and the consolidation of the Western zones under U.S. and British guidance allowed Stalin, SMAG, and the East German Communists to move ahead with the task of transformation and consolidation of East Germany. This task became the priority for the Soviets.

INTEGRATING EAST GERMANY INTO THE SOVIET BLOC

Unilateral measures to transform the Soviet zone of Germany began from the first day of Soviet occupation. Beginning in 1945, the Soviets and the German Communists carried out radical land reform, compartmentalization of large es-

tates, and distribution of wealth among the small and middle farmers. Semenov recalled that Stalin devoted much attention to the planning and execution of land reforms. The Bolsheviks believed they retained power and prevailed in the civil war largely because they sanctioned confiscation of landlords' land and property by peasants. The same could help German Communists. German *Bauern*, the peasant farmers, did not mind getting the land from the *Junkers*, the landowners' class, as long as it was done legally. Land reforms in East Germany as well as elsewhere in Central Europe were a definite political success for the Soviets and their Communist appointees.[35]

At his meeting with Ulbricht and Pieck in February 1946, Stalin approved the concept of "a special German road to socialism." He hoped that the establishment of the SED would "create a good precedent for Western zones."[36] Yet the "Socialist Unity Party" remained, in the eyes of many Germans, especially women, linked to the Soviet dismantling, violence, and rape that had taken place in the zone. The party suffered a humiliating defeat in the first postwar municipal elections in the zone, particularly in Greater Berlin, in October 1946, when 49 percent voted for the parties of the center and the right. From that moment on, the Soviets simply left nothing to chance, and specialists of SMAG helped the SED to falsify future election results. The new party became the essential vehicle for establishing a political regime following the Soviet model in the Eastern Zone. When Stalin met with the SED delegation at the end of January 1947, he instructed the East German Communists to create secret police and paramilitary forces in the zone "without clamor." In June 1946, the Soviets created a coordinating body for security organs called the German Directorate for the Interior.[37]

One more card that Stalin intended to play in Germany was that of German nationalism. Several decades of experience had taught Stalin that nationalism could be a more potent force than revolutionary romanticism and Communist internationalism. Molotov recalled: "He saw how Hitler managed to organize German people. Hitler led his people, and we felt it by the way Germans fought during the war."[38] In January 1947, Stalin asked the SED delegates: "Are there many Nazi elements in Germany? What kind of force do they represent? In particular in the Western zones?" The SED leaders admitted their ignorance on this subject. Then Stalin advised them to supplant the policy of elimination of Nazi collaborators "by a different one—aimed to attract them, in order to avoid pushing all former Nazis to the enemy camp." The former Nazi activists should be allowed, he continued, to organize their own party that would "operate in the same bloc with the SED." Wilhelm Pieck expressed doubts as to whether SMAG would permit the formation of such a party. Stalin laughed and said he would facilitate it as much as he could.[39]

Semenov took the minutes of the meeting, and he recalled Stalin saying: "There were overall ten million members in the Nazi Party, and they all had families, friends and acquaintances. This is a big number. For how long should we ignore their concerns?" The Kremlin leader suggested a title for their new party: National Democratic Party of Germany. He asked Semenov if SMAG could find in some prison a former regional Nazi leader and put him at the helm of this party. When Semenov said that perhaps all of them had been executed, Stalin expressed regrets. He then suggested that the former Nazis should be allowed to have their own newspaper, "perhaps even with the title *Völkische Beobachter*," the notorious official daily of the Third Reich.[40]

These new tactics from Stalin's arsenal conflicted notably with his earlier manipulation of the "German threat" in the Slavic countries of Central Europe, but also with the core beliefs of Communist elites and with anti-German feelings of Russians. The proposal to cooperate with ex-Nazis dismayed both German Communists and SMAG officials, who waited a year to implement it. Only in May 1948, after the appropriate propagandist preparation, did SMAG disband the commissions on de-Nazification. In June, the first congress of the National Democratic Party of Germany (NDPD) opened in Berlin, with Semenov attending it in secret, his face covered with a newspaper. This was, Semenov recalls, "just the first link in the chain of important actions" in creating the new pro-Soviet and anti-Western balance in German politics. The complete rehabilitation of the former Nazis, as well as the officers of the Wehrmacht, coincided with the formation of the GDR in 1949.[41]

Stalin must have expected that the idea of a centralized, reunified, and neutral Germany would be so irresistible for German nationalists that they would overcome their enmity toward the Soviets and the Communists. And he certainly wanted to turn German nationalism against the West, at the same time as Byrnes and the Americans began to exploit German national sentiments against the USSR. On Stalin's instructions, Soviet diplomacy and propaganda relentlessly pushed the idea of a centralized German state and contrasted the Soviet stand with Western proposals of federalization and decentralization. The Western powers "really want to have four Germanys but they hide it in every way," said Stalin in January 1947, and reaffirmed the Soviet line: "A central government must be created, and it can sign the peace treaty." As a Russian scholar observes, Stalin was reluctant "to shoulder the responsibility for Germany's division. He wanted that role to be played by the Western powers." Therefore, he deliberately "stayed one step behind the Western powers' actions."[42] Indeed, every Soviet step toward creating units of military and secret police inside the zone was taken after the Western powers took their own decisive steps toward the

separation of West Germany: Bizonia, the Marshall Plan, and the formation of West Germany.

Until 1947, Stalin played a crucial role in restraining East German Communists and some SMAG enthusiasts who wanted a rapid "construction of socialism" in the zone. He may have been waiting for drastic changes in Europe's economic and political environment that could have come with economic crisis, U.S. elections, or other developments. Meanwhile, the German Question began to generate fuel for a great power confrontation. The Truman administration continued to shift from the policy of withdrawal from Germany to the policy of long-term economic reconstruction of Western zones. After the failure of the second conference of foreign ministers in Moscow (March–April 1947) to reach an agreement on Germany, the U.S. secretary of state, George Marshall, came to the conclusion that "the patient was dying while doctors deliberate," and the Truman administration launched the Marshall Plan to jump-start European economic recovery.[43]

At first the Kremlin had no clue what motivated the new U.S. initiative. Perhaps, Soviet economists suggested, the United States anticipated a major economic crisis and wanted to give away another "Lend-Lease" to create new markets for their goods. There was a revived hope among Soviet economic managers that this time the USSR might obtain American loans that had not materialized in 1945–46. At first, the Soviets did not link the Marshall Plan to the German Question: Molotov was only instructed to block attempts to reduce German reparations in exchange for American loans. After consultations with the Yugoslav Communist leaders, Stalin and Molotov decided that the delegations of other Central European countries should go to Paris, where a conference on economic assistance to Europe was to take place. The Czechoslovak, Polish, and Rumanian governments announced that they would participate in the conference, when Stalin changed his mind.[44]

On June 29, 1948, Molotov reported to Stalin from Paris, where he had consulted with the British and French leaders: The Americans "are eager to use this opportunity to break into the internal economies of European countries and especially to redirect the flow of European trade in their own interest." By early July, the new intelligence from Paris and London, especially the secret U.S.-British talks behind the backs of the Soviets, revealed to the Kremlin that the Truman administration had in mind a far-reaching plan of economic and political integration of Europe: the Marshall Plan aimed at containing Soviet influence and reviving the European, and above all the German, economy, according to American blueprints. On July 7, 1947, Molotov sent a new directive to the Central European governments, "advising" them to cancel their participation in the Paris

conference, because "under the guise of the plan of European recovery," the organizers of the Marshall Plan "in reality want to create a Western bloc that would include Western Germany."[45] When the Czechoslovak government refused to comply, citing their economic dependence on Western markets and loans, Stalin summoned them to Moscow and presented them with an ultimatum: even their attending the Paris conference would be regarded by the Soviets as a hostile act. The browbeaten Czechoslovak delegation had to pledge obedience. In return, Stalin promised he would order the Soviet industrial ministries to purchase Czechoslovak goods and pledged to provide immediate assistance in the amount of 200,000 tons of wheat, barley, and oats.[46]

The Soviet flip-flop on the Marshall Plan demonstrated a pattern in Stalin's reaction to the growing American involvement in Europe: from suspicion and temporizing to a fierce counterattack. Stalin's reading of the Marshall Plan left no room for German neutrality. A report from the Soviet ambassador in Washington, reflecting the new thinking in the Kremlin, depicted the U.S. plans as building a bloc encircling the USSR, "passing in the West across West Germany" and beyond. Reports from London and other Western capitals repeated the same story.[47] Stalin's instructions to foreign Communists pushed them to shift from parliamentary activities to political violence and preparations for war. In the fall of 1947, the Kremlin sought to destabilize Western Europe through strikes and demonstrations organized by French and Italian Communist parties and trade unions. The chewing out of the Czechs indicated that Stalin finally realized that his wait-and-see scenario for Germany and Central Europe had to be discarded. Communist parties in Central Europe were told to march to the Kremlin's drum and join the Information Bureau of the Communist Parties (Cominform), headquartered in Belgrade, Yugoslavia. Still, Stalin's instructions to the Central European Communists were to combine resolution with prudence. He hoped to present the acceleration of "Sovietization" as a gradual and natural process with Moscow's hand as hidden as possible.[48]

Stalin had been considering strengthening his control over European Communist parties since 1946, but the establishment of the Cominform was accelerated by the Marshall Plan. It reflected Stalin's conviction that, from now on, the Soviets could manage Central Europe only with iron ideological and party discipline. The Communist parties had to renounce "national roads to socialism;" they quickly became Stalinized and rigidly subordinate to Kremlin policies. The imposition of Stalinist controls led to the "purge" of Tito's Yugoslavia. This event bore a strong imprint of Stalin's personality. Stalin's outburst of hatred toward Tito and the Yugoslav Communist leadership was a surprise, even to his subordinates. It was, however, typical of Stalin's behavior in Soviet politics during his consolidation of

power, when he alternated between affection and hatred toward his political friends and supporters. Stalin's treatment of Central European Communist leaders was not markedly different from the way he treated his closest lieutenants, Molotov and Zhdanov—it was a mixture of deceiving charm, unprovoked sadism, suspicion, and contempt. In the case of the Yugoslavs, Stalin's treatment backfired and produced a rebellion of the most valued Soviet partner in Central Europe.[49]

Thus, the consolidation of Central Europe à la Stalin produced an internal, as well as an external, enemy. The ferocious campaign against "Titoism" performed the same function in 1948–49 as the bogus campaign against "Trotskyism" had done in 1935–38. It helped to consolidate Stalin's absolute control and preclude even remote possibilities of opposition and resistance to his will. At the same time, Stalin was obsessed with the idea of assassinating Tito, just as he had been with Trotsky's assassination.[50]

The rapid consolidation of the Soviet bloc in Central Europe brought about great changes in Soviet policies in Germany. They shifted decisively toward the creation of a Sovietized East Germany at the expense of the campaign for German unity. Stalin did not allow the SED to become a member of the Cominform. Yet, the SED leaders, including former Social Democrats, expressed unequivocal loyalty to the Soviet Union and denounced the Marshall Plan. In the fall of 1947, Stalin pushed the East German Communist leadership to organize military formations under the auspices of the German Directorate of the Interior, the police apparatus in the Soviet zone. In November 1947, a Department of Intelligence and Information was set up inside the Directorate of the Interior, with the goal of detecting and uprooting by extralegal methods any opposition to the East German regime. In July 1948, as the Berlin crisis deepened, the Soviet leader sanctioned a plan to equip and train 10,000 East German soldiers, as an "alert police" living in barracks.[51] All these measures were formulated and implemented in deep secrecy. Stalin fully understood that they constituted a flagrant violation of Yalta and Potsdam decisions, and this policy stood in stark contrast to Soviet propaganda and diplomacy that promoted the option of a reunified, neutral, and demilitarized Germany.

In September 1948, the SED denounced a special German road to socialism, the concept it had adhered to since its creation in 1946, as "rotten and dangerous," a path to nationalist "deviations." In the atmosphere of anti-Yugoslav hysteria, East German Communists preferred to be on the safe side, trying to join the ranks of loyal Stalinists even without an invitation from the Kremlin to do so.[52]

From December 1947 to February 1948, Western leaders, after separate meet-

ings in London without the Soviet Union, began to organize a West German federal state. This state would receive American assistance through the Marshall Plan, and the Ruhr production plans would be revised to ensure a quick economic revival of Western zones. Stalin might still hope that a capitalist economic crisis would occur to ruin Western plans, but he could no longer postpone his reaction to the emergence of West Germany. His response was to act at the point of maximum Soviet superiority over the West, in Berlin. In March 1948, answering complaints of SED officials about the Western presence in Berlin, Stalin remarked: "Maybe we shall succeed in kicking them out."[53] He decided to blockade West Berlin in an attempt in remove the Allies from the city or, even better, to force them to renegotiate their London agreements.

In addition to the London agreements, the introduction of the new currency in West Germany and West Berlin became a trigger for Soviet action. Introduction of a new currency would sharply increase the costs of the Soviet occupation of Germany (15 billion rubles in 1947). Until then, SMAG could print the old occupational marks that remained in circulation in Western zones. Financial separation of the Soviet zone from West Germany threatened to end this bonanza.[54]

By making West Berlin a hostage to Western separatist plans, Stalin hoped he had a reasonable chance of success in killing two birds with one stone. If the Western powers chose to negotiate, this would complicate their plans to create a West German state. These talks would also give SMAG more time to carry out their own preparations in the zone. If Western authorities refused to bargain, they risked losing their base in Berlin. The Soviet leader felt confident in his ability to adjust his use of force around West Berlin to avoid provoking war and to make the Western powers look responsible for the crisis. Significantly, he ordered a delay in printing new banknotes for the Soviet zone until the Western powers introduced their D-mark in Berlin.[55]

The Berlin blockade was another of Stalin's probes, in which caution joined with a brutal determination to push whenever the balance of forces was right. Other European developments provide a revealing context for the Soviet move against West Berlin. In February 1948, the Kremlin succeeded with this tactic, when the Communists seized power in Czechoslovakia and the liberal-democratic government surrendered without a fight. At the same time, Stalin came to the conclusion that the United States and Great Britain would never let Communist forces win in Greece. At the meeting with Yugoslav and Bulgarian leaders on February 10, Stalin said that "if there are no conditions for victory" in Greece, "one must not be afraid to admit it." He suggested that the "guerrilla movement," supported in 1947 by the Kremlin and the Yugoslavs, should be "terminated." It

was Yugoslavia's disagreement with Stalin's calculation that precipitated, along with other factors, the Stalin-Tito split.[56]

While the Berlin crisis was brewing, the imminent victory of the Italian Communist Party (PCI) in April 1948 threatened the balance of power in Europe. Historian Victor Zaslavsky has found ample evidence that the militants of PCI were prepared, if necessary, to seize power by means of military insurrection. The PCI leader, Palmiro Togliatti, schooled in Stalinist "realism," however, had grave doubts about the outcome of such an adventure. On March 23, Togliatti used secret channels to send a letter to Stalin, asking for advice. He warned the Kremlin leader that PCI's military confrontation with the opposing political camp could "lead to a big war." Togliatti informed Stalin that, in the case of a civil war in Italy, the United States, Great Britain, and France would support the anti-Communist side; then PCI would need the assistance of the Yugoslav army and the forces of other Eastern European countries in order to maintain its control over northern Italy. Togliatti's letter evoked an immediate response from Stalin. He instructed PCI not to use "armed insurrection for any reasons" to seize power in Italy.[57] Stalin, true to his cautious calculation of the balance of forces, decided that Italy, located within the British-American sphere of influence, was a long shot. West Berlin, however, was inside the Soviet zone of occupation, and the German issue was crucial enough to justify a calculated risk.

In May 1948, as historian Vladimir Pechatnov discovered, Stalin planned a devious "peace offensive" against the Truman administration. His goal was to undermine U.S. policies in Europe, presenting them as the only cause of the emerging division of Europe and Germany. He used the secret channel to Henry Wallace (who ran for president against Truman) to convey to him, and via him to the American public, that the Soviets "are not waging any Cold War. The United States is waging it." Stalin wanted to create an impression that it would be possible to overcome the U.S.-Soviet contradictions through negotiations. The Soviet leader continued to hint at this illusory prospect in an "open letter" addressed to Wallace and supporting his peace proposals.[58]

Unexpectedly, the Soviet blockade of West Berlin became a propaganda fiasco and a strategic failure. The mild winter, Anglo-American ingenuity in organizing the airlift, and the stoicism of the people of West Berlin defeated Soviet purposes. The West taught Stalin a costly lesson by mounting harsh economic sanctions against the Soviet zone and making the Soviets pay for the damage. Finally, the Western currency reform in West Germany and West Berlin was a great success, thanks in great part to the Soviet boycott.[59] The psychological and political effects of the Berlin blockade were fatal to Soviet influence in West Berlin and West Germany. It helped to forge a new friendship and anti-Communist alliance be-

tween the West Germans and the Allies, particularly the Americans. The American and British presence in West Germany and West Berlin gained a popular legitimacy that it had lacked before. The Berlin crisis facilitated the formation of the North Atlantic Treaty Organization (NATO) by the United States, Canada, and ten West European nations, announced on April 9, 1949. NATO permanently and formally legitimized the U.S. military presence in Western Europe and West Germany. On May 11, 1949, after brief talks, the Soviet Union lifted the blockade and signed an agreement with the three Western powers. This agreement recognized de facto permanent Western political rights in Berlin and agreed, in a separate protocol, to the division of the city into West and East. On May 23, 1949, just days after the blockade was lifted, the Western zones became the Federal Republic of Germany (FRG).

Several of Stalin's basic assumptions about Germany, based on the interwar experience, turned out to be false. First, the tactics of an alliance with pan-German nationalists did not produce its expected benefits. Stalin failed to realize that the collapse of the Nazi regime in the spring of 1945 left most Germans wary of any form of nationalism. As political developments in West Germany after 1948 demonstrated, the most potent factors there were not nationalism, but a desire for economic normalization, traditional regionalism, and alienation from East German lands, going back to the reaction against Prussia's domination in the First Reich. These factors were seen in the support Konrad Adenauer received in the upper and middle classes of the Rhineland, the support that allowed him to become the first chancellor of the Federal Republic of Germany.[60]

Instead of nationalist tensions in West Germany, there was an unexpected symbiosis between U.S. troops in West Germany and German civilians, especially women. Many German women liked American GIs, who became providers of scarce food and basic goods. While, in popular opinion, the Soviets were "takers," looters, and dismantlers, the Americans were "givers." During the Berlin blockade, German opinion shifted even more drastically in favor of the United States and against the Soviets.[61]

Secondly, the 1940s did not end in a crisis for world capitalism. Stalin banked a great deal on this assumption. He envisioned intense rivalries among Western European countries and the United States, reflecting the Leninist view of the inherent contradictions of the market-based economy.[62] In reality, the postwar economic recession that began in 1948 was not nearly as serious as expected. Soviet dreams that a new Great Slump would make the United States isolationist and more conciliatory toward Moscow's wishes did not come true.

Once again, Stalin refused to admit his miscalculation. In March 1948, he told SED officials that the unification of Germany would be "a protracted process"

and would take "several years." This delay, he continued, would benefit the SED, because the Communists would be able to intensify their propaganda work and "prepare the masses for Germany's reunification." Once the people's minds "are prepared," then "the Americans will have to capitulate."[63] In December 1948, at another meeting with the East German Communists, Stalin exuded a fake optimism. The SED leaders admitted that they and their allies had ruined their political reputation in West Germany; everybody regarded them as "Soviet agents." In reply, the Kremlin master disingenuously reproached Ulbricht and his comrades for renouncing a special German road to socialism: why did they try to fight "naked" like the ancient Germans who had fought against the Roman legions? "One must use a disguise," he said. Stalin suggested that "several good communists" in West Germany should leave the party and infiltrate the SPD, in order to subvert Social Democrats from within, just as the Polish and Hungarian Communists had done to their opposition parties.[64]

The SED leaders took advantage of the Soviet fiasco and the proclamation of the West German state to request more autonomy from Soviet occupation authorities. Under the pressure of events, Stalin allowed the SED to prepare for the establishment of a formal state, the German Democratic Republic. The GDR was officially born on October 7, 1949. In 1949, Stalin set up the Council for Mutual Economic Assistance (the COMECON or CMEA), the Soviet response to the Marshall Plan and the Western economic bloc. Its primary task was to develop "basic types of production that would allow us [the Soviet bloc] to get rid of essential equipment and raw materials imported from capitalist countries." Soon the GDR was allowed to join it.[65]

Some evidence indicates that the Kremlin master felt humiliated by his retreat in Germany. As the Berlin blockade was nearing its ignoble finale, Stalin resumed his attacks on Molotov and arrested his wife. Molotov's near-fall, as historians Gorlizky and Khlevniuk believe, "was in part the price Molotov paid for the failure of Soviet policy in Germany." In March 1949, Molotov lost his post as foreign minister. A year later, Stalin still fumed at "the dishonest, perfidious, and arrogant behavior of the United States in Europe, the Balkans, the Middle East, and especially its decision to form NATO." His way of getting back at the arrogant Americans was to support Kim Il Sung's plan to annex South Korea.[66]

THE KOREAN WAR AND EAST GERMANY

The outbreak of war in Korea in June 1950 radically militarized the Cold War and reduced the room for peace talks and settlements in Europe virtually to nothing. According to Molotov, the war was "pressed on us by the Koreans themselves.

Stalin said it was impossible to avoid the national question of a united Korea."[67] Still, the decision to go to war was Stalin's; once made, it killed any possibility for the peaceful reunification of Germany.

The new alliance between Stalin and Mao Ze-dong paved the road for the Korean War and was a major factor in shifting Stalin's strategies from Europe and Germany to the Far East. Until 1949, the Kremlin provided minimal assistance to Asian Communists and revolutionaries, including Mao Ze-dong in China and Ho Chi Minh in Vietnam.[68] The victory of the Chinese Communists forced Stalin to reconsider his priorities. The triumph of the CCP in the most-populous country of the world contrasted with the stalemate in Germany and the failures of Communists in France and Italy. In July 1949, at the meeting with the CCP delegation in the Kremlin, Stalin admitted his past mistakes in doubting the victory of the Communists in China. Still, in December 1949 he was reluctant to do the same, when Mao Ze-dong came to Moscow to participate in the celebration of the Soviet leader's birthday. Only when Mao refused to leave the USSR without a definitive Sino-Soviet arrangement did Stalin agree to the new Sino-Soviet alliance and a new set of agreements. Mikoyan and Molotov helped to change the leader's mind. During the Stalin-Mao talks that followed, the Kremlin master vowed to close the curtain on the "Yalta system," the Realpolitik arrangements among the great powers that had given the USSR international legitimacy and diplomatic advantages in Europe and Asia. "To hell with Yalta!" the Kremlin leader told Mao, agreeing that the Chinese should take the lead in promoting the revolutionary process in Asia.[69] Tough bargaining and mutual acrimony, however, characterized the negotiations to the end. Unexpectedly, the Chinese requested that all Soviet possessions in Manchuria, including the railroad and the Port Arthur base, would be returned to China. This angered Stalin, but eventually he decided that the alliance with China was more important than Soviet interests in Manchuria. The new Sino-Soviet Treaty, signed on February 14, 1950, became the greatest success of Soviet foreign policy for many years. At the same time, it laid the ground for a future Sino-Soviet rivalry, as Mao felt humiliated by Stalin's condescension and refusal to treat China as an equal partner.[70]

For the first time since the 1920s, Stalin had to treat foreign Communists not simply as the tools for Soviet foreign policy goals but as independent forces or even partners. This led to the substantial, if not altogether genuine, reappearance of the revolutionary "romantic" element in Stalinist international discourse and policies. In Indochina, the Chinese and the Soviets agreed to provide aid to the Viet Minh army. In Korea, Stalin abandoned his previous restraint in regard to the Korean Communists, who begged for Soviet assistance to liberate the Korean peninsula from the pro-American regime of Syngman Rhee. In January 1950,

Stalin authorized the North Korean leader, Kim Il Sung, to prepare for a war of national reunification and pledged full military assistance. Historian Evgeny Bajanov accurately summarized new evidence on this decision. Stalin changed his mind on a Korean war because of (1) the victory of the Communists in China; (2) the Soviet acquisition of the atom bomb (first tested in August 1949); (3) the establishment of NATO and general worsening of Soviet relations with the West; and (4) a perceived weakening of Washington's positions and of its will to get involved militarily in Asia. At the same time, when Kim Il Sung and another North Korean leader, Pak Hong-young, visited Moscow between March 30 and April 25 to plan a war, Stalin told them that the USSR would not intervene directly, especially if the Americans sent troops to save South Korea.[71]

The outbreak of the Korean War led to a new war scare in Western Europe; many expected Soviet tanks to dash into West Germany at any time. U.S. policy makers, however, assumed that a war in Europe was improbable. They concluded that the USSR would continue to probe for Western weaknesses in Europe, as well as in Asia. To discourage these probes, the Americans quadrupled their military budget, feverishly built up the stockpiles of atomic bombs, and pushed a reluctant France and other NATO members to sanction the creation of West German armed forces.[72] Soviet observers and intelligence had no trouble monitoring the changing geopolitical landscape in Western Europe: namely, the integration of French and German coal and steel industries, the preparations for the recognition of the Federal Republic of Germany's sovereignty, and the plans to set up a "European army" with West German divisions as its core.[73] American assessments of Soviet intentions were generally correct. Cautious probes remained Stalin's signature policies, despite his verbal emulation of Mao's revolutionary romanticism.

U.S. intervention prevented North Korean plans for a quick "revolutionary" victory. Still, as Soviet archival evidence shows, Stalin had learned from the past and was prepared for a nasty surprise. On August 27, 1950, in a cable to the Czechoslovak Communist president, Klement Gottwald, the Soviet leader explained his view on the war in Asia. The Soviet Union, he argued, deliberately abstained from the crucial vote at the United Nations that proclaimed North Korea an aggressor state. This was a calculated move to get the Americans "entangled in the military intervention in Korea" in which the United States would "squander its military prestige and moral authority." If North Korea began to lose the war, then China would come to North Korea's assistance. And "America, as any other state, cannot cope with China having at its disposal large armed forces." A long and protracted war between China and the United States would be, in Stalin's opinion, a good thing. It would give the Soviet Union more time to

grow in strength. Also, it would "distract the United States from Europe to the Far East." And "the third world war will be postponed for the indefinite term, and this would give the time necessary to consolidate socialism in Europe."[74]

Over the next two years, the Soviet leader enacted this scenario. He successfully persuaded Mao and the Chinese Communists to fight against the United States in Korea. He told them that the United States would not dare to escalate the war. He even boasted that the USSR was not afraid of confronting the Americans, because "together we will be stronger than the USA and England, while the other European capitalist states (with the exception of Germany which is unable to provide any assistance to the United States now) do not present a serious military threat."[75]

In reality, the cautious schemer was determined to avoid a premature clash with the United States in Asia and Europe. Stalin was very impressed by U.S. airpower, as were hundreds of Soviet military pilots who fought against the Americans in the skies over Korea. The Soviet aircraft industry and the development of radar and air defenses received an enormous boost in 1951–53 but continued to lag behind the United States.[76] The Soviet atomic arsenal consisted only of a very few bombs, and there was no means to deliver them to the United States. As Marshal Sergei Akhromeyev told diplomat Anatoly Dobrynin twenty-three years later, Stalin still had to rely on a Soviet non-nuclear response to an American nuclear attack. In practice, it meant that the Soviet military had to maintain an armored force in East Germany capable of delivering a lightning blow to NATO armies and occupying Western Europe all the way to the English Channel. According to Akhromeyev, Stalin believed that an armored threat would counter the American nuclear threat. In addition to this, Stalin directed all Central European satellites in January 1951 "to create a modern and powerful military force" within two to three years.[77] This auxiliary force would add to the credibility of the Soviet land superiority.

These Soviet military plans turned Germany into the major theater of a possible future war and enormously increased the strategic importance of the GDR. Along with the collapse of the Yalta international order and the revolutionary radicalism of Stalin and Mao in the Far East, this development heralded the need for change in Soviet policies for Germany. At first the GDR was left out of this crash campaign of military mobilization and production. Stalin still wanted to use the possibility of peaceful German reunification for various political goals: to aggravate discord in the NATO, delay and derail the process of West German rearmament, and cover up the military preparations in the East. Soviet propagandists exploited to the utmost the fact that several Nazi-era generals were involved in the efforts to create a West German army. In September 1951, Stalin and the

Politburo instructed the SED leadership to confront the Western powers with the proposal of "all-German elections aiming to create a unified, democratic, peaceful Germany."[78] It was a propaganda probe. The Kremlin never intended to hold such elections, since the Communists would have certainly lost them.

The East German leadership implemented this campaign with its habitual heavy-handedness. As both Norman Naimark and Hope Harrison argue, the GDR leaders were not mere pawns and transmitters of Moscow's will. Their unspoken goal was to build up the GDR as a "socialist" country, that is, to carry out the same purges and transformations that had been proceeding in other countries of Central Europe. The role of the provisional government, pending the negotiations with the West, had no appeal for them. And the plans of the European Defense Community (EDC) that involved West German armed forces gave Ulbricht and his colleagues new arguments to demand the full integration of the GDR into the Communist political-military bloc. In particular, in early 1952, they sought to exploit the forthcoming signing of the agreement by Western powers enhancing West Germany's sovereignty ("General Treaty") and the agreement on EDC as the moment for Moscow to act.[79]

The Soviet occupational authorities in East Germany (in October 1949, SMAG was renamed the Soviet Control Commission [SCC]), General Vasily Chuikov and Vladimir Semenov, believed it was vital to respond to Western developments by building up the GDR's legitimacy and by making its leadership appear to be independent of the USSR. Foreign Minister Andrei Vyshinsky, who replaced Molotov, however, did not want any drastic actions. He even expressed doubts about the authenticity of a copy of the "General Treaty" obtained by the East Germans. The ministry's memoranda to the Politburo continued to treat the GDR as a part of the "defeated state" and objected to recognizing it as an actor rather than the subject of the peace settlement in Germany. The last point indicated, remarkably, that even during the Korean War there were people in the Soviet leadership who continued to regard the Yalta international framework as validating the Soviet presence in Germany. There was no great desire in Moscow's diplomatic and military communities to recognize the sovereignty of the GDR.[80]

Stalin continued to deny, perhaps even to himself, that the Soviet Union had lost the strategic initiative on the German Question. Prodded by the SCC reports, he decided to stage one more dramatic act in his campaign for German reunification. On March 10, 1952, he sent a note to the three Western powers proposing new peace treaty terms. The future Germany would be created through free elections and become neutral, but with its own armed forces. Unfortunately, there are no sources into Stalin's thinking at that time. His previous policies, however, leave little doubt that this was an attempt to give a second life to the

sputtering Soviet propaganda of German unity, undermine the Western alliance, and sow discord among West Germans. The detailed analysis of Soviet plans for Austria, which had long become a hostage of the German Question and Soviet military plans, also shows that Kremlin diplomacy at that time was just a camouflage for war preparations. But the new initiative failed to derail the plans for the European army. Western governments and the Federal Republic of Germany quickly rejected this note as a propaganda move.[81]

Days after that rejection, on April 7, 1952, Stalin revealed his real plans to the East German Communist leaders. The GDR, he responded, could now join the other "peoples' democracies" in making preparations for war. East German youth, subjected to antiwar propaganda, had now to be taught to get ready "to defend" their country against the West. "As soon as you've got any kind of army," he said to the East Germans, Western powers "will talk differently with you. You will get recognition and affection, since everybody likes force." Stalin proposed creating a comprehensive East German army: thirty divisions of infantry and marines, an air force, and a submarine fleet, with hundreds of tanks and thousands of artillery pieces. This army would be deployed along Western frontiers. Behind these forces, Stalin planned to deploy the Soviet army.[82]

During his second meeting with the leaders of the GDR, Stalin did more than reverse his previous policy. He revealed what he had never stopped thinking about since the beginning of the occupation. "The Americans," he said, "need their army in Western Germany to hold Western Europe in their hands. They say that they have their army in defense against us. But the real goal of this army is to control Europe." Stalin sounded gloomy and resigned. "The Americans will draw Western Germany into the Atlantic Pact. They will create West German troops. Adenauer is in the Americans' pocket. All ex-fascists and generals also are there." Finally, the Kremlin *vozhd* admitted stalemate in Germany. He told the East German Communists what they wanted to hear: "You must organize your own state. The line of demarcation between the Western and Eastern Germany should be regarded as a border, and not as a simple but as a dangerous border." In other words, Stalin began to treat the GDR not as a provisional arrangement but as a permanent strategic asset. Still, Stalin did not take the last step, closing the sector border with West Berlin. Burnt by his Berlin blockade fiasco, he only "recommended" that the movement of people across this border should be restricted. Western agents, he said, move too freely around the German Democratic Republic. They may go to extremes and assassinate Ulbricht and the SCC head, General Vasily Chuikov."[83]

Stalin's increasing age reduced his capacity to work, but his agile mind could still function with ferocious energy. For years he had planned to turn East

Germany into the frontline of a future war with the West. At the same time, true to his vision of German nationalism, he still pushed for appealing to the Social Democrats and nationalist segments of the West German population, in an attempt to undercut the support for the American military presence in the Federal Republic. "The propaganda campaign for German unity should continue at all times. You are now holding this weapon and should never lose your grip on it. We will also continue submitting proposals on the aspects of German unity in order to expose the Americans."[84]

Stalin's decisions of April 1952, historian Ruud van Dijk concludes, "resolved the basic contradiction of his German policy" between the realities in the zone and the proclaimed policies on Germany.[85] Simultaneously, they created other problems. In the following months, Ulbricht per agreement with Stalin shifted from a moderate method of Sovietization of the GDR to full-scale proclamation of "the dictatorship of the proletariat" and the crash course on the construction of socialism. On July 9, 1952, the Kremlin passed the Politburo decision that formally sanctioned the course for the "construction of socialism" in the GDR. Later, Molotov claimed that Ulbricht mistakenly interpreted this as the authorization for an *accelerated* course of the construction of socialism. Stalin, however, never objected to Ulbricht's actions. In any case, the SED leader felt he acted with Moscow's authorization, and he acted with zeal. All-out militarization of the GDR involved confiscations and arrests of saboteurs and denunciations of Western "warmongers" and "internal enemies." The regime crushed the private sector in commerce and production and embarked on a collectivization campaign in the countryside.

Even a much healthier economy, one not devastated by the war and Soviet looting, could not have fulfilled the astronomical production plans coming from Moscow. The results of the Stalin-Ulbricht new policy were disastrous: skyrocketing inflation, an agricultural crisis, and grossly distorted economic development. Making matters worse, Stalin did nothing to reduce the burden of East German reparations and other payments. By 1953, the GDR had paid more than 4 billion U.S. dollars in reparations but still owed the Soviet Union and Poland 2.7 billion dollars, or annual budget expenses of more than 211 million dollars. Also, the GDR continued to pay about 229 million dollars annually to cover Soviet occupational expenses in the GDR. Finally, Stalin, with the same unsentimental economy he displayed in dealing with the Chinese and Korean Communists (who paid in U.S. dollars for Soviet war matériel they used to combat the Americans in Korea), sold to the East German Communist state sixty-six plants and factories that the Soviets had earlier confiscated. The Soviets valued them in the amount of 180 million dollars, to be paid by cash or shipments of goods.[86]

In fact, the people of the GDR were much better off than the Soviet people. Inside the USSR, the costs of war preparations caused living standards to stagnate at an abysmally low level.[87] But East German citizens did not know how "lucky" they were in comparison to their Soviet comrades. They compared their standards with the lives of their West German counterparts. Before the crash militarization course, living standards in East Germany had been similar to those in West Germany. After the "economic miracle" took off in the Federal Republic in 1950 and 1951, the living conditions of West Germans began to advance rapidly, leaving the citizens of the GDR far behind. The United States gave generous economic and financial assistance to West Germany through the Marshall Plan and other programs. Most importantly, the U.S. consumer market was available to German goods. A combination of better economic opportunities in the West and the growing oppression and hardship in the East began to impel many young, professionally trained and educated people to leave the GDR. From January 1951 to April 1953, almost half a million people left the GDR for West Berlin and West Germany. Among them were professional workers, farmers, military conscripts, and even many members of the SED and the Union of Free German Youth. Among those who remained, the level of discontent grew. Walter Ulbricht became the object of popular resentment, even hatred.[88]

Stalin's policies in Germany in 1952 made sense for only one contingency—total war mobilization. Stalin's actions at the end of his life, as well as documented activities of his regime, suggest that the dictator believed in the inevitability of war. In the spring of 1952, simultaneous with the shift of German policy, the Kremlin leader ordered the creation of 100 air divisions of 10,000 mid-range jet-propelled bombers. This number was almost double the amount that Soviet Air Force commanders believed was necessary for war needs. There were large-scale military preparations in the Siberian Far East and the Far North, including a study of the capacities for a large-scale invasion of Alaska. One wonders what would have happened had Stalin lived longer and tried to implement these fantastic plans.[89]

Stalin was losing his grip on German affairs. He simply had too many irons in the fire. Aside from military preparations, he was busy with a new round of murderous political intrigues, among them a purge of the secret services, investigations of "the Kremlin doctors' affair," orchestration of a public anti-Semitic campaign, and a plot that led to the purge of the state security bureaucracy and perhaps to elimination of Beria. Stalin also devoted time to his theoretical writings on the "economic problems of socialism" and on linguistics.[90] Meanwhile, the GDR leadership continued its march toward a political and economic crisis.

AGONY OVER THE GDR

Stalin's death on March 5, 1953, brought the crisis of German policies to the surface. It also made possible a revision of many of Stalin's misguided and bankrupt policies.[91] Stalin's successors in the Politburo (renamed the Presidium in October 1952), in particular Molotov, Malenkov, and Beria, immediately proposed a new peace initiative to reduce the danger of war. Together with the Chinese leadership, they opened armistice talks with the United States on Korea. They also abrogated the policy of pressure on Turkey and allowed Russian women who had married foreigners to leave the Soviet Union. There were other international issues that the troika began to discuss, among them the neutrality option for Austria, the improvement of relations with Iran, and the future of the GDR. Taken together, these changes went far beyond mere propaganda.[92]

The new Soviet "peace initiative" was the result of the insecurity of the Kremlin leaders. Khrushchev recalled: "In the days leading up to Stalin's death we believed that America would invade the Soviet Union and we would go to war."[93] The gigantic U.S. military buildup, including the first thermonuclear test in November 1952, focused the Kremlin's attention on the threat of imminent clash with the United States. Stalin's successors wanted to avoid this clash and gain breathing space to build up Soviet defenses.

Another major impulse for changing the Kremlin's foreign policy came from the GDR, where the new policies produced a social and economic crisis. In March 1953, the SED leadership asked for Soviet permission to close sector borders with the West, in order to stop the flight to the West. Simultaneously, it appealed to Moscow for substantial economic assistance.[94] Later, at the Party Plenum in July, Molotov summarized the reasons for the crisis in East Germany as follows: "They took the crash course of industrialization and had excessively ambitious plan of construction. Besides, they pay the costs of occupation for our army, they pay reparations."[95] Bad signals also continued to come from West Germany. On April 18, the Committee of Information at the Soviet Foreign Ministry reported that the Adenauer government "significantly increased *revanchist* propaganda and scared the West German population with the threat from the East." Experts signaled to the Presidium that there were no specific policies designed to thwart the ratification of the Bonn and Paris treaties by the Bundestag and the Bundesrat, the two houses of the West German parliament.[96]

The Kremlin leadership waited almost three months to act on Germany. The delay may have stemmed from the fact that the new rulers faced other urgent problems. The war in Korea continued to cause the death of thousands of North Koreans and Chinese and presented a continuing danger for the escalation of

hostilities. Nobody could guarantee that the widespread discontent among the Soviet people would not lead to protests and riots after Stalin's death. According to the new head of the Soviet government, Georgy Malenkov, the main task of the new leadership was "to avoid confusion in the ranks of our party, in the working class, in the country."[97]

Molotov, once again the foreign minister, took the lead in evaluating the German Question. He recalled Vladimir Semenov from the GDR to Moscow to participate in the Foreign Ministry's review of German policies. Semenov, Yakov Malik, Grigory Pushkin, and Mikhail Gribanov drafted one set of proposals after another. Speaking in July 1953, Molotov said that "the facts, we have learned recently, made it absolutely obvious that the political and economic situation in the German Democratic Republic became unfavorable." The Foreign Ministry archives, however, reveal that he and his experts quibbled over peripheral issues.[98] Semenov, the most knowledgeable of the experts, dared to suggest that the Soviets should end the occupation status of the GDR and sign "a treaty on friendship, cooperation and mutual assistance" with Ulbricht.[99] None of the experts dared to mention Ulbricht's policies of the "accelerated construction of socialism" in East Germany.

There is no record of internal discussions, but by all indications Molotov never wavered from his view that German peace talks were a zero-sum game between East and West. He agreed with Semenov, who suggested creating "more favorable conditions for the socialist construction" in the GDR by reducing reparations and other economic obligations to the USSR.[100] On May 5, Molotov proposed to the Presidium that the GDR should stop reparation payments after 1954. At the same time, Molotov was categorically against closing the sector border in Berlin, as the GDR leadership had suggested.[101]

On the surface, Molotov, Malenkov, and Beria, the leading troika in charge of foreign affairs, had few disagreements. In reality, beneath this veneer of unity, rivalry was brewing inside the Kremlin. After Stalin's death, Beria assumed the leadership of the Ministry of the Interior, the result of the merger of the two agencies of secret police and intelligence. He organized a brain trust among lieutenants that helped him to come up with a startling number of initiatives on many issues of domestic and foreign policy. From the start, Beria distanced himself from Stalin's bloody legacy and began exposing his crimes to incredulous members of the Central Committee. Inside the Presidium, he sought support from Malenkov and Khrushchev, hoping to outmaneuver them both. By contrast, he regarded Molotov, the man with the greatest authority among the party elite, as a threat and wanted to undercut his prestige and policies.[102]

The evidence on Beria's views on Germany at that time is vague. In his diary,

written more than ten years later, Semenov concludes that both Beria and Stalin treated the GDR as a tool in the struggle for Germany. Beria only "wanted to accelerate this struggle in the summer of 1953."[103] Anatoly Sudoplatov, a senior officer of Soviet intelligence, recalls that on the eve of May Day in 1953, Beria ordered him to test the feasibility of unifying Germany. He told Sudoplatov that "the best way to strengthen our world position would be to create a neutral, unified Germany run by a coalition government. Germany would be the balancing factor between American and Soviet interests in Western Europe." According to this scheme, the GDR would become an autonomous province in the newly unified Germany. "As immediate steps, Beria intended, without informing Molotov's Foreign Ministry, to use his intelligence contacts for unofficial approaches to prominent politicians in Western Europe."[104] It is not clear whether Beria also had in mind to establish a back channel with the United States.

On May 6, Beria sent a report to Malenkov, Molotov, Khrushchev, Bulganin, Kaganovich, and Voroshilov concerning the catastrophic flight of refugees from the GDR: 220,000 had left since 1952, including over 3,000 members of the SED and the Union of Free German Youth. In contrast to other reports, this one blamed the exodus on the GDR leadership's policies. Beria proposed asking the Soviet Control Commission in the GDR to present recommendations on how to reduce the exodus "in order to make the necessary recommendations to our German friends."[105]

At this point, Ulbricht committed a huge error that undercut his support in Moscow. On May 5, he declared that the GDR had "entered a new stage of a dictatorship of the proletariat." This socialist rhetoric from East Berlin came at the time when Winston Churchill proposed in the House of Commons holding a conference with the new Soviet leadership. In the eyes of Beria, Malenkov, Molotov, and some other members of the Kremlin ruling group, the new opportunities to split NATO unity stood in open conflict with Ulbricht's course.[106] This galvanized Presidium discussions on the GDR. On May 14, the Presidium, at Molotov's suggestion, instructed Ulbricht to refrain from this provocative rhetoric.[107] Simultaneously, Molotov and the Foreign Ministry experts acknowledged the facts presented in Beria's report.[108] In his internal memo, Semenov agreed that the collectivization of East German agriculture and the practices of mass arrests and repression of large groups should be stopped. He even proposed a partial amnesty. At the same time, the main Soviet interest, in his opinion, was to strengthen, not undermine the GDR Communist leadership.[109] At the Presidium meeting on May 20, Molotov joined in the criticism of the GDR leadership. It appears that he swallowed his doubts and did not want to cause a split in the collective leadership.[110] Ulbricht's days seemed to be numbered. Scholars now

agree that May–June 1953 was the only time when the Soviet leadership considered a radical change in German policy.

Suddenly, a debate within the collective leadership erupted. At its center was the question: What kind of Germany did the Soviet Union need? On May 27, at the Presidium meeting, Molotov recommended that the SED should "not carry out an accelerated construction of socialism." No minutes of the meeting are available, but after Beria's arrest, Molotov told the Party Plenum that Beria interrupted with a remark: "Why do we need this socialism in Germany, what kind of socialism is there? All we need is a bourgeois Germany if it is peaceful." According to Molotov, other members of the leadership were astonished: they did not believe that bourgeois Germany, the same country that had unleashed two world wars, could be peaceful. Molotov concluded: "How could a sober-thinking Marxist, one who stands on the positions close to socialism or Soviet power, believe in some kind of a bourgeois Germany that would allegedly be peaceful and under the control of four powers?"[111] Khrushchev and Bulganin sided with Molotov.

In his memoirs, Mikoyan recalled that Beria and Malenkov seemed to be in agreement on this issue. "They aimed to gain the leading role in the Presidium, and suddenly there was such a defeat!" Beria allegedly telephoned Bulganin after the meeting and told him he would lose his post of defense minister if he aligned himself with Khrushchev. Beria admitted in his letter from prison that he treated Khrushchev and Bulganin with "unacceptable rudeness and insolence" at the meeting on May 27.[112]

A careful reconstruction of the patchy evidence and the logic of events indicates that on May 27 not only Beria and Malenkov, but also Molotov, Khrushchev, and the rest of the Kremlin leadership, voted for the radical changes in the GDR. Later, when the collective leadership got rid of Beria, they decided that the "treason" on the German Question must be added to the list of his crimes.[113]

The outcome of the discussions within the collective leadership was the state decree of June 2, "On Measures to Improve the Health of the Political Situation in the GDR." This document differed in content and tone from all the Foreign Ministry drafts, went much further than the SCC recommendations of May 18, and incorporated almost verbatim most of Beria's memo.[114] It stated that the main reason for the crisis in the GDR was "the mistaken course of the construction of socialism in East Germany without real internal and external conditions." The document implicitly recognized Stalin's responsibility for this policy and proposed a sweeping New Course that called for the end of collectivization, a slowdown of "the extraordinary intense pace of development of heavy industry," and a "sharp increase of the production of mass consumption goods." It also stipulated a cut in "administrative and special expenses," stabilization of the

GDR currency, a stop to the arrests and the release of arrested people, and the end of persecution of churches and the restoration of confiscated church property.[115]

The New Course reversed Stalin's policies that aimed at converting East Germany into a bulwark for an imminent war with the West. The future of the GDR was now linked to "the peaceful settlement of fundamental international problems." The Kremlin leadership instructed the GDR leadership "to put the tasks of the political struggle for restoration of national unity of Germany and for conclusion of a peace treaty in the center of attention of the broad masses of German people, both in the GDR and in West Germany."[116]

On June 2–4, an SED delegation secretly arrived in Moscow to receive instructions on the policy change. Ulbricht, sensing he was in danger, attempted to propose cosmetic reforms. At that moment, however, the news about the riots in Bulgaria and the unrest in Czechoslovakia reached the Presidium; this seemed to tilt the Kremlin leadership even more in favor of an immediate reversal of Stalin's policies for the European satellites.[117] According to Otto Grotewohl's notes, Beria said that "we all made the mistake [in 1952]; there are no accusations." Another East German witness, however, recorded Beria's contempt and anger with regard to Ulbricht. Malenkov also was on record saying: "If we don't correct the situation now, a catastrophe will happen." The Kremlin leaders radically scaled down Stalin's plans for the GDR's armament. "No airplanes; no tanks," jotted Grotewohl in his notes of the meeting.[118]

Worst of all, Moscow ordered the SED leadership to introduce the New Course immediately. The GDR leaders cabled home from Moscow the instruction to remove the literature on the "construction of socialism" in East Germany from libraries and bookstores. The Presidium appointed Vladimir Semenov to be high commissioner in East Germany and sent him back on the same plane with the SED delegation to implement the Kremlin orders. The new instructions put the GDR leadership in an impossible political situation. After a year of total mobilization and extreme Stalinist propaganda, they had to beat a retreat immediately, with no time to save face. Molotov even recommended that the press publish "frank criticism" of the SED policies since July 1952.[119] It is astounding how blind the Soviet leaders were to the provocative nature of these measures.

After the arrest of Beria, Khrushchev blamed him for the attempt "to sell out" the GDR. Later, he also claimed that Malenkov was in cahoots with Beria. In his defense, Malenkov made a significant remark clarifying his position: "During the discussion of the German question I believed that in the existing international situation, when we began the big political campaign, for the sake of the issue of reunification of Germany, we must not put forward the task of construction of

socialism in the democratic Germany."[120] The broader historical context highlights the radical potential of the New Course. The first months after Stalin's death were a time of high uncertainty, but also of new opportunities. On June 3, British prime minister Winston Churchill hinted to Soviet ambassador Yakov Malik that he was prepared to begin confidential talks with the new Soviet leadership like the ones he had had with Stalin. He informed Malik that he was about to meet with Eisenhower to sell him on the idea of an immediate summit of great powers to improve the international situation. Churchill said that he believed that he would "succeed to improve international relations and create the atmosphere of greater confidence for at least the next 3–5 years."[121]

Beria and Malenkov seemed to be trying to explore possibilities for relaxation of the Cold War. Beria, in particular, was inclined to use secret police channels to achieve foreign policy goals. He sought to establish a secret back channel to the Yugoslav leader Marshal Tito, who was still vilified by Soviet propaganda as the leader of the "fascist clique." In a desperate note from prison, Beria reminded Malenkov that he "prepared the mission on Yugoslavia" with his consent and advice. The note also mentioned another "mission" in France, implying a request for Pierre Cot, a Soviet agent of influence, to approach the French prime minister, Pierre Mendes-France, with the proposal to start secret talks on the German Question. At that time, France's public opinion and elites were split over the issues of the "European army" and rearmament of West Germany.[122]

Meanwhile, the crisis in the GDR exploded and changed the whole situation. On June 16, workers in East Berlin demonstrated against the GDR regime. Mass rallies quickly became a political uprising all over the GDR; crowds from West Berlin crossed into East Berlin and joined the protesters. The regime lost control of the situation. The use of Soviet troops on June 17 quickly dispersed the crowd and restored order in the capital; gradually the situation in the GDR stabilized. It was the first serious disruption to shake the Soviet bloc after Stalin's death.[123]

At first, it was not clear how these events affected the Soviet leadership and its consensus on the New Course in the GDR. In his memoirs, Sudoplatov claimed that even after the revolt in the GDR, Beria "did not give up on the idea of German reunification." The demonstration of Soviet power "might only increase the chances of the USSR to reach a compromise with Western powers." He sent his agents to West Germany to establish confidential contacts with politicians there.[124] Simultaneously, Marshal Sokolovsky, his deputy high commissioner Semenov, and Pavel Yudin sent a detailed report on the uprising to the Soviet leadership with withering criticism of Ulbricht. The SCC leadership recommended relieving him of the responsibilities of deputy prime minister of the GDR

and "allow[ing] him to concentrate his attention" on party work. The position of general secretary had to be abolished, and the party secretariat had to be reduced in size.[125]

This last proposal accidentally touched on the very essence of the power struggle in the Kremlin that was about to come to a head. In late May 1953, Nikita Khrushchev, then the head of the Central Committee's Secretariat, decided that Beria was too dangerous. He began to suspect that the secret police chief was preparing to stab a knife in his back and undermine the Party Secretariat, Khrushchev's power base. There were also signals that Beria was acting behind the back of Khrushchev in domestic party politics. Khrushchev realized he had to act against Beria. This realization might have dawned on him after the Presidium discussion of the GDR on May 27. Eventually, even Malenkov revealed his misgivings about Beria and joined the plot against him.[126]

The arrest of Beria on June 26 during the meeting of the Presidium of the Council of Ministers profoundly changed the power balance inside the Kremlin. Khrushchev claimed to be the heroic organizer of Beria's removal. Soviet elites, including the military, acclaimed him as a savior from the years of terror. At the July Party Plenum, convened to denounce Beria, Khrushchev triumphantly proclaimed the primacy of the party apparatus over the state bureaucracies, above all over the secret police. Malenkov, who remained the head of the state, solemnly declared that he never intended to be the number one and that there would be always a "collective leadership."[127]

Soviet officials in Germany continued to send reports criticizing Ulbricht and his apparatus for lack of political courage and initiative during the uprising.[128] This criticism, however, no longer received a sympathetic hearing and support within the Soviet leadership. Khrushchev respected Ulbricht and believed he was a good comrade. More importantly, Khrushchev and Molotov publicly denounced the idea of a "unified and neutral Germany" as Beria's conspiracy. Khrushchev declared that Beria "revealed himself on the German question as an *agent-provocateur*, not a Communist, when he proposed to renounce the construction of socialism, to make concessions to the West. Then we asked him: "What does it mean? It means that 18 million Germans would pass under the custody of Americans. And how could there be a neutral democratic bourgeois Germany between Americans and us? If a treaty is not guaranteed by force, then it is worth nothing, and everybody will laugh at us and our naiveté." The majority of the Soviet party and state elites who attended the Plenum applauded Khrushchev. Most of them had lived through the war and shared Khrushchev's strong feelings that reunifying Germany on a "bourgeois" foundation would undo the victory of 1945. Others considered East Germany as the jewel of the Soviet bloc because of

its role in the Soviet military-industrial complex. On behalf of the Soviet atomic project, its leader, Avraami Zaveniagin, told the Plenum that "much uranium is extracted in the GDR, perhaps no less than Americans have at their disposal." He spoke about Soviet dependence on uranium from the Wismut project in lower Saxony.[129]

The new winds immediately affected Soviet policies in the GDR. Molotov's influence on Soviet foreign policy was on the rise, and Beria's initiatives, not only in Germany but also in Yugoslavia and Austria, were automatically disavowed and repealed.[130] The Politburo firmly rejected the proposal by SCC authorities to replace Ulbricht and remove the Party Secretariat from state affairs as "untimely." In Molotov's opinion, "Semenov drifted to the right." Sensing the change, Ulbricht immediately cracked down on his domestic rivals. SED Politburo members Rudolf Herrnstadt and Wilhelm Zeissner had earned the highest praise from the Soviet Control Commission during the uprising, and, in the opinion of Hope Harrison, "if the Beria episode had not intervened, [they] may have succeeded in their efforts to remove Ulbricht from power." In this new climate, however, the Soviet leadership supported Ulbricht's decision to oust them, because they, especially Zeissner, were Beria's protégés.[131]

American behavior during the revolt in East Germany contributed to the shift in Kremlin policies. On the one hand, the United States made maximum propaganda use of the revolt, supplied food to East Berliners, and began to push for "free elections" as a precondition for German reunification. On the other hand, the United States and the other Western powers did not come to the rescue of the East Germans with military power. Even if the West had indeed prepared "the Day X" in the GDR, as some Soviet analysts were quick to assert, Western leaders did not dare to go all the way in supporting the rebellion.[132]

The entire "peaceful initiative" that justified the New Course in the GDR came to a halt after Beria's arrest and the revolt in East Germany. Indeed, it was impossible to reduce military forces in Europe without a negotiated solution of the German Question, the conundrum that Soviet leaders would not be able to resolve for the next thirty-five years. The rise of Khrushchev, the survival of Ulbricht, and the demise of the New Course destroyed any opportunity for a turnabout in Soviet policies on East Germany. Millions of Germans had to live through several more decades of the Cold War, waiting for another miracle to allow them to be sovereign, free, and reunited.