



Between Autonomy and the Reich Administration Economic Department of the Reich Protector's Office (1939–1942)

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Although the administrative system of the Protectorate of Bohemia and Moravia represents a theme that has been repeatedly treated by historians, in view of the complexity of the system and its multi-layered mechanisms changeable in time, it still opens up many research possibilities.¹ This applies, inter alia, to the economic administration which has remained a side issue in the studies published to date and dedicated to administrative developments during the occupation. Certain exceptions in this sense are works devoted to selected economic aspects, such as the Aryanisation mechanism,² agricultural administration³ or land and settlement policy.⁴ In the recent years works that have helped to elucidate the economic mechanism in the Bohemian Lands are those by Jaromír Balcar and Jaroslav Kučera, analysing “Wirtschaftslen-

1 This study was produced as part of the Czech Science Foundation (GAČR) grant project no. P 410/ 14-03997P “Bankovní, obchodní a průmyslové velkopodnikání v Protektorátu Čechy a Morava. Institucionální a majetkoprávní změna” [Banking, industrial and commercial large scale business in the Protectorate of Bohemia and Moravia. Institutional and proprietary change] solved at the Charles University.

2 Among others Drahomír Jančík — Eduard Kubů, “Arizace” a arizátoři. Drobný a střední židovský majetek v úvěrech Kreditanstalt der Deutschen (1939–45), Prague 2005, pp. 13–34; Drahomír Jančík — Eduard Kubů - Jiří Šouša, Arisierungsgewinnler. Die Rolle der deutschen Banken bei der “Arisierung” und Konfiskation jüdischer Vermögen im Protektorat Böhmen und Mähren (1939–1945), Studien zur Sozial- und Wirtschaftsgeschichte Ostmitteleuropas 21, Wiesbaden 2011.

3 Barbora Štolleová, Pod kuratelou Německé říše. Zemědělství Protektorátu Čechy a Morava, Prague 2014.

4 Jaroslav Michl, Nacistické zásahy do české pozemkové držby za okupace, Právněhistorické studie 13, 1967, pp. 229–258; lately especially Miloš Hořejš, Zábory české půdy. a její následná germanizace, Deutsche Ansiedlungsgesellschaft na Mělnicku (1942–1945). In: Jan Hájek — Drahomír Jančík — Eduard Kubů (eds.), O hospodářskou národní državu. Úvahy o českém a německém hospodářském nacionalismu v českých zemích. Acta Universitatis Carolinae — Philosophica et historica 1, 2005, Studia historica LIX, Prague 2009, pp. 247–263.

kung” from the Nazi occupation to the transition to planned economy.⁵ Balcar’s work “Panzer für Hitler, Traktoren für Stalin”, published in 2014, also presents a number of noteworthy theses regarding the administrative aspects, in particular in the context of corporate governance of the profiled large-scale enterprises.⁶ The aim of this study is to expound the creation and functioning of the Economic Department of the Reich Protector’s Office (hereinafter as RPO) as a body playing the dominant role in the process of formation of the Protectorate economic policy, and to shed light on its penetration into the autonomous occupation administration that took place as part of Heydrich’s reform of public administration. The focus of attention is on the status of the Economic Department of the RPO on the boundary between the Reich German administration and the Protectorate administration, its organisational and personnel structure, competences, and financing mechanism.

One of the prerequisites and points of departure for a successful Nazi policy in the Protectorate economy was the creation of an administrative system empowering the German occupation force through systematic implementation and control over concrete measures in the economic sphere. Like other Protectorate affairs, control of the economic sector by the Nazis was determined by the Protectorate autonomy, a formal concentration of economic and political decisions within the Protectorate. The autonomous status prevented the occupation force from proceeding in the same way as it had done in the case of the border regions of Bohemia and Moravia which were incorporated in their entirety after the Munich Agreement into the Reich system of administration.⁷

Interventions in the economic mechanism of the Bohemian Lands were made in an early phase of the occupation. On the central level the changes tended to concentrate the decisive competences and to shape the economic policy in the hands of the occupation apparatus. The top echelons of the Reich authorities strove to assume full control over the management of the Protectorate economic affairs, including the ministries (Reichswirtschaftsministerium, Reichsministerium für Ernährung und Landwirtschaft, Reichsfinanzministerium), Commissioner for the Four-Year Plan⁸ and NSDAP structures.⁹ Simultaneously, some economic mechanisms were reorgan-

5 Jaromír Balcar — Jaroslav Kučera, *Von der Rüstkammer des Reiches zum Maschinenwerk des Sozialismus. Wirtschaftslenkung in Böhmen und Mähren 1938 bis 1953*, München 2013.

6 Jaromír Balcar, *Panzer für Hitler — Traktoren für Stalin. Großunternehmen in Böhmen und Mähren 1938–1950*, München 2014.

7 Stanislav Biman, *Vojenské obsazení území připojených k Německu podle mnichovské dohody a období jeho vojenské správy (1.– 20. října 1938)*. In: Zdeněk Radvanovský (ed.), *Historie okupovaného pohraničí 1938–1945*, Bd. 1, Ústí nad Labem 1998, p. 105; Volker Zimmermann, *Sudetští Němci v nacistickém státě. Politika a nálada v říšské župě Sudety (1938–1945)*, Prague 2001, pp. 165–166.

8 Richard J. Overy, Goering. “The iron man”, London 1984, pp. 48–75; the scheme of Goering’s office see p. 58; see also Avram Barkai, *Das Wirtschaftssystem des Nationalsozialismus. Ideologie, Theorie, Politik 1933–1945*, Frankfurt am Main 1988, pp. 211–213.

9 Further to the economic policy of the SS within the Protectorate of Bohemia and Moravia see Hermann Kaienburg, *Die Wirtschaft der SS*, Berlin 2003; Isabel Heinemann, “Rasse,



ised and internal changes were made within the autonomous administrative system. This was neither a one-shot nor a straightforward process as the methods for the management of the Protectorate economy were modified in the course of time and were adapted to the new circumstances. An instrumental role was doubtless played by the course of the war and the war needs of Nazi Germany, non-economic factors (Germanisation), and the actual milieu of the occupied territory. In a sense this was a ceaseless search or generation at a given time, and in the given circumstances the best, and from the perspective of the occupation interests, the most effective model.

Measures adopted during the military administration aimed to establish occupation control over the Protectorate economy.¹⁰ Economic departments [Wirtschaftsabteilung] were created at offices of the heads of civil administration [Chef der Zivilverwaltung]. They operated in cooperation with military and police forces and assured smooth economic operation in collaboration with the lower occupation administration levels (Oberlandräte)¹¹ through the autonomous Protectorate authorities. The Economic Department in the office of the head of civil administration Konrad Henlein in Prague was structured into three sections: Central Section [Zentralreferat], Raw Material Section [Rohstoffreferat], and Energy Section [Energierreferat], and reported to Ministerial Counsellor Plodek.¹² At the same time, Reich ministries and other central authorities posted to the Protectorate advisers and experts who were to act as upholders of Reich interests. This is documented by a memorandum from the General Commissioner for the Economy of 16 March 1939 demanding that the heads of the civil administration offices set up special expert commissions staffed by central Reich office workers.¹³ A few days later German liaison officers, so-called commissioners/plenipotentiaries [Beauftragte], were appointed in the central Protectorate institutions. The leading ones in the economic sphere were the Commissioner of the Reich Ministry of Economy and Commissioner for the Four-Year Plan [Beauftragte des Reichswirtschaftsministeriums und des Vierjahresplanes], Commissioner of the Reich Minister of Finance [Beauftragte des Reichsministers der Finanzen], Commissioner of the Reich Bank [Beauftragte der Reichsbank], and finally, Commissioner of

Siedlung, deutsches Blut". Das Rasse- und Siedlungshauptamt der SS und die rassenpolitische Neuordnung Europas, Göttingen 2003.

10 Further to the characteristics of the economic administration in the period of so called military administration (15th March 1939 — 15th April 1939) see Stanislav Biman — Jaroslav Vrbata, "Protektorát Čechy a Morava" v období vojenské správy. Dokumenty z činnosti civilně správních orgánů říšskoněmecké armády ve dnech (13.) 15. března — 15. dubna 1939, *Odboj a revoluce. zprávy* 7, 1969, no. 2, pp. 156–241 a (no. 3), pp. 172–229; Břetislav Tvarůžek, *Okupace Čech a Moravy a vojenská správa* (15. března — 15. duben 1939), *Historie a vojenství* 41, 1992, no. 3, pp. 30–65; Pavel Maršálek, *Protektorát Čechy a Morava, Státoprávní a politické aspekty nacistického okupačního režimu v českých zemích 1939–1945*, Prague 2002, pp. 46–47.

11 P. Maršálek, *Protektorát Čechy a Morava*, p. 46.

12 S. Biman — J. Vrbata, "Protektorát Čechy a Morava", pp. 181.

13 Národní archiv Praha [National Archive Prague, hereinafter as NA Prague], fond (hereinafter as f.) Úřad říšského protektora (hereinafter as ÚŘP), box (hereinafter as b.) 66, Z — Verwaltung, Schreiben des Generalbevollmächtigtes für die Wirtschaft vom 16. 3. 1939.

the Reich Ministry of Food and Agriculture [Beaufragte des Reichsministeriums für Ernährung und Landwirtschaft].¹⁴

By the end of a transition period of military administration the administrative system in the Protectorate, not excepting the economy, largely evolved in line with the dual-track principle. Next to the Protectorate an extensive German occupation apparatus was built and not only did it directly control matters subject to the Reich administration and Protectorate Germans, but also it controlled and supervised the autonomous Protectorate authorities and as an instrument of the occupation policy it focused on achieving its main goals.¹⁵ The supreme authority of the German occupation administration in the Protectorate as well as the highest control authority for the economic sphere was the Reich Protector's Office [Amt des Reichsprotectors]. Outwardly, this authority acted unanimously and formally concentrated all the tasks and competences of the occupation administration in the hands of a single person, the Reich Protector, who reported directly to Hitler.

On the Protectorate level the dual-track system secured the superior position of the Protector's office in respect of the autonomous Protectorate authorities, and, at the same time, it delimited its position in respect of the Reich authorities. The Berlin ministries and other Reich bodies could formally intervene in the governance of the Protectorate, issuing legal provisions and adopting organisational measures, but only by agreement with the Reich Protector, through his office or through elements subordinated to him.¹⁶ Initiatives of the central Reich authorities which violated these principles were rejected. Certain exceptions represented activities of NSDAP party officials which assumed the right, both on the Reich and the Protectorate level, by dint of their political functions, to control concrete and from the political viewpoint absolutely vital processes (Germanisation policy).

The structure of the Reich Protector's Office was a follow-up to the organisational structures from the time of military administration — the economic departments in the heads of civil administration offices and the institute of the Reich commissioners/plenipotentiaries. Independent groups [Gruppen] were created for individual administrative areas. They supervised the autonomous Protectorate bodies and at length took their own initiatives protecting the Reich interests.¹⁷ In the economic

14 NA Prague, f. Úřad říšského protektora — dodatky I (hereinafter as ÚŘP — supplements I), b. 27, sign I., Organizace civilní správy v protektorátě (strojopis, nedat.); NA Prague, f. ÚŘP, b. 66, Z — Verwaltung, Verteilung der Geschäftsräume mit sofortiger Wirkung vom 22. 3. 1939.

15 Further to the general characteristics of so called dual track system of administration in the Protectorate of Bohemia and Moravia see Stanislav Šisler, Příspěvek k vývoji a organizaci okupační správy v českých zemích v letech 1939–1945. In: Sborník archivních prací 13, 1963, no. 2, pp. 53–56 a pp. 61–62; P. Maršálek, Protektorát Čechy a Morava, pp. 47–64.

16 The state secretary of the Ministry of inferior instructed all Reichsgerman central offices already in the period of military administration. Bundesarchiv Berlin (hereinafter as BA Berlin), f. R 1501 — Reichsministerium des Innern (hereinafter as R 1501 — RI), sign. 127 083, Schreiben des Reichsministers des Innern an die obersten Reichsbehörden vom 31. 3. 1939.

17 The structure of the office was permanently changing during the first months of occupation. NA Prague, f. ÚŘP, b. 1080, sign. II, set of plans for the department II of RPO; BA Ber-



sphere the groups “Commercial Activities” [Gewerbliche Wirtschaft], “Food and Agriculture” [Ernährung und Landwirtschaft], “Forestry and Game Management” [Forst- und Jagdwesen], and “Pricing” [Preisbildung] conducted their activities. They were typically formed as a follow-up to the original supervisory structures and in fact, their formation involved a transformation of the commissioners’ departments. For example, Master Forester Walter Hühn, who led at the time of military administration in the Protectorate a team of commissioner of the Reich Forestry Authority [Reichsforstamt] and headed after the creation of the RPO the group for “Forestry and Game Management” [Forst- und Jagdwesen]; similarly, official of the Reich Ministry of Food and Agriculture Heinrich Steiger, who was at the time of military administration part of a team of commissioner of the Berlin ministry attached to the Protectorate Ministry of Agriculture, and ended in the newly formed RPO group “Food and Agriculture” [Ernährung und Landwirtschaft] as the group leader’s permanent deputy. Evidently the formation of the groups as the principal organisational elements of the RPO was not systematic in the first months and based on a predefined concept; rather, it reflected the current needs. A case in point is the formation of a narrowly defined group “Road Construction” [Strassenwesen] in the context of the adoption of a programme for rapid road construction [Strassenbausofortprogramme].¹⁸

Broad competences in the economic sector within the RPO were vested in the first months of its existence in a special group “Wehrwirtschaft” (so-called “W-Gruppe”) under the direction of senior government councillor Schumacher, which primarily studied the possibilities for unlocking the economic potential of the Protectorate for the needs of the Reich.¹⁹ Independent sections were created in the sections for “Trades and industry” [Gewerbewirtschaft], “Forestry and Woodworking Industry” [Forst und Holzwirtschaft], “Conscript Labour” [Arbeitseinsatz] and “Food Economy” [Ernährungswirtschaft]. Despite the importance attached to “W-Gruppe” of the RPO after the first months its operations were of little consequence. As a result of bitter competence conflicts with other economic groups of the RPO “W-Gruppe” was dissolved in the summer of 1939. Its agenda and staff were transferred smoothly to other economic groups of the RPO.²⁰

lin, f. R 1501 — RI, sign. 127 083, Personelle Besetzung der Behörde des Reichsprotektors am 6. 4. 1939.

18 NA Prague, f. ÚŘP, b. 17, sign. III, set of documents concerning Strassenbausofortprogramme.

19 The concept of “Wehrwirtschaft” as “the defense-based economy, capable of generating the resources necessary for the conduct of total war” developed in Germany in the 1920s. To the concept see Richard J. Overy, *Hitler’s War Plans and the Economy*. In: Richard J. Overy, *War and Economy in the Third Reich*, Oxford 2002, p. 178.

20 Further to the activities and structure of the “W-Gruppe” within RPO see NA Prague, f. ÚŘP, b. 123, sign. 416, Schreiben des Generalbevollmächtigtes für die Wirtschaft an den Herrn Reichsminister der Finanzen vom 24. 5. 1939; NA Prague, f. Úřad říšského protektora — dodatky II (hereinafter as ÚŘP — supplements II), b. 30, personnel file of Dr. Martin, Schreiben der Abteilung VI an die Zentralverwaltung vom 31. 1. 1944; NA Prague, f. ÚŘP, b. 1080, Vorläufiger Geschäftsverteilungsplan der Gruppe Wehrwirtschaft des Reichsprotektors in Böhmen und Mähren (undated).



A fundamental reorganisation of the RPO began in the summer of 1939. The existing constituents were systematised and this had a significant impact on the administration of economic affairs. In addition to “central administration” and “representation of foreign authority” a total of four departments were established within the central occupation authority: 1) administration, finance, education; 2) economy and finance; 3) transport; 4) cultural policy.²¹ The economic agenda was now concentrated in the second department under the name “Economy and Finance” [Wirtschaft und Finanz], and the formally “unified” control of the Protectorate economic affairs remained in place in this sense until Heydrich’s reform of public administration. The establishment of the department was officially started with a memorandum of 1 August 1939.²² Walter Bertsch was appointed as its head.²³

The structure of groups subdivided into sections was preserved in the new economic department. In the autumn of 1940 there were six groups: II/1 “Economy” [Wirtschaft], II/2 “Food and Agriculture” [Ernährung und Landwirtschaft], II/3 “Forestry, Woodworking Industry and Game Management” [Forst- und Holzwirtschaft und Jagdwesen], II/4 “Labour and Social Affairs” [Arbeits- und Sozialangelegenheiten], II/5 “Pricing” [Preisbildung], II/6 “Reich Bank” [Reichsbank].²⁴ A new group, II/7 “Finance” [Finanz], was added to these groups later. According to an extant scheme from 1942, the agenda of the seven departments was elaborated into more than thirty sections.²⁵

Group II/1 “Economy” [Wirtschaft]²⁶, which was competent for a broad area of industry and trades, grew under the direction of senior government councillor Erich von Wedelstädt before 1940 to 6 sections. First Department (head: Erich von Wedelstädt) administered general economic policy affairs, including the groups’ personnel and organisational matters. Second Department (head: Decken, later Arnold Freiherr von Vietinghoff) pursued the agenda of industry, raw material supplies and market issues, and third Department under the direction of senior government councillor Friedrich von Hülsen concentrated on metallurgy, coal economy and energy. A centre of gravity in the groups’ activities evidently consisted in a special Department “Entjudung” within the competence of August Hoffmann (originally Stier) after the adoption of a directive on Jewish property in June 1939. The department pursuing

21 The structure of RPO was officially announced on 18 October 1940. *Verordnungsblatt des Reichsprotectors in Böhmen und Mähren 1940*, pp. 425–426.

22 NA Prague, f. ÚŘP, b. 1080, Schreiben des Reichsprotectors in Böhmen und Mähren an allen Abteilungen und Gruppen des Reichsprotectors vom 1. 8. 1939; NA Prague, f. ÚŘP — Supplements I, b. 47, Runderlaß des Reichsprotectors in Böhmen und Mähren vom 1. 8. 1939.

23 Further to Walther Bertsch see Lukáš Guttek, *Činnost a postavení Waltera Bertsche v hospodářství Protektorátu Čechy a Morava*, bachelor’s work, Faculty of Arts at the Charles University, Prague 2007.

24 NA Prague, f. ÚŘP, b. 307, sign. I — 1d 6205, Gliederung der Abteilung II (Anlage zum RdErl. vom 3. 9. 1940).

25 NA Prague, f. ÚŘP, b. 1080, set of schemes of the department II of RPO; NA Prague, f. ÚŘP, b. 306, sign. I 1a 1200 — 11, Gliederungsplan des Reichsprotectors nach dem Stande vom 1. 5. 1942.

26 Originally the group was called “Gewerbliche Wirtschaft”.



an extensive Aryanisation agenda lay at the point of intersection of a number of the Aryanisation machinery of other authorities and employed the most officials in the group — in 1940 it was 18 persons. Specific foreign trade affairs, including foreign exchange, insurance and banking, were originally concentrated in a fifth Department (head: Dr G. Hofman), and later partly detached to a newly formed group “Finance” [Finanz]. A separate department headed by Ritterhausen administered the agenda of Reich public orders (Wehrmacht, Reichsbahn, Reichswerke Hermann Göring etc.). It operated in close cooperation with “Central Office for Public Procurement” [Zentralstelle für öffentliche Anträge] established as the Reich Protector’s special body completely outside the autonomous system of controlled economy.²⁷

The organisational evolution of the second group II/2 of the RPO Economic Department RPO — “Food and Agriculture” [Ernährung und Landwirtschaft] — in the autumn of 1939 was underpinned by the building of a controlled economy consisting in elimination of the free market and an increasing number of interventions in the production sphere (setting supply obligations, production contingency).²⁸ The group “Food and Agriculture” was originally structured into five sections: “Administration”, “Production”, “Food Economy including War Economy”, “Import and Export”, “Land Matters”.²⁹ A separate department was created later for Aryanisation of Food economy enterprises and was authorised to appoint treuhänders and supervise companies managed by them, plus a separate department for water management and care for the land.³⁰ It is symptomatic that the administration of forestry and woodworking industry and game management was separate in the occupation line from other affairs involving agricultural and food economy and a special group was created for it (“Forst- und Holzwirtschaft und Jagdwesen”, II/3 RPO). In this sense the organisation of the central occupation authority adopted the Reich model — while group II/2 RPO had its opposite number in the Berlin Ministry of Food and Agriculture [Reichsministerium für Ernährung und Landwirtschaft], group II/3 “Forst- und Holzwirtschaft

²⁷ Further to the position of “Zentralstelle” within the administration system of the Protectorate of Bohemia and Moravia see NA Prague, f. ÚŘP, b. 17, set of documents concerning the public orders; see also Marie Durmanová, *Řízené hospodářství a správa Ústředního svazu průmyslu za nacistické okupace*, Sborník archivních prací 16, 1966, no. 2, pp. 366–396.

²⁸ Further to the organizational structure and personnel development of the II/2 RPO see BA Berlin, f. R 1501 — RI, sign. 127 083, Personelle Besetzung der Behörde des Reichsprotectors am 6. 4. 1939; NA Prague, f. ÚŘP, b. 1080, Geschäftsverteilungsplan der Gruppe Ernährung und Landwirtschaft (undated); NA Prague, f. Úřad říšského protektora — Archiv ministerstva vnitra 114 (hereinafter as ÚŘP — AMV 114), b. 174, sign. 114 — 176/4 — 5, scheme of the group VIII., fol. 75–76; NA Prague, f. ÚŘP, b. 1080, scheme of the group Ernährung und Landwirtschaft (undated).

²⁹ BA Berlin, f. R 30 — Reichsprotector in Böhmen und Mähren/Deutsches Staatsministerium (hereinafter as R 30 — RP), sign. 9, Schreiben des Reichsprotectors Böhmen und Mähren (Gruppe VIII) vom 3. 11. 1939 an die Gruppe Z — Kriegsgeschäftsverteilungsplan und U. K. — Stellung; BA Berlin, f. R 30 — RP, sign. 9, Vorläufiger Geschäftsverteilungsplan der Abteilung II Gruppe VIII — Ernährung und Landwirtschaft (undated).

³⁰ NA Prague, f. ÚŘP, b. 1080, Geschäftsverteilungsplan der Abteilung II. Gruppe II/2 vom 25. 11. 1940.



und Jagdwesen” accommodated to the office of the Reich Master Forester [Reichsforstamt]. The direction of group II/2 “Food and Agriculture” passed from Henlein’s representative and prominent exponent of the Sudeten Reichsnährstand Rudolf Raschka in the summer of 1939 to agricultural engineer and state commissioner in the Berlin Ministry of Food and Agriculture Theodor Gross. In his post he was represented for a long time by a Berlin ministry official, Heinrich Steiger. Key Department “Food Economy”, in which almost one half of the personnel of the group worked (24 persons), was entrusted to a specialist in the management of the agricultural market, senior agricultural councillor Dr Paul Hunecke. The forestry and woodworking agenda (group II/3 RPO) was managed by Curt Francke.³¹

Other expert groups in the RPO economic department were in continuous development in the context of the concretisation of the distinctive features of the German occupation policy in the Protectorate and the expansion of the authority’s agenda and personnel as well. The original supervisory function was superseded by active interventions and influencing of widening spheres of economic policy. Group II/4 “Work and Social Affairs” [Arbeits- und Sozialangelegenheiten], which pursued an agenda concerning the labour market, wages policy and social insurance, reported to ministerial councillor Wilhelm Dennler and was divided in 1940 into four sections.³² Organisational evolution of Group II/5 “Preisbildung” of the RPO under the direction of Hans von Busse was taking place in close relation to the establishment of the Supreme Pricing Authority in May 1939. In the autumn of 1940 the agenda was divided into the apparatus of the group leaders (personnel), Department I (head: Kurt Huth) pursuing the agenda of pricing policy and supervision of the autonomous authorities in the field of pricing policy, Department II (head: Dr Hans Richardt) dealt with pricing regulations in the context of cartels, customs and taxation, rents, transport, and culture. Other sections dealt with the pricing policy in Food and agriculture (Department III, head: Coenen) and commercial activities (Department IV, head: Gottholf Lindemann).³³ The activities of the group “Preisbildung” were typified by close collaboration across the other economic groups of the RPO (in particular II/1 and II/2) and performance of a supervisory function through a commissioner in relation to the Supreme Pricing Authority, an autonomous body positioned formally on the top of the pricing process.³⁴

31 Curt Francke managed the group “Forst- und Holzwirtschaft und Jagdwesen” within the RPO from the 3rd April 1940. He took charge from Walter Hühn, a representative of Reichsforstamt. NA Prague, f. ÚŘP, b. 92, Z — Pres -I, personnel file of C. Francke.

32 NA Prague, f. ÚŘP, b. 1080, Abschrift (Gliederung der Abteilung II) an allen Abteilungen und Gruppen des Reichsprotectors vom Aug. 1940. Further to the personnel development see NA Prague, f. ÚŘP, b. 87, sign. Z-Pres.I, Verzeichnis der Beamten und Angestellten der Gruppe II/4 (undated).

33 NA Prague, f. ÚŘP, b. 1080, Geschäftsverteilungsplan der Gruppe Preisbildung (undated).

34 Supreme Pricing Authority [Nejvyšší cenový úřad] was established on the basis of government order of 10 May 1939 and its field of activity was defined by the government order of 13 July 1939. Government issue no. 121 of 10 May 1939, Sbíрка zákonů a nařízeních Protektorátu Čechy a Morava (hereinafter as Sb. z. a n. Protektorátu Čechy a Morava)



The genesis of the sixth group in the RPO economic department went back to the period of military administration. As early as March 1939 German interests were defended in the central Protectorate bank through a special plenipotentiary of the Reich Bank Friedrich Müller. After the end of the military administration Müller was appointed as head of the independent RPO department, later of the group II/6 “Reich Bank” [Reichsbank], which dealt with foreign exchange and financial affairs. The key foreign exchange section was entrusted by the Reich Protector to Herbert Winkler.³⁵

The organisation evolution of the group “Finance” [Finanz], which was the last one to be incorporated into the economic department of RPO was affected most dramatically as a result of the abolition of the customs boundary between the Protectorate and the Reich with effect as of 1 October 1940. The territory of the Protectorate became the top financial district of Bohemia and Morava and the office of the head financial president was created in Prague. Already, in the summer before the expected change, Neurath defined his position in a memorandum to the Reich Ministry of Finance as the sole representative of Hitler and of the Reich government in the territory of the Protectorate, doubtless wishing to prevent undesirable interference on “his home turf”. Although he stated that he did not intend to exercise all the powers in the area of customs duties, consumption tax and monopolies through his office, he reserved for himself all the decision-making powers and explicitly protested against potential unauthorised interference from the Reich Ministry of Finance and its organs.³⁶ This was evidently a “preventive” measure. Neurath concurrently announced his intention to amalgamate the personnel of the group “Finanz” [Finance] in his office with the post of the head finance president [Oberfinanzpräsident] in order to retain control over the newly established agenda.³⁷ In this context the process of suppression and weakening of the autonomous Protectorate administration gathered momentum in favour of the occupation administration.

The ceaselessly expanding agenda of the economic department of the RPO demanded an enlarged personnel apparatus. The originally narrow apparatus of some economic groups, amounting in the first months after occupation to around 10 clerks increased in time to dozens of persons. There was for example the group “Economy” [Wirtschaft], which according to the extant organisational plans counted in the au-

1939, pp. 503–509; Government issue no. 230 of 13 July 1939 o složení, organisaci a způsobu činnosti nejvyššího úřadu cenového, Sb. z. a n. Protektorátu Čechy a Morava 1939, pp. 736–737.

35 NA Prague, f. ÚŘP, b. 1080, Abschrift (Gliederung der Abteilung II) an allen Abteilungen und Gruppen des Reichsprotectors vom Aug. 1940. Further to the National Bank under the occupation see Jiří Novotný — Jiří Šouša, Die Nationalbank in den Jahren 1939–1945 und die „Arisierung“ im Protektorat Böhmen und Mähren. In: D. Ziegler (Hg.), Geld und Mitteleuropa während des Nationalsozialismus, Stuttgart 2002, pp. 119–142.

36 NA Prague, f. ÚŘP, b. 1063, Der Reichsprotector an den Herrn Reichsminister der Finanzen vom 27. 6. 1940.

37 NA Prague, f. ÚŘP, b. 1063, Der Reichsprotector in Böhmen und Mähren an Zentralverwaltung und die Abteilung I bis IV (und andere) vom 26.10.1940.



tumn of 1940 close to 60 clerks,³⁸ and the situation was similar in the group “Food and Agriculture” with 50 clerks.³⁹ This numeric increase was entirely consistent with the prevailing trend in the RPO, which needed within the “dual-track system” ever more labour.⁴⁰ The size of the RPO economic groups is clearly evidenced by the technical support figures. According to a 1940 listing, telephone extensions were allocated to the group “Wirtschaft” II/1 (17 extensions), followed by the group “Arbeits- und Sozialangelegenheiten” II/4 (16 extensions), with the group “Ernährung und Landwirtschaft” II/2 in third place (14 extensions). The personnel figures and technical support indicate that the economic groups ranked among the largest ones within the supreme occupation office and it can be inferred that they were the most important ones.⁴¹

The organisational and personnel building of the RPO economic groups proceeded in close collaboration with the central Reich institutions. By agreement with the Reich Ministry of Finance the ministries earmarked in their budgets funds for financing the individual working positions every year. This concerned above all the positions of the senior officials — ministerial councillors [Ministerial Rat], senior government counsellors [Oberregierungsrat] and government counsellors [Regierungsrat], who controlled the groups and the individual sections. Positions of the senior councillors [Amtsrat] were financed similarly, as were those of senior government inspectors [Regierungsoberinspektor] and government inspectors [Regierungsoberinspektor]. After approval the ministry posted its workers to the Protectorate, where they were no longer subordinated to the Berlin ministry but directly to the Reich Protector.

Correspondence between the Reich Protector and the Reich places documents the bitter struggles for every financed position — on the one hand we can see the Reich Protector’s demands ratcheted increasingly each year as he increasingly encroached with his groups on the superior status and the competences of the autonomous administration, and on the other hand, ceaseless attempts were made by the central Reich ministries (in particular, the Reich Ministry of Finance) to reduce the costs of the Protectorate administration to a minimum and save labour whose shortage it permanently faced.

For instance in 1940, the group II/1 “Wirtschaft” in the second department of the RPO only defended 11 positions of higher and middle-ranking officials as against 13 demanded, in 1941, 20 positions of higher and middle-ranking officials as against 22 demanded and in 1942, 25 positions of higher and middle-ranking officials as against 26 demanded. The greatest pressure was exerted by the Reich Protector on the financ-

38 Undated organizational scheme of the group II/1, most likely from 1940, speaks of 57 officials. The “Entjudungsreferat” with 18 people was the biggest among the group. NA Prague, f. ÚŘP, b. 1080, Geschäftsverteilungsplan der Gruppe Wirtschaft II/1 (undated).

39 NA Prague, f. ÚŘP, b. 307, sign. I — 1d 6205, Gliederung der Abteilung II (Anlage zum RdErl. vom 3. 9. 1940).

40 The general number of administrative staff within the RPO (including Beamte, Angestellte, Arbeiter) grew from 1323 in 1939 to almost 2800 in 1941. NA Prague, f. ÚŘP, b. 122, sign. 4100, set of documents concerning the budget.

41 NA Prague, f. ÚŘP, b. 86, Z — Pres. I., file I., telephone list (undated).



ing of ministerial councillors and government councillors as heads of the groups in his office and as senior leaders of these groups. While in 1940 the Reichswirtschaftsministerium earmarked in its budget a post for 2 senior government councillors and 4 government councillors, in 1941 it was already 3 senior government councillors and 6 government councillors, and in the following year (1942), 5 senior government councillors and 7 government councillors.⁴²

High personnel demands in respect of the central Reich authorities were pressed within the economic department by RPO group “Food and Agriculture”. In the context of the building of a controlled economy the Reich Ministry of Food and Agriculture earmarked for the year 1940 funds for 4 senior government councillors and 5 government councillors, a year later it was 5 senior government councillors and 8 government councillors, and in 1942 it was 7 senior government councillors and 10 government councillors. At the same time, group “Food and Agriculture” laid claim to several other positions for senior government inspectors and government inspectors.⁴³ Some demands of the economic groups were not met at all or with a substantial delay. Group II/1 “Wirtschaft” RPO waited long for confirmation regarding the position of a ministerial councillor for the leader of a group (Wedelstädt), and similarly, group II/2 demanded one position for a ministry director (for the group’s leader Theodor Gross) and one ministerial councillor’s position (for Gross’s deputy Heinrich Steiger). Arguments based on the political and economic importance of these groups did not always immediately yield the hoped-for rewards. The system for delegation and financing of officials was configured similarly for the other economic groups RPO.

Department “Economy and Finance” of the RPO played from its establishment to Heydrich’s reform of public administration the central role in terms of the shaping of the Protectorate economic policy. Although the Reich Protector’s role in this process stemmed from his privileged position based on the Protectorate establishment document, the extant documents give telling evidence that on the practical plane his powers and competences, not excluding the economic department, gradually crystallised in the process of constant conflict and profiling and competitive struggles between the newly emerging authority, the autonomous authorities and above all, the Reich authorities.

The principal partners of the RPO economic department on the Protectorate level were the Protectorate ministries (Ministry of Industry and Trade, Ministry of Agriculture, Ministry of Finance) as counterparts of the individual RPO groups within the dual-track system of public administration. The central occupation authority gained general control of their activities during the first months of its operations. Initial short-term measures in the economic sector were gradually superseded by a complex of diverse interventions, and the passive supervisory function was soon supplanted by its own initiative and activity; in other words, formulation of an economic policy. The ROP economic department progressively pulled into its sphere of

42 NA Prague, f. ÚŘP, b. 123, sign. 416, set of documents concerning the budgetary agenda.

43 Further to the negotiations see NA Prague, f. ÚŘP, b. 88, Z — Pres. I., set of documents concerning the budgetary agenda; B. Štolleová, Pod kuratelou Německé říše, p. 58.

influence through the expert groups over wider sectors of the Protectorate economy and created instruments necessary for their control.

The pivotal role in the intensification of the occupation control over the Protectorate economy was played during the dual-track period by changes in the competences of the autonomous Protectorate authorities. The Prague Ministry of Industry and Trade,⁴⁴ Ministry of Agriculture,⁴⁵ and some newly established authorities (e.g. the Supreme Pricing Authority) were empowered to make decisive interventions across the economic sectors and a corporate building of the economy was started.⁴⁶ As the activities of the central Protectorate authorities were not only controlled but also tasked by the RPO, the development of the Protectorate ministries' competences logically resulted in an intensification of the occupation control over the Protectorate economy as such. The corporate building and the controlled economy system greatly facilitated the implementation of the occupation measures on all administrative levels and created prerequisites for close control of the economic mechanisms.

The dual-track principle that became the preponderant and characteristic feature of public administration in the Protectorate in the first years of occupation was not applied in all economic sectors without exception. In the case of some strategic economic sectors the Reich Protector immediately proceeded to exclude the agenda from the jurisdiction of the autonomous Protectorate authorities and pursued it through his office or through newly established authorities subject to his control. The authorities included, for example, "Bureau for Coal Economy in Bohemia and Moravia", "Plenipotentiary for Mineral Oil Management" and "Bohemian and Moravian Bureau for Imports and Exports of Food and Agriculture" [Böhmisch-Mährische Ein- und Ausfuhrstelle für Erzeugnisse der Ernährungs- und Landwirtschaft].⁴⁷

The relationship between subordination and superiority that characterised the relationship between the occupation and the autonomous administration in the Protectorate, did not completely emulate the relationship between the RPO and the Reich authorities. Analysis of the mechanism of financing and delegation of high-ranking officials in the economic department shows clearly that although the Reich authorities strove for and had considerable influence on the formulation of the Protectorate economic policy, even here the principle of autonomy was respected, meaning subordination of the Reich ministry officials in the Protectorate to the Reich Protector.

44 Government regulation no. 168 of 23 June 1939, Sb. z. a n. Protektorátu Čechy a Morava 1939, p. 591.

45 Government regulation no. 206 of 18 September 1939, Sb. z. a n. Protektorátu Čechy a Morava 1939, pp. 653–655.

46 The government regulation of 23 June 1939 entitled the Ministry of industry and trade to establish and control the economic associations with compulsory membership. Similar entitlement got the Ministry of Agriculture. Government regulation no. 168 of 23 June 1939, Sb. z. a n. Protektorátu Čechy a Morava 1939, p. 591; Government regulation no. 206 of 18 September 1939, Sb. z. a n. Protektorátu Čechy a Morava 1939, pp. 653–655.

47 Further characteristics of the system see Marie Durmanová, Řízení hospodářství a správa Ústředního svazu průmyslu za nacistické okupace, Sborník archivních prací 16, 1966, no. 2, pp. 369–372.



The Protectorate economic policy was not an exclusive application of the Reich policy but a distinctive economic policy pursued with a view to German interests in favour of the Third Reich. The interests of the Reich authorities intersected with interests upheld on the level of the Reich Protector (maintenance of stability and operation of the Protectorate) and simultaneously intersected with pressures from the Protectorate side (Protectorate government). Although major decisions and measures in the economic sector were frequently taken on the basis of a recommendation from the Reich, they were finalised in the RPO economic department and its groups or in active collaboration with them.

The RPO economic department did not assert its interests solely through the expert groups; it created numerous supplementary instruments. On the regional level the economic policy was conducted through lower administrative strata — special RPO branch in Brno [Dienststelle Mähren] — functioning in parallel with the Prague centre until 1942,⁴⁸ and through its provincial offices [Oberlandrat, hereinafter as OLR].⁴⁹ In OLR offices economic departments functioned following the period of military administration. They monitored the current economic conditions in a given area, dealing inter alia with continuity of supplies, rationing system problems, observance of the pricing regulations, operations of enterprises, and related issues concerning the workforce. From the summer of 1939 their agenda expanded massively as a result of the adoption of a directive on Jewish property, which anchored the department firmly as an important link in the Aryanisation mechanism.⁵⁰ In relation to the district councils it had a supervisory function. So called agricultural experts [landwirtschaftliche Sachverständige] sent from the Reich took up influential positions in the department, and they often aspired to the posts of heads of the departments.⁵¹ The mechanism for delegation and financing senior officials in the economic departments of OLR operated in a way similar to that of the internal RPO officials.⁵²

48 NA Prague, f. ÚŘP, b. 307, sign. I — 1d 6220, Aufgabenkreis und personelle Besetzung der Dienststelle Maehren vom 1. 10. 1941; NA Prague, f. ÚŘP — supplements II, b. 28, personnel file of Johann Peter Alpers.

49 The OLR offices were established in the period of military administration but changed significantly over the time. There were 39 of these offices during the military administration. Afterwards the number was reduced to 20 and in 1942 there was another reduction to 15. Further see S. Šisler, Příspěvek k vývoji a organizaci okupační správy, pp. 69–80; P. Maršálek, Protektorát Čechy a Morava, pp. 52–53. Activities of OLR offices in the economic sphere see D. Jančík — E. Kubů, Arizace a arizátoři, p. 21.

50 Further to the activities of OLR economic departments see monthly reports for RPO. NA Prague, f. ÚŘP, b. 279, sign. I — 1a 1083.

51 NA Prague, f. ÚŘP — AMV 114, b. 193, sign. 114 — 195/3, Schreiben der Gruppe VIII an Dr. Von Burgsdorff vom 17. 6. 1939, fol. 123–125; NA Prague, f. ÚŘP, b. 20, sign. VIII/1/8, Schreiben der Gruppe VIII an Dr. Von Burgsdorff vom 17. 6. 1939.

52 For example NA Prague, f. ÚŘP, b. 123, sign. 4110, Schreiben des Reichsministers für Ernährung und Landwirtschaft an den Reichsbauernführer vom 16. 9. 1940; NA Prague, f. ÚŘP, b. 123, sign. 4110, Schreiben des Reichsministers der Finanzen Herrn Reichsprotector Prag vom 12. 10. 1940; NA Prague, f. ÚŘP, b. 88, Z — Pres I, Schreiben des Reichsprotectors in Böhmen und Mähren Herrn Reichsminister der Finanzen vom 30. 8. 1940.



A symptomatic feature of the occupation system and a much used method for upholding German interests within the Protectorate economic organism was the appointment of commissioners [Beaufragte, Beaufragter] and plenipotentiaries [Generalbevollmächtigte, Bevollmächtigte]. These were “assistants” to the Reich Protector, largely seconded by central Reich institutions who assumed tremendous powers in a strictly delimited area. The “commissioning” method was mainly employed in economic areas and by entities that had a special importance from the perspective of the occupation policy, but it was not possible or desirable in a given time because of the legislation in force (dual-track principle) to proceed to radical, destructive and in personnel terms taxing interventions in the Protectorate administrative structures or the functioning of individual economic operators. This method was supplemented in practice by other specific links in the system (such as sequestrators, trustees or treuhänders)⁵³, related to the advancing of “German” interests in the Protectorate.

The nature of a commission or delegation varied from case to case. Commissioners were appointed in some cases to rapidly redress a situation and held their commission for a short time, for example performing German supervision in trading companies and organisation before desirable organisational changes could be made. In other cases a “commission” was an instrument for long-term or even permanent addressing of issues in the economy. “Institutionalisation” of the commissioner’s post was typical in the first years of occupation for safeguarding the “German interests” in relation to the leading posts within the organism of the Protectorate administration — ministries, trade associations and controlled economy organisations. In these cases the commissioners constituted an integral part of the occupation control mechanism within the dual-track system of public administration. In the wider economic sphere they included for example a special commissioner of the Reich Bank representing in the long term Reich interests in the Protectorate Central Bank (F. Müller)⁵⁴ and a special commissioner in the “Supervisory Office at the Ministry of Trade”.⁵⁵ Another example is a whole “team” of commissioners named in order to reorganise the agricultural market [Marktordnung].⁵⁶ Some commissioners were incorporated integrally into relevant economic groups of the RPO. In quite a few cases they were

53 Treuhänders were appointed on the basis of the Reich Protektor’s regulation of 21 June 1939. Further concerning the typology (Verwaltungstreuhänder, Abwicklungstreuhänder, Veräußerungstreuhänder, Obertreuhänder) and functioning of Treuhänders see Eduard Kubů, *Die Verwaltung von konfisziertem und sequestriertem Vermögen — eine spezifische Kategorie des „Arisierungs- Profits“: Die Kreditanstalt der Deutschen und Ihre Abteilung „F“*. In: D. Ziegler (Hg.), *Geld und Kapital während des Nationalsozialismus*, Stuttgart 2002, pp. 177–185.

54 Jiří Novotný — Jiří Šouša, *Die Nationalbank in den Jahren 1939–1945 und die „Arisierung“ im Protektorat Böhmen und Mähren*. In: D. Ziegler (Hg.), *Geld und Mitteleuropa während des Nationalsozialismus*, Stuttgart 2002, pp. 119–142.

55 NA Prague, f. ÚŘP, b. 97, Z — Pres. I, personnel file of Schmoeller.

56 In the autumn 1940 there were eight special commissioners for individual branches of agriculture within the group “Food and Agriculture” of RPO. NA Prague, f. ÚŘP, b. 123, sign. 4110, *Geschäftsverteilungsplan der Abteilung II, Gruppe II/2 — Ernährung und Landwirtschaft*; B. Štolleová, *Pod kuratelou Německé říše*, pp. 69–70.



appointed in personal union with another clerical post in the RPO economic department. Protection of the occupation interests in the Protectorate economy through the commissioners was such a frequent phenomenon that we can speak of the creation of “commissioners’ networks”.

The spectrum of the problems posed by the commissioning method and posting of German workers to the Protectorate is suggested by a convolute of documents preserved in the RPO archive concerning the financial administration.⁵⁷ As early as 1939, a team of commissioners from the Reich financial administration became an integral part of the occupation structures [Beaufragte der Reichsfinanzverwaltung], working in the Protectorate financial offices. As stated in a memorandum from the Reich Minister of Finance of 16 May 1939, their training for the post was insufficient (in at least eight cases it was only a basic training course at Reichsfinanzschule, Berlin), and sitting for a proper examination at a financial academy or gaining experience at a financial office [Finanzamt] was not done in the Reich. Although it follows from later memoranda that the commissioned officials were temporarily transferred to broaden their experience to senior financial presidents in the Reich (Berlin, Brandenburg), and thus we can speak of remedial efforts, complaints about their qualifications did not cease. The senior provincial councillor (OLR) in Pilsen characterised a financial councillor in his district as “totally unfit to remain in office”, and similarly, a commissioner of the Reich financial administration in Jitschin was branded as “alcoholic” and his immediate dismissal was demanded. Far from being isolated, such cases illustrate one of the fundamental problems of the Protectorate occupation system: chronic shortage of skilled German labour.⁵⁸

A breakthrough in the mechanism for formulation of the economic policy in the Protectorate and hence for the activities of the RPO economic department was brought about by the operations of Deputy Reich Protector Reinhard Heydrich. In 1942 he initiated a reform of public administration that ended the period of the dual-track administration and resulted in a dramatic reduction in the Protectorate autonomy.⁵⁹ The aim of the reform was to eliminate the existing oversized, slow and inefficient administrative system and to replace it with a model that would better serve the Nazi interests in the achievement of the war goals (accelerated execution of German orders, administration of conscript labour). During the reform practically all the components of the occupation and Protectorate administration were reorganised and an intrinsic part of this was the abolition of the presidium of the council of ministers and the Protectorate government as a collective body. The reform was put into practice in several phases in 1942–1943 and in the economic sphere it overlapped in time with the then culmination completion of the economic administration built on the corporate principle.

⁵⁷ NA Prague, f. ÚŘP, b. 17, convolute of documents concerning Reich financial administration in the Protectorate.

⁵⁸ J. Balcar, Panzer für Hitler, p. 66.

⁵⁹ Further to the reform see Jaroslava Milotová, Heydrichova správní reforma v kontextu správněpolitického vývoje českých zemí v letech nacistické okupace, doctor’s thesis, Faculty of Arts at the Charles University, Prague 1988; S. Šisler, Příspěvek k vývoji a organizaci okupační správy, pp. 54–56; P. Maršálek, Protektorát Čechy a Morava, pp. 64–75.



The long-planned reform was started with reorganisation of the Protectorate ministries in January 1942. The most important change in the economy was the creation of Ministry of Economy and Labour and granting it far-reaching powers. Its agenda included most of the remit of the original Ministry of Trade and some affairs within the remit of the Ministry of the Interior (private insurance; joint stock companies, limited-liability companies and cooperatives) and the Ministry of Finance (currency and financial affairs, except oversight of the National Bank for Bohemia and Moravia).⁶⁰ To a lesser degree the changes affected other economic ministries — Ministry of Agriculture (newly Ministry of Agriculture and Forestry) and Ministry of Finance. Competence changes among the ministries essentially endeavoured to approximate the Reich model and were brought about despite objections from the Protectorate authorities.⁶¹ A new government was formed by the Reich Protector and then approved by Berlin.⁶²

The core of the reform — elimination of the public dual-track administration — consisted in a progressive merging between the occupation and the autonomous administration. The extensive agenda followed until then by the occupation authorities was transferred to competent Protectorate authorities, and the leading positions in those authorities were taken by Reich Germans according to directives and “im Auftrage des Reichs” [on orders from the Reich].⁶³ Being the supreme occupation authority the RPO detailed to individual Protectorate ministries authorised general representatives, high-ranking German officials who performed essential functions with the assistance of a large team of collaborators in a given sphere of activity, frequently without the knowledge of the Protectorate ministers.⁶⁴ This liquidated the autonomy of the Protectorate from the inside and the ministries were transformed into occupation authorities. In the most important of the economic ministries, the newly created Ministry of Economy and Labour, a direct link between the central occupation authority and the Prague ministry was established in January 1942 by the appointment of a Reich German to the post of minister, in the case of the Ministry of Finance and Ministry of Agriculture and Forestry, the go-between was the general representative.

A vanguard of the far-reaching organisational changes in the Prague Ministry of Agriculture and Forestry was the appointment of senior government councillor

60 Government regulation no. 14 of 15 January 1942, Sb. z. a n. Protektorátu Čechy a Morava 1942, pp. 75–80; Government regulation no. 208 of 15 June 1942, Sb. z. a n. Protektorátu Čechy a Morava 1942, pp. 997–1003.

61 See for example the reaction of Adolf Hrubý (Minister of Agriculture) to the government regulation no. 15/1942. NA Prague, f. ÚŘP — AMV 114, b. 19, sign. 114 — 5/15, Schreiben des Ministers für Landwirtschaft an de Herrn Staatssekretär Frank vom 2. 2. 1942, fol. 17–18.

62 Zpověď K. H. Franka. Podle vlastních výpovědí v době vazby u krajského soudu trestního na Pankráci, Prague 1946, p. 132.

63 Further to the “Reichsauftragsverwaltung” see P. Maršálek, Protektorát Čechy a Morava, pp. 64–75; S. Šisler, Příspěvek k vývoji a organizaci okupační správy, p. 67.

64 The appointment of general representatives was legally based on the government regulation of 4 March 1942. Government regulation no. 80 of 4 March 1942, Sb. z. a n. Protektorátu Čechy a Morava 1942, pp. 551–552.



Axel Staehly as general representative of the Ministry of Agriculture.⁶⁵ The Protectorate ministry was notified of the organisational changes by the Reich Protector's memorandum of 24 April 1942. It stated an "immediate connection" [unmittelbare Verbindung] was to be established between the ministry and the central occupation authority and demanded office space for his team.⁶⁶ The then head of group II/2 "Food and Agriculture" of the RPO Ernst Adolph Schmidt was appointed to the post of general representative in all the agricultural sections of the Protectorate ministry. Subsequently, the Reich Protector's directive of 1 May 1942 posted fifteen workers of Group E+L RPO to the Prague Ministry of Agriculture and Forestry. They included ten senior officers, and five of them were senior government councillors (Heinrich Steiger, August Klingenberg, Paul Hunecke, Otto Stalman, Josef Markes), who had until then led the group sections.⁶⁷ In consequence of the separation of what was practically the entire direction of the group E+L RPO and implantation of this elite "unit" into the Protectorate Ministry of Agriculture and Forestry, the originally autonomous authority acquired the character of occupation authority and was becoming a "German" authority.

Reorganisation of the Protectorate Ministry of Finance proceeded in a similar manner. In a memorandum from the Reich Protector to Minister Josef Kalfus of 29 June 1942 the Protectorate minister was asked under the pretext of fostering "closer and more productive" collaboration between the occupation authority and the ministry to appoint senior government councillor Walter Schmeisser as general plenipotentiary for the budget and credit [Generalreferent für Haushalt und Kredit] and senior government councillor Gustav Nissen as general plenipotentiary for taxes and rates [Generalreferent für Steuern und Gebühren], and finding a suitable office for them. Another 16 workers of the RPO group "Finance" [Finanz] were transferred to the Ministry of Finance together with Schmeisser and Nissen, including government councillors Dr Heitmann, Herrmann, Hebeda, Steun and Kheml. The Protector's memorandum states explicitly that the "incorporation" of these workers into the ministry organism does not change in any way their point on the salary scale or the powers of a public figure.⁶⁸

As for the newly established Ministry of Economy and Labour, which was central from the perspective of economic affairs, German influence was wielded through the minister who was, for reasons of "extraordinary importance of the Bohemian eco-

⁶⁵ Regulation no. 94 of 22 April 1942, Úřední list Protektorátu Čechy a Morava 1942, p. 3393.

⁶⁶ NA Prague, f. ÚŘP, b. 88, sign. Z — Pers. I., Schreiben des Reichsprotectors in Böhmen und Mähren an das Ministerium für Land- und Forstwirtschaft z. Hd. von Herrn Minister Hruby vom 24. 4. 1942 (signed by Frank).

⁶⁷ NA Prague, f. ÚŘP, b. 88, sign. Z — Pers. I., Schreiben des Reichsprotectors in Böhmen und Mähren an den Herrn Leiter der Gruppe II/2 vom 1. 5. 1942.

⁶⁸ NA Prague, f. ÚŘP, b. 84, Der Reichsprotector in Böhmen und Mähren an das Finanzministerium, z. Hd. des Herrn Minister Kalfus vom 29. 6. 1942. See also NA Prague, f. ÚŘP, b. 1063, file Organizace finanční správy v Protektorátě 1939–1944. Václav Král, Otázky hospodářského a sociálního vývoje v českých zemích v letech 1938–1945, Bd. I, Prague 1958, p. 21.



nomy” a Reich German, until then head of the department “Wirtschaft und Finanz” of the RPO Walter Bertsch.⁶⁹ As he was appointed an extensive apparatus was transferred, as in similar earlier cases, from the RPO directly to the Protectorate authority. In his memorandum of 20 January 1942 Bertsch gave instructions for transfer of all (!) workers of groups II/1 and II/4 of the RPO to the Ministry of Economy and Labour with immediate effect.⁷⁰ According to attached listings, 21 senior officials [Beamte], 12 officers and another 60 administrative workers [Angestellte] from the group II/1 “Wirtschaft”. As for Group II/4 “Arbeits- und Sozialangelegenheiten” this involved 25 senior officials, 5 officers and another 35 administrative workers.

Heydrich’s reform of public administration triggered profound organisational changes throughout the economic sector and became an impulse for the completion of the economic administration on the corporative principle, which had been until then intentionally hindered and put on hold in some areas. Apart from a full reorganisation of the central authorities, Heydrich’s reform comprised reorganisation of the lower echelons of the administration, offices of senior provincial councillors (OLR offices). Most of their original agenda was transferred to provincial Protectorate authorities, political authorities of the 1st resort (district commissioners) and police units (administration “on orders from the Reich”).⁷¹ This change was reflected in the pursuance of the regional economic policy. Teams of economic officials working for senior councillors were formally transferred to autonomous structures. So called agricultural experts [landwirtschaftliche Sachbearbeiter] now worked under “senior district commissioners” [geschäftsführende Bezirkshauptmänner]. They carried out their duties “on orders from the Reich” and their offices were the original offices of the senior provincial councillors. Likewise, teams of officials in the area of mobilisation of Czech civilians for the war effort, originally working for the OLR, were transferred to the Protectorate labour offices in consequence of the sweeping reform.⁷²

The final step in Heydrich’s reform of public administration was a reorganisation of the RPO based on Directives of 23 May 1942 and 25 November 1942.⁷³ The objective of the changes was to approximate as much as possible the organisation of the central occupation authority to the central Protectorate institution in such a way that the

69 President Hácha was originally considering Wenzel Stočes for appointing but due to Frank’s request he finally prioritised Walter Bertsche. NA Prague, f. ÚŘP — AMV 114, b. 19, sign. 114-5-15, Abschrift eines Schreibens des Staatspräsidenten Dr. Emil Hácha vom 20. 12. 1941 an den Stellv. Reichsprotektor. Slov. též. Zpověď K. H. Franka, pp. 132–133. Further to organisation of Protectorate’s Ministry of Economy and Labour see NA Prague, f. ÚŘP — AMV 114, b. 20, sign. 114 — 5/23 and sign. 114 — 5/20, Personalbestand des Ministeriums für Wirtschaft und Arbeit (Stand am 1. 7. 1942), fol. 4–5.

70 NA Prague, f. ÚŘP, b. 87, sign. Z — Pres. I, Dr. Bertsch an den Herrn Reichsprotektor in Böhmen und Mähren vom 20. 1. 1942.

71 Čeněk Amort, Heydrichiáda, Prague 1965, document no. 34, pp. 218–221.

72 NA Prague, f. ÚŘP, b. 84, Der Leiter der Gruppe II/4 an die Gruppe I/1 vom 20.8.1942, betrifft: Verwaltungsreform.

73 The reorganisation took effect on 1 December 1942 and at the same time the regulation from 18 September 1940 was repealed. See P. Maršálek, Protektorát Čechy a Morava, p. 72.



administrative control of the Protectorate matters be streamlined. The Reich Protector's position remained essentially unchanged. According to the newly announced structure of the RPO the name of the departments coincided in most cases with the names of the Protectorate ministries. In the economic sphere the main competent departments were "Economy and Labour" [Wirtschaft und Arbeit], with independent departments for food and agriculture [Ernährung und Landwirtschaft] and finance [Finanz] working in parallel.⁷⁴

The distinctive features of the new organisation were a considerable simplification of its structure and a reduction in the original apparatus. The Reich oversight of the occupation authority was retained but its agenda was pursued inside the ministries. The department "Wirtschaft und Arbeit" of the RPO under the direction of Bertsch was newly divided into 5 sections. First department dealt with Reich supervision of the protectorate economic administration and banking institutions and reported to the original head of groups II/1 "Economy" [Wirtschaft] ministerial councillor Erich von Wedelstädt. The other sections represented Reich oversight in the sphere of "Labour" under the direction of Wilhelm Dennler [Reichsaufsicht über die Arbeitsverwaltung des Protektorats]; "Pricing" under the direction of Hans von Busse [Reichsaufsicht über die Preisbildung des Protektorats] and "Forestry" under the direction of Pflanz [Reichsaufsicht über die Forstwirtschaft des Protektorats]. In addition to these high-ranking officials the department only employed 6 workers, heads of the original groups.⁷⁵ Similarly, the RPO department for food and agriculture was reduced in size to 3 sections with a total of 11 clerks, most of whom held concurrently key positions in the Protectorate Ministry of Agriculture and Forestry.⁷⁶ This applies equally to the organisation of the RPO department "Finanz" under the direction of senior finance president Gross, which was reduced to 3 sections. The reorganisation of the RPO in the autumn of 1942 constituted the organisational foundation for the later Frank's German State Ministry.

Heydrich's reform of public administration and the parallel building of the economic administration on the corporate principle *de facto* crowned the efforts of the German occupation force to take control of the economic mechanism of the Bohemian Lands. The large economic department of the RPO, which represented in 1939–1942 the "epicentre" for the framing of the economic policy in the Protectorate, was directly incorporated into the central Protectorate authorities after the liquidation of the dual-track principle one group at a time. The changes within the organisational structures of the Protectorate ministries and the central occupation authority that emulated their Reich models were to make them more efficient and to simplify communication and thereby the decision-making mechanisms of the Protectorate economic policy. From a more distant perspective these were preparations for complete

74 NA Prague, f. ÚŘP, b. 306, sign I 1a 1200 — 11, Gliederungsplan der Behörde des Reichsprotectors nach dem Stande vom 1. 4. 1943; NA Prague, f. ÚŘP — supplements I, b. 1, Gliederung der Behörde des Reichsprotectors (Stand am 1. 7. 1943)

75 NA Prague, f. ÚŘP, b. 1080, Gliederungsplan des Reichsprotector's office (undated).

76 Further see B. Štolleová, Pod kuratelou Německé říše, pp. 91–95.

incorporation of the Protectorate and its system into the German Reich. Declaration of total war [Totalkrieg] resulted in another shift of the Protectorate economic policy decision-making towards the Reich level. On the level of the Protectorate authorities the principle of unification of the occupation and autonomous administration was developed further.

