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THE DEMOCRATIC INFLUENCE OF

KARL RENNER IN AUSTRIA

DISSERTATION

Presented in Partial Fulfillment of the Requirements for the Degree Doctor of Philosophy in the Graduate School of The Ohio State University

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* * * * *

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INTRODUCTION

The political career of Dr. Karl Renner spanned nearly a half century from 1907 to 1950. He was Chancellor of the First Austrian Republic from 1918 to 1920; Chancellor of the Austrian Provisional Government after World War II; and President of Austria from December 1945 to his death on December 31, 1950. In addition to his active public life, Renner authored numerous works on politics, economics, sociology and the law. His life-long political philosophy was rooted in Marxism, his interest in which began during his student years at the University of Vienna from 1891 to 1896.

A central purpose of this dissertation is to investigate Renner's concept of a democratic society and specifically how post-World War II Austrian society should be reconstituted in terms of that concept. Furthermore, this study analyzes Renner's means of achieving a democratic Austrian state both in terms of the means utilized and the content of the message conveyed.

One intent of this study is to demonstrate Renner's moral leadership in Austrian society after World War II. To understand Renner's role during these years, it is necessary to consider his early years, his views on socialism and his participation in the Austrian Cooperative Movement, for without these inquiries his role in the
reconstruction of Austria between 1945 and 1950 cannot be fully comprehended.

Years of intense activity and involvement provided Renner with an opportunity to expound on a whole range of topics that had kept him politically and intellectually engrossed over the course of his life. Although the impact of his views on contemporary Austrian society cannot be assessed in quantitative terms, the current democratic state of Austria to a large extent bears testimony to the impact of many of his ideals. To measure the democratic and moral influence of any public figure creates obvious problems for the student, and, yet, this type of inquiry contributes to the understanding of both a historical period and place. The recent democratic experience in Austria, for example, is inexplicable without some knowledge of its leading authors. That Karl Renner was one of the primary architects of Austrian democracy no one can deny, although there is a notable dearth of information on the man and his views in English. Only one of his major works, The Institutions of Private Law and Their Social Functions, has been translated into English and this not until 1949 although it was written in 1904.

Karl Renner's views on socialism constitute a major theme of this study for many of his ideas for societal change were rooted in his faith in socialism. Although
socialism and Karl Marx remained focal points of his career, Karl Renner cannot be categorized as a rigid Marxian. Basically Renner believed in socialism for it represented to him the best means of achieving a truly democratic society.

Renner's active participation in the Austrian Cooperative Movement (ACM) reflects his belief that cooperation, not competition should guide the Austrian economy. While not underestimating the powerful attraction of the free enterprise economic system, Renner did not believe that Austria's economic future need be inevitably tied to that system. Renner's chief objection to the free enterprise system rested on his belief that the system spawned economic and social inequality. Through his commitment to socialism and his dedication to the cooperative movement, Renner consistently demonstrated his concern for economic and social equality. This study hopes to trace the common thread which ran through all of Renner's public career -- his deep compassion for his people.

Karl Renner's political and intellectual background prepared him well for his role as the moral and political spokesman of his fellow Austrians in April 1945. Although

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1The term "Austrian Cooperative Movement" is used for the sake of economy throughout this study to denote a variety of different Austrian cooperative societies. See Chapter III, page 53 for a more detailed explanation.
the immediate concern for Renner, and the other Austrian leaders, was to satisfy the immediate material requirements of their war-torn country, they also recognized the necessity to repair the spiritual and psychological damage done to Austrian society. For Renner this task centered essentially on the reconstruction of Austria's democratic institutions. In 1945 Renner knew that if Austria was to reconstitute these institutions, all of the nation's collective and individual perseverance would be required. The lack of communication between the newly formed Provisional Government and the people represented only one major obstacle. The hostility of the civilian population toward the occupation forces was another. The restrictions placed on all Austrian public leaders by the Allied Powers presented yet another impediment. Renner never allowed these obstructions to interfere with his ambition to convey his message of democracy to the Austrian people.
CHAPTER I

KARL RENNER'S EARLY YEARS

On a Spring day in April 1945, an elderly gentleman in shirt sleeves made his way to the local Soviet Army Headquarters in the village of Gloggnitz in Lower Austria. He went to appeal to the local Soviet Commanding Officer to be compassionate toward the villagers. Through acts of rape, assault and pillage, the first wave of Soviet troops to enter Austria had created great anxiety among the populace. Although such acts had not occurred in Gloggnitz, the goateed-old gentleman hoped to prevent them by persuading the local Soviet authorities that such behavior in Gloggnitz would only increase tension. The old man had lived in that village since 1934, and he had become fond of the villagers who, in turn, viewed him as their protector. Fortunately, for the future of Austria, the local Soviet authorities recognized the old man as a former leader of the Austrian Socialists.\(^1\) Soon after his encounter with the Russians in Gloggnitz that April, Karl Renner began anew his political career, embarking upon the arduous task of building an Austrian Republic.

\(^1\) Jacques Hannak, *Karl Renner und seine Zeit* (Wien: Europa Verlag, 1965), p. 669. The Soviet Army officials did not know that Renner lived in Gloggnitz. It was only after his appearance that they realized Renner had lived there since 1934. *Ibid.*
Karl Renner was the seventeenth or eighteenth child of Matthias and Maria Renner. His identical twin brother died in infancy and no positive identification had been made as to which twin had died.  

Nevertheless, the twin known to history as Karl Renner was born on December 14, 1870, in the village of Unter-Tannowitz in Moravia, located near the future Austrian-Czechoslovak border. Karl's ancestors were of peasant stock who had emigrated from lower Saxony during the reign of Maria Theresa. Karl's father, Matthias Renner, was not a typical Central European patriarch and disciplinarian; the family atmosphere, in fact, was unusually egalitarian. Matthias Renner, a viniculturalist, however, suffered financial ruin during Karl's youth for the 1870's marked a period of general economic hardship not only for the Renner family, but for the entire Austrian agricultural community. After the economic crash in 1873, Matthias Renner had become financially over-extended and found it impossible to arrange additional credit. The Renner family's

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2 While the two infants, Karl and Anton, lay in the same crib, they both managed to shake off their respective identification ribbons which made it impossible for the parents to establish a positive identification of either twin. Robert Kann, "Karl Renner (December 14, 1870 - December 31, 1950)," The Journal of Modern History, XXIII (September, 1951), 243. Also, Karl Renner, An der Wende zweier Zeiten (Wien: Danubia Verlag, 1946), pp. 11-15.

3 Frau Leopoldine Deutsch-Renner, private interview, Gloggnitz, Austria, June 7, 1971.
economic difficulty climaxed in 1885 when Matthias and Maria lost their farmland and were forced to enter a poorhouse.  

In spite of the impending improverishment of the Renner family, Karl entered school in 1876 at the age of six. He confessed later that his early education had been hampered by the family's poverty. His physical health, moreover, was fragile during those early years. Until the age of twelve, for example, it was impossible for him to write without trembling. The family life of the Renner household ultimately deteriorated to the point that in 1887 one of Karl's brothers killed his father whom he blamed for the family's destitution. Shortly thereafter, that brother committed suicide.

According to his biographer, Jacques Hannak, and his daughter, Frau Leopoldine Deutsch-Renner, it was Karl's early exposure to hunger and material need that imbued him with a lifelong compassion for those who suffered economic deprivation. Karl witnessed not only his own

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4The parents entered the poorhouse alone. Karl, the youngest at fifteen, was in the gymnasium in Nikolsburg while the others were either established, or serving professional apprenticeships.

5Frau Leopoldine Deutsch-Renner, interview, June 7, 1971.

6This problem appears to have been a result of his inadequate diet.

7Jacques Hannak, private interview, Vienna, Austria, May 10, 1971.
family's ruination, but the economic disintegration of an entire village. The inequities of the system were illustrated clearly even in the local church, where a man's pew was assigned according to his social status. Karl witnessed one family after another lose its church pew after suffering financially. Quite obviously, he was introduced at an early age to the harsh realities of a capitalist economy.

After he had completed the Volkschule in 1881, Karl was admitted to the Gymnasium in the city of Nikolsburg, and the long walk to the Gymnasium had a therapeutic effect on his health. In 1883, at the age of thirteen, Karl began to board with a widow and her two children. In exchange for room and board, Karl performed such duties

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8 The village of Unter-Tannowitz suffered from the general depression caused by the European economic crash of 1873. The local farmers could not raise the necessary capital to continue their farming operations. Austria, Bundespraesidentschaftkanzleiarchiv, Protokoll Book, Document Number 5343, Year 1947. Hereafter cited as "Protokoll Book".

9 Karl Renner was an altar boy in the village church and came away only with an aversion to candles which lasted the rest of his life. Mrs. Eric Ashley, Karl Renner's granddaughter, private interview, Hillsborough, California, October 17, 1971.

10 After being informed of his son's academic potential, Karl's father insisted on making the necessary financial sacrifices to send him to the gymnasium. Since Karl continued to live at home, the sacrifice amounted to the loss of his help with the farm work.
as lighting the fire at five o'clock in the morning, fetching the daily bread, putting the morning coffee on, and awaking the widow and her family.  

Karl's studies in the Gymnasium progressed well. Alois Kornitzer, one of his teachers, maintained that Karl was the brightest student he had ever taught, and that he possessed an amazing facility for handling abstractions.  

Jacques Hannak feels that Renner's unique ability to deal with concepts might have resulted from his early religious training. With regard to the church, Renner developed a critical attitude during his gymnasium years, a feeling which remained with him for the rest of his life. It is difficult to ascertain precisely his own religious convictions for he rarely talked or wrote about them. Renner was not a church-goer, though he always remained tolerant of all faiths, and, as President of the Second Austrian Republic, worked for a reconciliation between the Catholic Church and the Austrian Socialist Party. He did not believe that membership in the Socialist Party should preclude affiliation with a religious organization.

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14 According to Renner's granddaughter and her husband, he wavered between agnosticism and atheism; however, Renner never attempted to impose his religious thinking on anyone. Mr. and Mrs. Eric Ashley, interview, October 17, 1971.
In 1889 Karl graduated from the Gymnasium with an excellent record. The emphasis in that education had been on humanism, but an incident at the Matura ceremony made him doubt that such training had much impact. A group of students from the University of Vienna interjected an element of anti-Semitism into the Matura festivities by using abusive language toward Jewish classmates. Karl objected vehemently to this attack, and he defended those classmates. But the incident involving the university students exposed Karl for the first time to the racial hatred which, at the time, was already prevalent in Vienna.

Having graduated, Renner would have liked to enter the University of Vienna, but he had no money, so elected instead to fulfill his one-year military obligation. Military service also appealed to him at the time, for the military authorities assured him that he would be assigned to Vienna. He welcomed the opportunity to become acquainted with the city and the university community. The Army experience was maturing for it exposed him to a variety of peoples and nationalities, and introduced him to those nationality conflicts which raged in the monarchy. In his unit, he observed with anxiety, for example, the

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15 Renner, *An der Wende...*, pp. 177-78.
passionate hatred between two Ruthenians and a Pole. Such experiences persuaded Renner that a rapid solution to the nationality problem in the Habsburg state was imperative. Obviously, Renner's thoughts on the subject had not yet crystalized, but he developed much of his social awareness and concern for such problems while serving in the Army.

Renner entered the University of Vienna in 1890 after completing his year of military service. During this time, he supported himself by tutoring wealthy students, and in spite of his low standard of living, Karl's health remained robust. He studied law, legal philosophy, and legal sociology. Aside from formal courses, Renner developed a serious interest in socialism, stimulated undoubtedly by his own economic and social position.

During these early student years, Renner began courting Luise Stoisits, the daughter of a German woman and a Croat peasant and ex-military man. Unlike Renner, Luise's upbringing had been strict, regimented and Germanic. In spite of this background, however, Luise had adopted some rather liberated views, especially as regards the marriage ceremony. In 1890 after a brief courting period, Karl and Luise declared before their

\[16\text{Ibid.}, \ p. \ 193.\]

\[17\text{Hannak, Karl Renner...}, \ p. \ 38.\]
friends, that even without the usual formal bourgeois ceremony, the considered themselves to be married and committed to one another. The union lasted for sixty years until Renner's death in 1950. The couple lived in a rooming house for Renner could not afford an apartment. But after the birth of a daughter, named Leopoldine, Renner sought and obtained a position teaching stenography in a Viennese business school, and was able to establish his family in a small apartment. Thereafter he also began earnestly preparing for his doctoral examinations.

On week days Karl followed a vigorous academic and teaching schedule, while Sundays were devoted to political discussions with young fellow students. He learned much about socialism at this time, both its theory and practice. Indeed, together with a colleague, Alois Rohrauer, Renner participated in a practical experiment in socialism, organizing a society, "Nature's Friends," which provided inexpensive vacation travel for working class families.\(^{18}\) At this time, also, Renner first read the works of leading socialist theorists, Karl Kautsky, Franz Mehring (editor of \textit{Die Neue Zeit}), and Karl Marx. Renner was also influenced by Eugen Philippovich who lectured at the University of Vienna,

\(^{18}\) Renner, \textit{An der Wende...}, p. 283.
and who, in 1896, recommended Renner for his first professional position in the Austrian Parliamentary Library. Engelbert Pernerstorfer (1850-1918), who preached a socialism that appealed to young Austrian intellectuals, especially inspired Renner during these formative years. What appealed most to Renner was that Pernerstorfer's view of historical development was not narrowly materialistic.

Many of Renner's socialist student colleagues congregated in a small Viennese Inn called Zum Heiligen Leopold. It was here that Renner first heard of Viktor Adler who had so dominated the Hainfeld Party Congress of 1888/89 when the Austrian socialists first formally organized.\(^1\) The Viennese Police, however, became suspicious of the student socialists and their discussion group was forced to cease meeting. While Renner participated in this group and read socialist literature, he also sought to apply his beliefs. He wrote a memorandum in 1894 for a group of workers, which benefited them and

\(^1\)At the Hainfeld Congress of 1888/89, Karl Kautsky and Viktor Adler cooperated in their efforts to write a program for the new Austrian socialist movement. It was patterned after the German party which at the time was under Bismarck's control. The Austrian Party was a centralized one designed to cooperate with trade unionists. G. D. H. Cole, *A History of Socialist Thought* (5 vols.; London: MacMillan and Co., 1956), III, p. 527.
averred a strike. He also began a worker-education association in a small village near Vienna. 20 Renner's activities eventually came to the attention of the Viennese Police who apprehended him accusing Renner of belonging to an anarchistic circle. He was released, however, after convincing the police that he was only an idealist. 21 In 1894 Renner was already writing articles for the socialist newspaper, Arbeiter Zeitung, when he finally met the socialist leader, Viktor Adler. 22 Adler encouraged Renner to complete his university training, maintaining that the socialist movement needed professional men who understood the workings of society.

In 1896 Renner received his Doktor Diplom, and he and Luise formalized their marriage with a small church ceremony. His diploma had been granted on the condition that he legitimatize the union, and, more important, that he refrain from socialist political activity. As an additional incentive to cease his so-called radical political activities, Renner was promised a highly respectable position on the staff of the National Parliamentary Library that provided tenure and a full pension.

20 Renner, An der Wende..., p. 263.
21 Hannak, Karl Renner..., p. 43.
22 Renner continued to contribute articles to the Arbeiter Zeitung until his death in 1950.
At the time, Renner would have preferred to pursue a law career, but, in order to support his family, he chose to accept the library position with its higher starting salary. In a sense, accepting this particular offer constituted a moral compromise for Renner since it required him to forgo his socialist activities. He held the position from 1896 to 1907 when he left the Parliamentary Library for an active political career in the Austrian Socialist Party. But during those years he maintained his association with the socialists by writing various socialist works under a pseudonym.

The Library position was not offered to Renner without political wrangling as was so often the case in Austria. The Director of Parliament's Upper House, Section Chief Ritter Von Jauner, strongly objected to his appointment. Renner, in Jauner's opinion, was unfit for the position due to his family situation and his lower class social status. Renner, however, overcame these objections with the assistance of Dr. Lipiner, the


24 During his career at the Parliamentary Library, Renner published the following pamphlets and books: Synopticus (pseudonym), Staat und Nation, 1899; Rudolf Springer (pseudonym), Staat und Parlament, 1901; Springer, Der Kampf der oesterreichischen Nationen um den Staat, 1902; Springer, Die Krise des Dualismus, 1904; Springer, Die soziale Funktion der Rechtsinstitute, 1904; Springer, Mehrheits- oder Volksvertretung, 1904; Springer, Grundlagen und Entwicklungziele der oesterreichischer-ungarischer Monarchie, 1905; Karl Renner, Was haben die Sozialdemokraten geleistet?, 1907. All in all, not a bad record for a man who was not supposed to engage in socialist activities.
Director of the National Parliamentary Library. In Renner's defense, Dr. Lipiner wrote a twenty-page letter to Baron Paul von Gautsch, the Minister of the Interior, in which he recommended that Renner be employed in spite of his marital history and his peasant background. Dr. Lipiner stressed the sacrifices which Renner and Luise had made in order that he might complete his university training. Lipiner, though he did not agree with Renner's political views, felt that student activism was more desirable than political indifference, and Lipiner continued to stand by him so long as Renner was employed at the Parliamentary Library.25

In 1907 in the first universal male suffrage election held in Austria, Renner ran as a Social Democratic Party candidate for a seat in Parliament. He was elected from the Lower-Austrian District of Neukirchen and gave up his position in the Parliamentary Library, and began a political career which lasted forty-three years. His lifelong interest in the Austrian Cooperative Movement (ACM) dated also from these early days as a Socialist in Parliament.26 That movement provided Renner with the opportunity to apply some of


26For more on Renner's association with the Austrian Cooperative Movement, see Chapter III.
his socialist theories. He always, however, approached such matters with caution—as he did from 1896 to 1907 when he wrote under a pseudonym—lest his own future be threatened.

From 1907 to 1914, Renner served as the Socialist Party representative from Neukirchen to the Austrian Parliament. During that period, he devoted his efforts toward negotiating an equitable settlement for the Habsburg nationality question, and worked actively in Parliament on behalf of the Austrian Cooperative Movement. For example, he steadfastly pressed for tax exemptions for the ACM, though progress to that end was painfully slow and discouraging for the ACM membership. In that same period as a member of the party, Renner helped launch the party journal, Der Kampf, to which he contributed numerous articles over the years.

After the war began, Renner became a member of the Habsburg government. He was attacked by the left-wing

27 For more on Renner's views on the nationality question, See Chapter II.

28 Austria, Stenographisch Protokoll, Reichsrat Haus, 65 Sitzung, March 1912, 3269-70.

29 Der Kampf remained the major organ for the Austrian socialist intellectuals until 1934 when it was forced underground by the Dollfuss Government. It continued to serve the socialists even though it was not a legal publication after 1934.
socialists for this and for his support of the war effort. Renner defended his position saying that since Austria was at war it was the obligation of socialists to contribute to an Austrian victory in order to insure the Austrian working class a role in the post-war government.\(^{30}\) Moreover, Renner felt the war a worthy one for he believed that the Czarist-Russian government posed a real threat to European civilization.\(^{31}\) His official position was that of Director of the newly created Ministry of Food and Supplies. He had been given this assignment by Chancellor Ernst Koerber who had been impressed by Renner's organizational abilities. His experience with a war-time economy was very educational largely because of the economic and organizational innovations proposed by, among others, Walter Rathenau (1867-1922) who much impressed Renner;\(^{32}\) the latter began to think about such reforms for a peace-time economy. The nationalization of certain industries, the creation of more efficient economic units such as trusts, and the beginning of new accounting methods presented great possibilities in Renner's view for a future society. Moreover, he believed


\(^{32}\)Walter Rathenau, Director of the German War and Raw Materials Department, was the great organizer of German industry during World War I.
such innovations would endure regardless of which side won the war. Therefore, he felt it was necessary for working class representatives to remain active in the government in order to lay a claim to the reins of the post-war regime. Such justifications, however, did not satisfy Renner's socialist critics who continued to accuse him of betraying socialist ideals. 33

Between 1918 and 1920 Renner served initially as the President of the Austrian peace delegation to St. Germain and shortly thereafter as Chancellor of the First Austrian Republic. He was dismayed by the outcome of the St. Germain peace and its particularly harsh treatment of Austria. He never, for example, accepted the loss of South Tyrol to Italy as demonstrated even by his post-World War II statements on the South Tyrolean question. 34

As Chancellor of the new Republic of Austria, a mere "rump" of what the Empire had been, Renner set out on a program of economic and political reconstruction. A system of selective nationalization of industry was

33 Renner's critics included Friedrich Alder, the son of Viktor Alder, Max Adler, the Austromarxist philosopher, and Rudolf Hilferding, the Austromarxist economist. Renner rejected the notion put forth by Max Alder and Rudolf Hilferding that the war psychology would destroy the class consciousness of the working class. Renner, to the contrary, believed that the war forced the society to face harsh realities which lay unexposed during peace time. Karl Renner, Arbeiter Zeitung, April 17, 1915, p. 3.

34 See Chapter V, page
implemented together with other government efforts to rejuvenate the ailing Austrian economy. Although because no one at this time could be certain the new state was economically viable, much of the efforts of the Renner Government were pursued in the nature of an experiment. Indeed, initially, Renner, along with a great majority of the Austrian population felt Austria could not survive independently and therefore favored some form of Anschluss with Germany. However, this sentiment met with obstruction from the Allied Powers, and Austria was forced to go it alone.\textsuperscript{35}

By mid 1920 the opposition forces, essentially the Christian Socialists, had succeeded in gathering enough conservative support to demand Renner's resignation as Chancellor. From 1920 until 1934 then Renner remained one of the leaders of the Socialist Party opposition. He represented the moderate, or right wing of the Party while Otto Bauer led its left and more militant wing.\textsuperscript{36}


\textsuperscript{36}Otto Bauer (1881-1938) had become radicalized as a result of his contacts with other European and Russian socialists in a prisoner of war camp in Russia during World War I. In spite of the ideological rupture between
1930 Renner was elected President of the Austrian Parliament from which he resigned in 1933 as a gesture of protest to the Dollfuss Regime. Some have criticized his resigning for it enabled the Dollfuss elements in the Parliament to prevail, yet the decision was not Renner's alone, but one of his party. Soon thereafter, in 1934, the regime abolished the Austrian Socialist Party.

In 1934 Renner, along with many other Socialist leaders, was imprisoned by the Dollfuss Government. He remained in prison for three months, and upon his release, returned to his home in Gloggnitz to commence what might have become a permanent retirement. He was then sixty-four years old, and a leader of an illegal political party. For the remainder of the 1930's and during World War II, Renner, wrote, kept in good physical trim, and held long discussions with villagers and noted foreigners who visited him in Gloggnitz. He wrote the first part of his autobiography, and a multivolume work on sociology—

Renner and Bauer, the latter remained a respected friend until Bauer's death in 1938.

37 Engelbert Dollfuss (1892-1934) was the Christian Socialist Chancellor who succeeded in having the Socialist Party declared illegal in 1934. Dollfuss had conducted secret negotiations with Mussolini with the intention of converting Austria into a fascist state on the Italian model. Gorden A. Craig, Europe since 1815 (2nd ed.; New York: Holt Rinehart and Winston, 1966), p. 663.

38 Even if Renner had not resigned, Austrian political
the subject matter of which ranged from sex and the family to international political relations. This latter work was published posthumously in three volumes under the editorship of Jacques Hannak. Renner also wrote several short essays on bureaucracy and socialism which were published during his Presidency of the Second Austrian Republic.

Renner's forced retirement came to an abrupt end on that day in April of 1945 when he walked to the local Soviet Army command post in Gloggnitz. It began a series of events that culminated in his appointment as Chancellor of the Provisional Government. Since Renner was already seventy-five years old at that time, there was some concern that he could not physically or mentally cope with the strains of forming a new government. But there was little need for concern, as Fiorello H. La Guardia, former Mayor of New York City, who met Renner after the Second World War, pointed out: "I was under the impression that he was an elderly gentleman. I found him mentally very young and alert and not afraid to talk out. That's my kind of man." 39

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CHAPTER II

KARL RENNER'S SOCIALISM

During the course of his career, Karl Renner wrote numerous volumes expressing his views of socialism. Although it is beyond the purview of this work to discuss these views thoroughly, this chapter is necessary for several reasons. For one, it is needed to understand Renner's writings and activities between 1945 and 1950 for most of his views on democratic socialism then were reflections of his earlier works. Secondly, some analysis is required merely to determine Renner's brand of socialism—whether it is appropriate for example to label Renner a reformist, a revisionist, or an orthodox Marxist. Renner's writings are clearly in general agreement with the major tenets of "revisionism" which attacked some of Marx's general theories, e.g., the revisionists challenged Marx's labor theory of value, his rigid insistence on the economic interpretation of history, and his prediction of the impending violent overthrow of the capitalist order.¹ Renner also had affinity for the pragmatic approach of the "reformist" Marxists. This stressed the tactics of practical reforming political action which tried to achieve

the object desired by the only possible means, practical partial success'. Renner's political philosophy, as demonstrated by his public career, adhered to this approach. In 1918, Renner wrote "I was never a revisionist." In spite of this emphatic denial, however, the thrust of his views on socialism reflected the dominant influence of both revisionist and reformist literature and practice.

Technically Karl Renner remained a Marxist socialist throughout his entire professional career from 1896 to 1950. His Marxist views, moreover, did not deviate in substance or form substantially throughout his career. The quintessence of Karl Renner's socialist beliefs was rooted in his concern for the individual and his role in society. In an ideal sense, Renner sought to replace man's traditional practice of serving himself with a desire to serve the entire society. For Renner, socialism constituted the most effective means to insure equality in man's relations with man. In 1904, Renner wrote:

The passing of a man from the realm of necessity to the realm of freedom could not be conceived otherwise than as a marshalling of the organized

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His emphasis was on individual rights and the requisite organization of society to achieve these rights. In a letter to Joseph Stalin in April 1945, Renner demonstrated his continued faith in the ability of socialism to serve the needs of man. "That the future belonged to the socialist countries was unquestionable and required no emphasis." In 1947, he stated that there was "no other principle of peaceful order than socialism."

For Renner the three masters of socialism were Karl Marx, Friedrich Engels, and Ferdinand Lassalle. Renner especially valued Lassalle's contributions for he had focused on two decisive questions: the national unity of the Germans and the relationship of the working class to the state. For Renner, moreover, Lassalle, not Marx had been the founder of German Social Democracy; only after the 1875 Congress of Gotha had Marx and Engels gradually become


7Austria, Bundespraesidentschaftkanzleiarchiv, Protokoll Book, Document Number 2498, Year 1947. Hereafter cited as "Protokoll Book".

the teachers of German Social Democracy.\(^9\)

Renner characterized his view of Karl Marx as one in which Marx enjoyed a succession of "new births". His interpretation of Marxist socialism was based on the practical applications of the theory to real situations. Renner seldom allowed Marxist theory to dominate his understanding of the real world. He repeatedly cautioned against "dogmatizing" Marx and blindly accepting Marx's conclusions.\(^10\)

In 1916, Renner forcefully stated that Marx's world no longer existed: "The capitalist world, as Marx had experienced and described it does not exist any more."\(^11\) Renner therefore endorsed the gradualist view, that is, Marx had not analysed all facets of the modern economic process since many developments had taken place after Marx's death. It was therefore the task of the socialists to reassess continually the workings of that changing system. In 1918, he wrote:

\[ \text{I regard Karl Marx as the greatest master of inductive sociology, but it is necessary to penetrate below the surface of the theory to the depths of the facts and to apply Marx's methods to society as it is today, especially to the concrete society of one's own country.} \]

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and people so that it may prove a really useful method.\textsuperscript{12}

Renner justified his concentration on Marx's methodology rather than on Marx's conclusions on the grounds that it was consistent with the master's approach, for Marx, too, believed that the system was in constant flux.

Karl Renner was a leading Austromarxist. The term "Austromarxism" itself came into use as early as 1904 when the \textit{Marxstudien} published a series of works dedicated to achieving an Austrian interpretation of Marx. The Austromarxists were interested primarily in investigating areas either ignored by Marx, or which had received only superficial treatment by him. Some of these were: the role of finance capital in a modern economy, the question of establishing harmony between different nationalities in a multinational Habsburg state, and the function of the law in relation to society.

In 1907 Renner, Otto Bauer, and Adolf Braun founded the Journal, \textit{Der Kampf}, which served as a literary forum in which Austromarxists expressed their views.\textsuperscript{13} Although \textit{Der Kampf} provided a common platform, Austromarxists never came to constitute a unified school of thought.


\textsuperscript{13}\textit{Der Kampf} remained the Austrian Socialist's primary Journal throughout the inter-war years even after it had been forced underground in 1934.
They did, however, agree that it was vital to apply Marxian socialism to areas of contemporary society that had not been investigated by Marx and Engels. Austromarxists believed, moreover, that Marx's teaching should serve not as a creed, but rather as a departure point in understanding changing societal conditions.

Charles Gulick, historian of the First Austrian Republic, contends that the movement, which received considerable notice prior to World War I, had its origin in revisionism. It might be more appropriate, however, to view Austromarxism as standing somewhere between Orthodox Marxism and Revisionism. In 1916, Renner defined Austromarxism as that "revisionist Marxist school which enriched the theory of socialism and expanded its horizons from the far left to the far right."^14

The Austromarxists, prior to World War I, generally abstained from the polemics which were rampant among other orthodox, revisionist and reformist Marxists. The necessity of violent social revolution, the total nationalization of industry, the dictatorship of the proletariat, etc., were not as relevant to the Austrian Socialists as was finding a solution to the Austrian nationality question. This question relegated other societal problems to the background in that multinational Habsburg state. Otto Bauer

(1881-1938) and Renner were the two chief socialist theorists of the Austrian nationality question.\textsuperscript{15} With regard to this problem, Renner felt that there should be a separation between the territorial-political and the cultural-linguistic functions of man, maintaining that every individual in the Habsburg Empire, including those from ethnic minorities, have dual legal equality regardless of where in the Empire he lived. All individuals, whether they contributed to the majority or the minority within a defined geographic location, should have the right to their own schools, newspapers, use of language and other activities which might reflect their particular culture.\textsuperscript{16} The heart of Renner's plan was the "principle of personal autonomy," that is, the right of the individual to cultural autonomy irrespective of geographic area of residence.\textsuperscript{17} With regard to the territorial-political administration, the various nationalities were to be united in Austria under the crown with a chancellor and federal cabinet. The Chancellor and federal cabinet were to be responsible for foreign and military affairs,

\textsuperscript{15} Otto Bauer wrote his classical work, \textit{Die National-itaetenfrage und die Sozialdemokratie}, on the nationality question in 1907 at the age of 26.


\textsuperscript{17} Robert Kann, \textit{The Multinational Empire} (2 vols.; New York: Columbia University Press, 1950), II, p. 158. Kann writes: "Renner's basic idea rests in the objective of adapting the structure of the federal state to the requirements of the multinational state." \textit{Ibid.}
joint finances, and socio-economic welfare and justice.\(^\text{18}\)

Both Renner and Bauer viewed nationalism as a function of class hatred which, in effect, prevented cultural and economic progress by creating political tension.\(^\text{19}\) Renner's notion of a "federal-democratic-nationality state", as presented in his first book, \textit{Staat und Nation}, in 1899, was very similar to the plan adopted by the Austrian Socialist Party at the Bruenn Party Congress in 1899.\(^\text{20}\) This Congress produced the Socialists' "Nationality Program" which called for a reorganization of the Habsburg state into a federal state based on autonomous national areas with full guarantees for the protection of minorities.\(^\text{21}\) Although the Bruenn "Nationality Program" reflected a good deal of Renner's thinking, his nationality views never received the complete official endorsement of the Austrian Socialist Party.\(^\text{22}\)

Oscar Jaszi perhaps hit upon the key flaw in Renner's plan. He believed that Renner's emphasis upon individual

\(^{18}\text{Ibid.}, \ p. \ 160.\)

\(^{19}\text{Karl Stadler, \textit{Austria} (New York: Praeger, 1971), p. 74.}\)


\(^{21}\text{Stadler, \textit{Austria}, p. 74.}\)

\(^{22}\text{Mommsen, \textit{Die Sozialdemokratie} . . . , p. 360.}\)
autonomy failed to take into consideration the rising political nationalism that had affected all of the Habsburg Empire. Moreover, Renner's nationality scheme had a German bias, e.g., he did not hesitate to suggest German as the language of mediation and communication on the highest levels of government. This simply looked like German domination under another guise to the non-German peoples of the Empire.

After the destruction of the party in 1934, for one student of the movement, Austromarxism was formally dead, but its underlying objectives were timeless and continued to exert a formative influence. After 1945, however, according to another observer, Austromarxism was revived in the Austrian Socialist Party and influenced, to a minor extent, other European Socialist parties, notably the German. Renner sought to stimulate interest in Austromarxism after World War II in his book Wandlungen der modernen Gesellschaft, which was dedicated to the original Austromarxists, all of whom, except himself, had perished.

26 Sandkuehler, ed., Austromarxism, p. 28.
27 This work was published posthumously in 1953 as volume 3 of Renner's nachgelassene Werke under the editorship of Jacques Hannak.
In his dedication Renner appealed to the younger Socialists not to abandon the early work of the Austromarxists because of the recent catastrophic events, but rather to use the work, as his generation had done with Marx, as a starting point on which to build. The Austromarxists, Renner believed, had reflected one country's endeavor to interpret and expand on Marxian socialism. This undertaking conformed with Renner's belief that "every country had its own Marxism".

Karl Renner possessed a profound faith in the "law" as an instrument by which social change could be effected. His original work on the law, The Institutions of Private Law and Their Social Functions, appeared in 1904 and was revised in 1929. Renner did not believe that Marx had thoroughly analysed the function of law in society; therefore his work was designed, in part, to fill this void in Marxian socialism. Renner's major thesis was that the law continued relatively unchanged vis-à-vis changing economic conditions, or, at best, the law lagged behind the ever changing economic reality. This assumption,

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28 Renner, Wandlungen, p. 156.


30 According to Hannak, Renner's work on the "Law" was more widely read after 1904 than Lenin's What Is To Be Done?, and that the basic legal foundations which Renner had proposed in it were established in Austria after World War I. Hannak, Karl Renner, pp. 114-15.
however, did not negate the potential of the law to affect positive changes in society. Indeed, his purpose was to demonstrate how the law could serve a more progressive role in promoting significant societal changes. In spite of its apparent unchangingness, the law, according to Renner, had shown signs of general progress. For example an important development had occurred when man had become aware that he himself created law: "The thesis that man could create the law had gradually been accepted at first in the form of state parliamentarism within the narrow confines of the various countries."\(^{31}\) Another advancement, in Renner's view, was the growing awareness by man that "equality" was a creation of law and society, not an eternal right bequeathed to man by some supernatural deity. Renner's work on the "Law" remained his chief theoretical contribution to the school of Austro-marxism.

In contrast to many Marxists, Renner viewed the state as a potentially powerful servant of the working class. This belief had been strongly influenced by his World War I experience, working in the Food and Supply Ministry. During this time, Renner witnessed the awesome power exercised by the state. Thereafter he encouraged the use of peaceful tactics to capture political controls in

order to insure the participation of the working class in the state. In 1916, he wrote that the "conquering of the political power by the working class was identical with the liberation of the state power from the authority of capital."\(^{32}\) By the 1940's Renner insisted that working class participation in the state was necessary to prevent Hitler-like dictatorships. In 1945, he confessed that he had understood this only gradually:

> Again, the awareness only grew gradually: State capitalism was untenable without the real power of the working class in the operation...without whose co-authority, it was unbearable as a dictatorship.\(^{33}\)

Renner's justification for working-class participation in the state shifted slightly from his pleas in 1916 to arrest the increased authority of capital to his 1945 demands to prevent another Nazi dictatorship. In spite of his shift in argument, however, Renner remained adamant that popular participation in the state was necessary.

Renner rejected the notion that the working class and its leaders could not administer a state apparatus, and if socialism did not assist the working class in its efforts to acquire power, then, Renner wrote in 1918, it had failed in one of its chief missions.\(^{34}\) He dwelled on the urgency

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\(^{32}\)Sandkuehler, ed., Austromarxism, p. 282. Although the terminology here was Marxist, the idea was reformist since Renner stressed the use of "peaceful" tactics to achieve working-class-political objectives.


\(^{34}\)Karl Renner, "Die weltwirtschaftlichen Grundlagen
of the working class to participate in the state because he believed that the state constituted the most decisive force in the process of socializing society. The state had specific tasks such as providing an education and guarantying economic security for all its citizens. He admired states that had achieved progressive reforms, e.g., social insurance programs or compulsory education. In 1916 Renner reaffirmed his opinion on progressive political institutions: "States with retarded democratic, however, progressive socio-political institutions, were, in the sense of socialism, more developed than complete democracies without social legislation." Renner remained a proponent of state action in times of need. During World War I, he wrote: "...the greater the need, the more energetic the social service of the state should be." He prescribed active state assistance for both the post World War I Austrian economy and for the Great Depression of the early 1930's. In 1932 he endorsed the notion that the economic burden created by the Depression should be shared by all elements of the society, not just the masses.


37Ibid., p. 294.

The state, however, was only one kind of organization potentially useful to society. Renner also recognized possibilities for cooperative organizations, trade unions, and stock companies. Moreover, he felt that the state should be restrained from prevailing over all aspects of human activity, e.g., the cultural life of a society should not be supervised by the state. World War II not only confirmed Renner's belief that men should not relegate to state controls all aspects of human endeavor, but it also diminished somewhat his former enthusiasm for a powerful state machine. "Service to humanity goes before service to the state." What the Nuremburg Trials after World War II revealed, convinced Renner that some individual states could not act responsibly in the areas of international affairs, or domestic law-making.

Marx, unlike Lassalle, according to Renner, did not fully understand the role the state could play in ameliorating the hardships of the working class. Renner

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39 Renner, Die Menschenrechte, p. 27. This was difficult in practice because the Austrian Government has supported, and is currently supporting, such cultural activities as the State Opera.

40 Renner, Die Menschenrechte, p. 28.

41 Ibid., p. 56.

42 Renner, Wandlungen, p. 202. It appeared that in spite of his earlier defense of Marx's position vis-à-vis the state that Renner really believed that Marx was especially vulnerable on this point. Renner dismissed Marx's inability to appreciate the role of the state on the grounds that he had died too soon, and yet Marx had been a contemporary of Lassalle who did grasp the potential of the state for the working class.
consequently conducted a life-long struggle against those socialists and anarchists who advocated destroying the state. After 1945, he wrote that the old "Blanquist" formula, which called for the destruction of the state, was an "outstanding" example of an imperative for a working class confronted by a closed-enemy apparatus. Moreover, he believed this old formula was absurd where, as after World War II in the industrial countries, state power had already been transferred largely to the working class. In turn, this class had been grouped into economic and political organizations such as trade unions, cooperatives, and political parties. It would, therefore, he argued do irreparable damage to the working class itself to destroy the state apparatus which it already controlled to a large extent. Renner considered the "classical" age of street barricades to have been of moral rather than material benefit. By 1945 Renner called on all socialists to confess that Marx's early writings at least had created the erroneous impression that the working

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44 Ibid., p. 60. His appeal to the working class to exercise restraint within the existing governmental structure applied only to developed countries. It is interesting to note that Renner did not recommend any specific action for the developing countries.

45 Renner, *Wandlungen...*, p. 25. The age of the street barricades probably held little interest for Renner beyond a historical one since it did not produce constructive political or economic forces which he so greatly admired.
class had no recourse but violent revolution.\footnote{Ibid., p. 199.} He scoffed at the notion that his own generation lived in that historical phase when revolution was necessary: "Revolutions are the holidays of history, we are living in a common week and work day."\footnote{Ibid., p. 217.} In 1945 Renner remained consistent with his earlier gradualist views, that is, he endorsed the broad aims of a social revolution, but he rejected the necessity or practicality of a violent revolution.\footnote{Ibid., p. 36.}

Central to Renner's desire for a "democratization" of the economy was his repudiation of the traditional laissez-faire economic system. For Renner, laissez-faire economics symbolized that which was anti-social and anti-state. He referred to it as economic anarchy that favored the powerful few at the expense of the working masses.\footnote{Ibid., p. 24.} But Renner did not advocate total nationalization of the economy. Even before World War I, Renner believed that the Austrian Socialist Party should depart from the position of favoring total nationalization toward a more pragmatic posture which called for the nationalization of "selective" areas of the economy. He endorsed such a program because he believed that certain businesses performed more efficiently under the free enterprise system. Renner did not think,
for example, that the production of bread should be nationalized because it could be produced on a small scale by a large number of producers without large capital investment. On the other hand, he called for the nationalization of industries such as natural gas which did require a large capital investment; moreover such an industry which produced a basic commodity could be easily regulated. In general Renner advocated the nationalization of those industries which either had proven to be inefficient under a private enterprise system or those which required large scale capital investment.\(^{50}\)

In 1932 Renner pointed out that the intent of nationalization was to achieve a higher form of economic organization, one which he labelled socialism. He clearly differentiated between the terms "nationalization" and "socialization". The term socialization was more comprehensive in concept and implied the participation of the workers and their representatives in the production and consumption processes, the administration of public institutions, and the leadership of the state and the economy.\(^{51}\) Renner also envisioned future cooperative production that would be organized according to different industries all of which would be under the direct control of the state. The latter was to

\(^{50}\)Karl Renner, *Wege der Verwirklichung* (Offenbach: Bollwerk Verlag, 1947), p. 120.

insure that these cooperatives did not revert to self-interest cartels that might exploit the public.  

Renner distinguished between state socialism, as popularized by Bismarck and Lueger, and true socialism. State socialism was initiated by a middle-class government in order to pacify the workers. In contrast the implementation of true socialism was a process which involved the entire society. Essentially, he felt that socialism should be founded and supported by the people through a written constitution. He acclaimed the Weimar Constitution in general, and specifically Article 156, which authorized the German Government to nationalize when necessary, certain industries with appropriate compensation to former owners.  

After World War II Renner stressed the similarity rather than the disparity between the administration of a private business and a nationalized concern. Since the basic job requirements remained constant, he argued that the same administrative talents were required for both concerns. He cautioned the working class against offending this necessary managerial element which possessed valuable

52 Renner, "Privatwirtschaft, Staatwirtschaft. . . ", p. 29. This appeared to some to be idealistic and utopian, but it was offered as an appeal to the small farmer and small businessman who was coming under the influence of Heimwehr and Nazi propaganda.


administrative and organizational skills. Renner preferred to see managers selected for their scientific and managerial ability, rather than for social position, influence or wealth. Renner rejected the argument that the state could not produce the necessary expertise to manage a nationalized industry just as he had opposed the view that the working class should not participate in the state administration. He, also, rejected the idea that research and plant construction, as some critics maintained, would become ossified in a state controlled industry.

By 1945 Renner envisioned two basic methods of achieving a democratization of the economy: Socialization through the state, and a form of "self-help" socialization such as the cooperative movement which operated without state assistance. In spite of these "visions", however, Renner admitted that a "total" socialization of the economy after World War II would require a shocking expense in terms of economic and organizational measures; it would also produce an undesirable disruption of the production and distribution processes.

55 Renner, Wandlungen... p. 23.
56 Ibid.
57 Renner, Die neue Welt... p. 16. For more on cooperatives, see chapter
58 Ibid., p. 40.
Throughout his career, Renner's prolific commentary on the capitalist system contributed to the understanding of his views on socialism. He, along with Marx, did not consider capitalism inherently evil, but he was convinced that capitalism in time would yield to the superior form of economic organization -- socialism. He subscribed to the Marxian view that capitalism contained the seeds of socialism, that is, that even private business sought a form of socialization through various organizations such as cartels. Renner insisted, however, that even though the formation of cartels represented, to a large extent, a failure of private economy, they still did not socialize the profits; instead, cartels concentrated the profits among fewer individuals. In 1904 Renner wrote:

The cartels were an abolition of the capitalistic method of production within the framework of the capitalistic order of society. But again, they cartels did not abolish the appropriation of the surplus product profits by individuals who fulfilled no social function.59

Public stock companies for Renner, were also a primitive form of socialization which replaced the individual owner's decision-making authority by transferring it to a board of directors. In 1916, Renner claimed that the world stood "in the epoch of organized private economy."60

59 Renner, The Institutions..., p. 220.

60 Sandkuehler, ed., Austromarxism, p. 271. For Renner, this "organized private economy" was laying the groundwork for a socialist economy.
During World War I Renner called attention to the omnipotency of Austrian banks. The entire credit system from the agricultural cooperative banks, -- Raiffeisenkassen, -- to the large Viennese banks was interwoven: "The banks commanded the whole economic process and formed its unity according to bank rates and the price of goods." Renner did not, however, view this concentration of economic power as an alarming development, but rather as a sign of limited progress. In 1916 he wrote that "it [centralization of economic power] was a step further, nothing more." While the concentration of economic power by the large urban banks did not represent a "democratization" of the economy, Renner viewed the process, at least, as a preliminary to the socialization of the economy. Renner seldom resisted economic centralization if the decision-making authority resided in an elected group of people.

As early as 1912, Renner sought comprehensive insurance plans for the working class. He was impressed by the statistical abilities of insurance companies to predict sickness, injuries, or even death. He felt therefore that the working class could make the "laws of probability" work for them instead of remaining the object of these laws which had been, to that point, the exclusive concern of

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61 Ibid., p. 273.
62 Ibid., p. 274.
the middle classes. Renner accepted the temporary necessity of private insurance programs, particularly in countries such as the United States which had a large private accident insurance industry. He differentiated, however, between private accident insurance and unemployment insurance. By 1932 he acknowledged that the latter required a much larger economic organization in order to provide the necessary capital. Although he cited the success of Austrian trade unions in providing this assistance to date, he preferred a nationalized program of comprehensive unemployment insurance.63

Renner's view of the function of property in society formed an integral part of his socialism. Already in 1904 he made clear his definition of property which was related to the common force that controlled all property, the market.

Property was an individual right to an object, its exclusive subjection to the individual will of the owner. Was it not the market which ruled the most independent factory owner as well as the isolated peasant who lived alone on his solitary farm?64

Renner furthermore maintained that property, though in many cases legally private, had the practical effect of being public. In 1904 he cited the example of a railroad


64 Renner, The Institutions... , p. 289.
company: "The owners of a railroad invited all and sundry to roam over their property, the more the merrier." If property served such an obvious public service, then Renner held that this property should be made both economically and legally public. Renner amplified this observation in 1904 when he wrote that private property and private work were assuming more and more the characteristics of "public good and public service." 66

In 1904 Renner pointed out a major difference between the use of private property in recent times as opposed to property in the old patrimonial house. The latter had served as a basis for production and reproduction, as an institution to care for the sick and old, and as a nursery, kindergarten, and vocational training center for the new generation. In contrast to the multipurpose patrimonial household of the past, Renner maintained that by 1904 home had been reduced to a mere number on a street or block of apartments. As occupiers of lodgings, men had to become dispossessed in a sense, that is, man no longer lived in his own "castle" like that which in the past had afforded him a variety of social services. 67

65 Ibid., p. 87.
66 Ibid., p. 148. Although Renner put forth these views on property before and during World War I, he remained consistent by writing in 1948 that property should be made to serve the common good, not merely private interests. Renner, Die Menschenrechte, p. 23.
Renner's position on private agricultural property was somewhat ambiguous. While he accepted the condition that the state protect private agricultural property, he challenged the notion that private land ownership was a natural and divinely-bestowed right. "Land ownership had prejudiced especially the peasant mind to such a degree that 1000 years in the history of the soil, when land owning was unknown, were completely erased from memory."68

Even in 1904 Renner did not foresee any imminent demise of the all-important function that private property performed in the capitalist economy. He viewed with favor the tendency of property to become concentrated into fewer hands solely because he accepted the Marxian position which held that this concentration was a necessary preliminary to socialized property. He did not, however, agree with other socialists that this same concentration of property signalled the end of private property.69

Very early in his career, in 1904, Renner focused on the inequities of inheritance. The laws on inheritance were, to his mind, anti-social for both the lower and higher classes of society. Renner believed that inherited property, which exceeded the reasonable needs of an individual or family, represented an anti-social enjoyment of that

68Ibid., p. 294. It is, of course, virtually impossible to reconcile this position with standard socialist theory.

property. He distinguished between two types of upper-class inheritance. In one, the son was responsible for certain duties and functions such as managing the business whereas, in the other, the son was only required to amass and consume revenues. If the institution of inheritance was to be practiced, then Renner preferred the former expression of such. As late as 1929, Renner wrote that the institution of inheritance for the working classes remained an illusion because, in fact, they rarely received anything of value:

For the working class, this legal institution [inheritance] was completely illusory. The goods [were] generally given to those around one during one's lifetime, or they [were] consumed by one during one's period of disablement or illness.70

With respect to agricultural inheritance, Renner opposed the partitioning of a farm into too many parcels. He objected to dwarf farming, as did Marx, because it retarded agricultural progress and application of scientific agricultural methods. For Renner the primary consideration in agricultural inheritance was to insure the continuity of the estate: "It [inheritance] led to disarrangement or disintegration of the undertaking instead of insuring undisturbed continuity."71 While Renner praised the general progress which had occurred with respect to the inheritance of public offices, he questioned why a similar evolution

70 Ibid., p. 246.
71 Ibid.
was not evident in the inheritance of private property.

If hereditary appointments were abolished as insufferable in the case of the most unimportant public office, why . . . might the fortuitous heir still succeed into an important economic enterprise which might be responsible for the good or bad fortune of 1,000 workers, and for the adequate supply of certain goods for the whole of society.\(^{72}\)

With regard to imperialism Renner subscribed to the accepted socialist interpretation. He believed that socialists in general, and Marxists in particular, had refuted the old capitalist-imperialist argument that without their capitalistic investment the developing nations would not have had acquired harbors, mines and factories. For Renner the real motive behind all imperialistic expansion had been economic gain. "They said Christianity and meant cotton."\(^{73}\) In 1945 after decades of experience, Renner recommended that socialists in criticizing imperialism not try to engage in moralistic debates. Instead, he encouraged socialists to reexpose past imperialistic activities in order to prevent similar occurrences.\(^{74}\)

Renner grasped the long-term implications of the managerial revolution in the United States and elsewhere in the 1920's. In 1928, he congratulated the United States

\(\text{\textsuperscript{72}Ibid.}, \text{p. 295.}\)

\(\text{\textsuperscript{73}Renner, Wandelungen. . ., p. 148.}\)

\(\text{\textsuperscript{74}Ibid.} \text{ Renner refused to engage in hysterical rhetoric against a system which he felt belonged to a bygone generation.}\)
business community for its adoption of revolutionary management techniques. Among the more dramatic changes, Renner cited the retail chain-store operations, time and motion task-evaluation procedures in large industrial plants, and innovations in the field of personnel relations. He encouraged all sectors of the Austrian economy to adopt some of these managerial improvements. In addition to his admiration of the managerial revolution, Renner favored the individual American entrepreneur whom he compared with his Austrian counterpart. He felt that only the entrepreneur, not the finance capitalist, stimulated the distribution of goods. In 1932 he wrote that "he [the entrepreneur] alone was the real promoter of the circulation of commodities and of production."  

In many respects Karl Renner's views on socialism can be labeled "reformist". He advocated a gradualist approach for the working class in achieving its socialist aspirations. Indeed, he even commended certain developments within the capitalistic system, e.g., the managerial revolution in the business world. In general, however, Renner's socialist views were always related to the practical application of Marxist theory to the real world. If a compromise became

75 Renner, "Die Weltwirtschaftlichen...", p. 387. These comments which were written in 1928 were like much of the same thinking which became again popular after the Second World War.

76 Renner, "Die soziale Last...", p. 141.
necessary, then he compromised the theory, not his understanding of the real world. For example, the prospects of an anarchistic revolution violated his sense of organization and his humanitarianism. He refused to endorse either "wildcat" strikes or street demonstrations as effective tools in the socialist struggle to obtain political power. He criticized, for instance, the socialist riots in Vienna in 1927, which culminated in the burning of the Palace of Justice, blaming them on a breach of discipline among the socialist rank and file. Renner assigned the ultimate responsibility for this 1927 incident to the leadership of the Austrian Socialist Party for it had not properly educated its membership. Renner did not refute the Marxian concept of the class struggle. But he believed, as did most gradualists, that the best way to assure the success of the class struggle was to create new and strengthen existing working-class institutions such as the Austrian Cooperative Movement, the trade unions, and the Socialist Party. Renner appreciated the long-term importance for the working class of other less prominent institutions, such as a compulsory elementary school system. In 1915 he distinguished between the arduous task of constructing an elementary school system as compared with the relative ease of liberating the peasants from their inferior status. "On an August night, the agricultural community could be liberated; however, a socialistic concept such as the elementary school system
required a generation to complete."\(^77\) Although both acts effected profound societal change, Renner clearly respected more the long-term dedication which the latter required. Renner maintained that all working-class institutions were evidence that a class struggle truly existed. Without such institutions, he felt, the working class was merely an exploited one, not a "great" class engaged in an economic and political struggle with the bourgeoisie.\(^78\)

In contrast to the orthodox Marxist position that the state would "wither away," Renner favored the maintenance of a powerful state that could provide the requisite services for the working class. His assumption, of course, was that the working class would be represented in the state on an equal basis with the middle class. Renner was also a firm believer in the parliamentary system of government. He demonstrated this vividly in 1920 when he was forced to resign the Chancellorship, after which he immediately appealed to the Austrian Socialist Party to continue as the recognized opposition party in order that it might again become the majority party.

Karl Renner, like Karl Marx, favored an economy that was not based on individual profit, but rather one based

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on supplying the requirements of the general population.
This required a restructuring of priorities, e.g., it
required that people develop and preserve a genuine social
consciousness. And Renner remained convinced that, through
education, people would accept socialism as a superior form
of economic and political organization. Karl Renner, like
most reformists, considered himself a devout student of
Karl Marx. In this respect, one of Renner's primary
objectives was to interpret Marxist theory for the average
man. Indeed he took great pride in his reputation of being
a "popularizer" of Marx.  

79 Haus-Hof-und Staat Archiv, Karl Renner Nachlass,
Carton IV, Packet, Diverse Artikeln, 1357-1370. In this
untitled article in Renner's Nachlass which had been
translated from Russian into German, Renner wrote "Ja"
in the margin next to a sentence that described him as a
popularizer of Marx.
Although the cooperative movement had flourished in Europe, especially in England before the middle of the Nineteenth Century, the idea received little attention in Austria until after the late 1860's. Even then the development of the Austrian Cooperative Movement (ACM) was hampered by inferior organizational efforts. Initially, the Austrian cooperatives were directly connected with the German movement. The German-Austrian cooperatives were quite similar to the various ones founded in Germany by men such as Franz Hermann Schulze-Delitzsch (1808-1883). In 1868 there were 237 consumer cooperative associations in Austria of which 194 were in Bohemia and

1For the sake of convenience the term Austrian Cooperative Movement (ACM) is used to describe the multitude of various cooperative endeavors in Austria. For the most part these cooperatives were supported or affiliated with the Austrian Socialist Party. No attempt has been made to investigate the entire Austrian Cooperative Movement, and, moreover, the use of the term ACM in this study refers only to those cooperatives whose membership was drawn essentially from the Austrian Socialist Party. In addition there were cooperatives founded by the Christian Social Party, e.g., consumer cooperatives, production cooperative, construction cooperatives, credit cooperatives and wholesale cooperatives. After World War I, however, most of these various cooperatives became affiliated with the Arbeiterbank and the Austrian Wholesale Consumer Cooperative Association; Renner was the President of both organizations.
Moravia; by 1872 the total number had reached 421. In 1873 a political dispute arose in the Austrian movement regarding the Schulze-Delitzsch cooperatives. In the end the Austrians refused to accept the leadership of the parent German organization. Although the Austrian movement was composed of a variety of different organizations, most of the urban membership eventually came from the Austrian Socialist Party after the Hainfeld Party Congress in 1888/89.

The Austrian cooperatives continued to operate after the fall of the socialists in 1934 and by 1938 there were 325,000 members in the movement. The Austrian consumer cooperative movement continued to operate until it was absorbed into the German Labor Front by the Nazis after the Anschluss in 1938. The movement again surfaced after World War II and it continued to form an important part in the economic life of Austria.

Karl Renner devoted more than forty years (1907-1950) to the Austrian Cooperative Movement though his active participation in the ACM dated back to 1911 when he was already a Socialist Party delegate in the Austrian Parliament. During and immediately after World War I,

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3 Ibid., p. 490.
Renner refrained from active participation in the ACM, though he returned to this work in a full-time capacity in 1920 following the collapse of the Socialist Government in which he had been Chancellor. He became President of the Austrian Wholesale Consumer Cooperative Society at that time.

The Social Democratic Party, the trade unions, and the ACM represented the three pillars of social democracy for Renner. Of the three, the ACM perhaps appealed to Renner most for the cooperative idea could be achieved within the existing system without a violent revolution. Renner acknowledged the necessity of trade unions to engage from time to time in illegal strike activities, whereas the cooperative struggle was one conducted peacefully within a legal framework. This latter approach appealed to Renner's respect for the law. The ACM's greatest contribution in Renner's view was toward economic democracy, for it reserved a portion of the profits for those who produced the goods. Without the cooperative, Renner argued, the working class would be forced to relinquish its share of its profits, purchasing goods at inflated prices from the middle-class retailer.

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4 Haus-Hof-und Staatsarchiv, Karl Renner Nachlass, Carton I, Packet 4, Folio 598-612. Hereafter cited as HHSA.
With the possible exception of England, Renner characterized the cooperative movement as having been essentially middle-class in the 19th century. The objective of the middle-class cooperative, according to him, had been to "particularize" the profits, whereas the goal of the newer working class cooperatives was to "socialize" profits. In 1914 Renner stated that the concept of "socialized profit" extended beyond economic realities into the spiritual realm of life for it assumed a view of humanity that encouraged concern for all people.

In 1910 Renner wrote that the purpose of the ACM went beyond merely controlling retail prices for the working class. The intent was to influence the entire production and consumption processes and to educate the working class in the principles of cooperative participation. Renner believed, for example, that even the Austrian Socialist Party prior to World War I failed to provide practical consumer information for the mass of Austrian workers. The ACM, on the other hand, disseminated such

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data beyond the narrow confines of the Party while at the same time serving as a training ground for the Socialist Party. In 1910 Renner wrote, "the consumer association was a suitable nursery for socialism and this was without direct support from the Party."\(^7\)

Renner preferred the decentralized retail cooperative operation as reflected in the small-retail-branch system.\(^8\) Renner believed that the principles of economic democracy were assimilated more quickly in a locally controlled cooperative branch. Moreover in a pamphlet republished in 1947, Renner concluded that people needed to learn the principles of economic democracy before they could fully appreciate the advantages of political democracy. "Economic democracy," he wrote, "is the true school for political democracy."\(^9\) However, though Renner was attracted to this system, he recognized the necessity for centralized economic planning. In practice, the retail aspect of the ACM was one of many local branches all connected to a centralized purchasing and distributing organization.

As early as 1910, Renner wrote against the inequities of capitalist organizational structure; for it discriminated


\(^9\)Ibid.
against the consumer, while favoring the producer:
"This inequality made the consumer defenseless."\textsuperscript{10} He cited the example of the spirit industry which enjoyed low railroad freight rates, and yet these low transportation costs were not reflected in the retail price of alcoholic beverages.\textsuperscript{11} Much of Renner's work in the ACM focused on shifting the system's attention from producer benefits to consumer gains. In 1914, he wrote that "in the capitalistic world the producer, not the consumer, was . . . all important."\textsuperscript{12}

For Renner, the ACM stood as a protest against capitalism; the elimination of consumer exploitation by the large producers was one of its primary objectives. In 1921 he elaborated on this position in an article in the \textit{Arbeiter Zeitung}: "We will equip our cooperatives so that they can provision the working-class household and never again expose it to the exploitation of commercial capitalism."\textsuperscript{13}


\textsuperscript{11}\textit{Ibid.}

\textsuperscript{12}Renner, "Die wirtschaftliche Funktion der Genossenschaften. . . ." p. 163.

\textsuperscript{13}Karl Renner, \textit{Arbeiter Zeitung}, April 5, 1921, p. 2.
Prior to World War I the ACM suffered from differences between urban consumer cooperatives and the rural farming cooperatives. The former accused the latter of selling agricultural products to private firms for a cheaper price than to the city consumer cooperatives. This discrepancy was particularly evident in Vienna. The conflict stemmed largely from the political animosity between the Christian Socialist Party and the Socialists. The former received the majority of its support from the rural population, while the latter was made up overwhelmingly of the urban working class. The peasant felt strongly that it was not in his interest to sell his produce at reduced prices to the socialist dominated urban cooperatives. Renner in 1910, however, blamed peasant resistance on political corruption. At the time he appealed to both rural and urban cooperative organizations to reach a truce in order to establish a more harmonious relationship. Renner appreciated, however, the contribution of the agrarian cooperatives to the agricultural community. They had provided the individual farmer the use of expensive equipment, technical information, and general education without requiring a total communalization. Renner's concern for the farmer was based, in part, on his own experience.

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14 Renner, Landwirtschaftliche Genossenschaften und Konsumvereine, p. 6.
In a pamphlet republished in 1947, he wrote, "I came from a wine area and know the farmers have been exploited by the wine handlers in unbelievable ways."^^

Along with his attempts to foster harmony between the urban and rural cooperative organizations, Renner pointed out the need to introduce credit institutions among the urban working class. By 1910, Renner wrote, (in a 1912 article in Der Kampf) the farmers possessed a vast system of cooperative credit institutions—the Raiffeisenkassen—with 7,000 branches, while the industrial workers had no comparable credit facilities. Renner felt that one way to achieve a more equitable and harmonious relationship between rural and urban cooperatives was to establish urban cooperative credit institutions similar to the rural ones. Renner voiced this opinion in an appeal to the Austrian Parliament. He needed, however, to convince his parliamentary adversaries that the Austrian Socialist Party did not control Austria cooperative organizations. Of the 16,469 cooperatives in the Empire only 512 were under the direct control of the Socialist Party. Renner told his

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^^Renner, Die Stellung des Genossenschaftswesen in der Wirtschaft Oesterreich, p. 9.

^^Karl Renner, "Der Kredit und die Arbeiterklasse," Der Kampf, VI (1912-1913), 469.

^^Austria, Stenographisch Protokoll, Reichsrat Haus, 65 Sitzung, March 1912, 3269-70.
Parliamentary colleagues in 1912.

Another reason Renner was convinced that the pre-World War I urban working class needed its own credit institutions was because the Austrian Postal Savings (APS) policy was abusive. The APS served as the largest depository of funds for the working class prior to World War I. Renner regarded this government savings program as a conspiracy between the middle class and the state. In 1910 the APS, according to Renner, held a quarter billion crowns from 2,205,000 depositors.\(^{18}\) Since the majority of the middle class was too clever to invest in a low-interest APS account, the majority of these deposits, Renner argued, came from the working class. In spite of the source, however, this large amount of money did not benefit the working class for that class seldom borrowed from the APS while both the middle class and the Government borrowed heavily from it.\(^{19}\)

World War I had a devastating effect on the ACM for it virtually destroyed its achievements to that point. For one, during the War the Austrian Government absorbed cooperative organizations into the government war machine.\(^{20}\) According to one observer, the entire ACM might have

\(^{18}\) Renner, "Der Kredit und die Arbeiterklasse," p. 469.

\(^{19}\) Ibid.

\(^{20}\) HHSA, I/4, 675-686. Renner defended this action by the Austrian Government on the grounds that it was needed to facilitate economic planning during World War I.
expired during World War I had it not been for Renner's presence in both the Austrian Government and the ACM.\textsuperscript{21} By 1923, moreover, the ACM had accumulated a large debt, the result of borrowing from foreign financial sources during the period of high inflation following the War. It was only in 1925 that Renner, then President of the Austrian Wholesale Consumer Cooperative Society, could report that the economic threat to Austrian cooperatives posed by World War I and the post War inflationary period had passed.\textsuperscript{22}

To the surprise of many, Renner returned to the ACM after his term as Chancellor of the First Austrian Republic between 1918 and 1920. Renner did so because he felt it provided him with an opportunity to contribute positively toward the goal of implementing economic democracy. In 1920 after the Socialist Party had become the minority Party, Renner encouraged the Party to support the ACM as an alternative to the private capitalistic system endorsed by the Christian Socialist Party.

During his forty years of association with the ACM, Renner participated in several areas of the general

\textsuperscript{21}Ibid., I/18, 163-170. This observation was made by Dr. Alexander Salkind who interviewed Karl Renner in 1924.

\textsuperscript{22}One reason for this momentary economic stability was that Austria returned to the gold standard in 1925.
movement. His primary attention was given to the consumer movement which included the Austrian Wholesale Cooperative Society. However, it must be stressed that Renner championed cooperative credit institutions such as the Arbeiterbank (Labor Bank) as well as producer and construction cooperatives. The major thrust of his work in the ACM after World War I focused on the urban cooperative movement, during which Renner divided his time between practical administrative leadership and his role as the chief theoretician of the ACM. A significant number of Renner's writings during the inter-war years focused on the advantages of the cooperative approach. But before the war, Renner had already written a good deal on the subject.  

During World War I Renner learned to appreciate the economic advantages of centralized planning. Although this centralized planning had been necessitated by war-time conditions, Renner felt that it could be successfully adapted to a peace-time economy. Thus in 1924 he appealed to the ACM to centralize its economic activities in order to assure it a more competitive position in the Austrian economy. He proposed, however, a centralization of only

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24 Renner admired particularly the work of Walter Rathenau, the great German World War I economic planner, see Chapter II.
those economic and educational facilities which might increase the efficiency of the cooperative. In 1924 he discussed, for example, the advantages of centralized planning in areas such as employee educational programs, social security benefits, price discounts on mass orders, and coordinated advertising campaigns. Increased centralization, according to Renner, meant increased power for the ACM vis-à-vis the private sector.

In practice, Renner's appeal for more centralization was fraught with paradox. On the one hand, he fought vigorously for a system of decentralized retail-branch stores while on the other hand he emphasized the need to consolidate certain aspects of the ACM. In 1932 the number of cooperative branches in Vienna alone exceeded three hundred, demonstrating the effectiveness of his appeal to establish a large number of small retail units.

In 1926 Renner recommended a large expansion of the ACM membership in order to attract not only working class, but also middle class members. Renner maintained that socialized capital resulting from cooperatives would be the chief incentive for both the working class and the middle class to join the movement. Other attractions

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included stable prices and quality merchandise. In theory, also, each ACM member possessed an equal voice in the policy making of his local ACM market; no single individual could monopolize power. Renner stressed these facts because he felt that only through sustained growth could the ACM hope to succeed.

An open membership policy, according to Renner, was a prerequisite for a successful consumer cooperative which compared favorably with the restricted share-holder policy of most European stock companies. A free entry and exit policy did not, however, relieve the member of certain responsibilities. The ACM member was expected to patronize his cooperative market and to consent, if requested, to leave his annual rebate for reinvestment in the cooperative.\(^27\) Although it was not the intention of the ACM to retain the rebate for reinvestment purposes, Renner thought the ACM should reserve this right.

The fickle loyalty of the ACM housewife to her local cooperative branch store remained a constant threat to the existence of the ACM. Renner explained this. After a cooperative market had forced down general retail prices in a given locality by twenty percent, the housewives tended to abandon the cooperative market for a more

\(^{27}\)The rebate was calculated as a percentage of the individual member's annual purchases.
convenient private store. The cooperative markets meanwhile refrained from introducing the well known sale price gimmicks to lure customers into a store, for example, by featuring extremely low prices on one or two items.28 In contrast, the ACM markets strove to maintain a balanced price policy, and, at times, suffered loss of patronage because of it. In 1928 ACM membership apathy caused Renner to prod the membership: "The working class must decide if it should retain the cooperative movement."29

In 1932 Renner explained the pricing policy of the ACM. The ACM did not claim to offer the lowest possible price on every item for it had never been an objective of the ACM to operate on the lowest possible profit margin. In order to offer the lowest possible prices, according to Renner, the private merchant exploited his employees in the form of either reduced wages and benefits, and/or increased working hours. In contrast, the ACM for one tried to obtain equal, if not superior, working conditions for its employees as the Austrian trade unions had obtained for their members.30

28This policy ignored the commercial advantages of using sales promotion devices which relied on "impulse" purchasing by the consumer.

29Karl Renner, Die Dreieinheit der Arbeiterbewegung (Wien: Verlag Grosseinkaufgesellschaft oesterreichischer Konsumvereine, 1928), p. 5. For Renner, the primary reason for this apathy was an inferior educational program that failed to explain the advantages of the cooperative system.

The acquisition of credit for the working class, of course, continued to be a paramount objective of the ACM, and Renner was one of the central figures in this struggle. Prior to World War I, Renner and others recognized the need for credit institutions that could respond to the borrowing requirements of the working class. In 1922 such an institution materialized with the founding of the Arbeiterbank (AB) where Renner served as the first president until his forced retirement in 1934. The AB served as a central funding institution for the entire ACM and was, moreover, closely associated with a variety of smaller cooperative credit institutions. In 1923 Renner called on all the credit cooperatives to amalgamate their resources under the protection of the AB. According to Austrian law, only thirty percent of the deposits in any savings or credit institute could be used as liquid assets while the remaining seventy percent had to remain on deposit, encouraging, thereby, the consolidation of small banks. With this consolidation of assets, the AB was in a financial position to loan larger sums of money to both individuals and groups.

PUBLICALLY, Renner tried to minimize his role as a bank president. In 1926, he wrote, "I was not born as a bank president and will not die as such. . ." Karl Renner, Die österreicherischen Arbeitergenossenschaften und ihre Kritiker (Wien: Vorwaerts, 1926), p. 16.
Renner believed that it was necessary for the ACM stores to separate their credit from their distribution functions. Without a large central bank, it remained impossible to effect this separation. Renner favored the centralization of credit policy in order to insure sound fiscal control. By 1924 Renner reported that every Austrian province had its own ACM credit organization, and all were under the economic protection of the AB. The latter, also, served as a depository for trade union funds. Four years later, in 1928, Renner suggested that each village also establish its own cooperative credit organization under the overall protection of the AB with the express purpose of granting credit to the local ACM members.

Renner, who guided the policy decisions of the AB during the early years of the 1930's Depression, affected a conservative position with regard to extending credit. Although he appreciated the necessity of having credit available for the working class, he cautioned against an overly liberal credit policy. Consequently, unlike the largest Austrian private bank, the Creditanstalt, the

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33Karl Renner, Arbeiter Zeitung, July 6, 1924, p. 2.
AB remained solvent during the Great Depression.\(^{36}\)

The largest retail store owned by the ACM was the STAFA Department Store in Vienna.\(^{37}\) The store had been founded during World War I with capital from both government and private sources. The store from its beginning had been an object of controversy between the Socialist Party and the Christian Socialist. Monseigneur Ignaz Seipel, the Christian Socialist leader and Chancellor (from 1922 to 1924 and from 1926 to 1929), detested the STAFA because it was a successful socialist enterprise.\(^{38}\)

In 1925 the Arbeiterbank, acting on Renner's suggestion, provided capital for the STAFA store to create a separate credit institution which serviced STAFA members. This policy reflected Renner's belief that the credit operations of a cooperative business should be separated from other business functions.

In 1924 Renner discussed the concept of urban credit unions which had received some attention in the United States.\(^{39}\)

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\(^{36}\) Undoubtedly, Renner's conservative credit views contributed to this achievement.

\(^{37}\) STAFA = Staats Angestellten Fuersorge Anstalt, or State Employees Assistance Institution.

\(^{38}\) Although the STAFA was founded with support from the state, after the Christian Socialists returned to power in 1920, the socialists were forced to finance it through the Labor Bank and the Viennese Cooperative groups. While the organization was a source of pride for the Socialist Party, the Christian Socialists would have preferred to see it dissolved. By 1932 Renner claimed that it was owned entirely by the Viennese Cooperative Association. This all-purpose department store is still in full operation on the Mariehilfer Strasse in Vienna.
States. Although as working class credit unions, they appealed to Renner, he cautioned against their acceptance without further investigation. For one Renner pointed to the lack of qualified personnel to staff the credit unions as one immediate obstacle. Locating skilled financial managers required time and money. In order to facilitate this process, Renner suggested that the ACM employ retired school teachers, government officials and cashiers from large companies to staff the credit unions.

Renner also warned the ACM membership against credit abuse. He suggested a maximum of eighty percent of one week's salary as a loan ceiling and a time limit of approximately one week for small credit purchases. This conservative advice reflected his basic distrust of retail consumer credit. In practice, however, Renner himself was confronted with pressures to extend credit through the ACM. While he recognized that credit use by a cooperative retail store created higher prices in order to cover the interest and insurance-risk premiums, he also knew that it was imperative for the cooperative store to offer credit in order to remain competitive with the private retailer. In order to remain competitive,

39 Renner, Jahrbuch des Verbandes deutschösterreicher Konsumvereine, p. 49.
40 IHSA, I/18, 163-170.
therefore, the cooperative stores did extend credit. In general, Renner advocated a "self-help," as opposed to a "government-assistance" approach for the ACM. He qualified his endorsement of the "self-help" concept, however, by offering two qualifications: The cooperative enterprise had to retain an active membership and also not require a large initial investment. Two areas of potential cooperative activity, the construction industry and large manufacturing plants, did not, according to Renner, satisfy those prerequisites. Renner pointed out that trade unions had been more successful than cooperatives in achieving economic equality in the large manufacturing plant. In 1925 he therefore recommended that the ACM refrain from initiating any manufacturing cooperatives.  

With regard to the construction industry, Renner felt that, in view of the large sums of capital required, the most effective method of introducing large-scale apartment construction was through municipal government financing.

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41 Renner, Jahrbuch des Verbandes deutschösterreich Konsumvereine, p. 57. Renner's thinking on this point was probably influenced, in part, by the scandal that had surrounded the gigantic Hammer Bread Factory. The Hammerbrotwerke had been a cooperative venture which culminated in a forced sale of the enterprise by the Socialist Party. The sale resulted from a scandal that had created very negative headlines not only for the ACM, but the Socialist Party as well. The blame was assigned to a certain Herr Siegmund Raff who was condemned by the General Meeting of the ACM for mal-administrative practices. In 1926 Renner defended the entire episode on the grounds that the Hammerbrotwerke had not been conceived according to
Vienna, the stronghold of socialist influence in Austria, set the standard in the construction of low-income apartments. Renner did not, however, exclude the possibility of people forming small-scale construction cooperatives. The purpose of both large-scale municipal and small-scale cooperative apartment construction, Renner argued, was to stabilize the basic rent figure. In 1928 Renner expressed his satisfaction regarding socialist endeavors in this direction. "In the history of socialism, the assault against the ground rent had played a great role."

Prior to World War I Renner's chief work for the ACM was performed in the Austrian Parliament, where he urged examining the implementation of tax reform. He conducted a moderately successful struggle on behalf of the ACM to obtain a more equitable tax position vis-à-vis the private sector of the economy. In 1924 Renner was again protesting government policy which taxed the cooperatives according to the same standards as the private sector.

cooperative principles. Also, he stated that the ACM had originally recommended against the Socialist Party acquisition of the plant, but it had been overruled by the Party. Renner, Die österreichischen Arbeitergenossenschaften und ihre Kritiker, p. 7.

42 This program is still very active in Vienna, and a significant number of Viennese families currently live in Gemeinde Wien (Municipality of Vienna) apartment houses. In addition to city-supported projects, there are a small number of independent-apartment cooperatives.

43 Renner, Sozialismus, Arbeiterschaft und Genossenschaft: . . . , p. 22. Renner was referring to Vienna for the Socialist Party retained control of that city until
This policy neglected to consider that cooperative's year-end profits were not really profits, but rather mutually held funds which reverted back to the individual cooperative member in the form of a rebate. Renner's continued appeals for tax reform in 1924 indicated that his pre World War I appeals were not highly successful.

After the ascendancy of the Christian Socialist Party to power in 1920, the agricultural cooperative organizations received preferential tax considerations. Farmers, of course, constituted the largest percentage of the Christian Socialist Party membership. But Renner objected vehemently to this tax policy, insisting that it served as a subsidy for the large farmer, not the mass of small farmers.

In 1924 in a rare personal attack, Renner publically accused the "Seipelistic new Manchesterism" of having faulted the ACM through the application of unjust taxation policies. He called for an immediate cessation to the government practice of differentiating between middle class, working class, and agricultural cooperative organizations. Renner pointed out that the government tax position toward 1934, although it did not possess a majority in the national government.

44 Karl Renner, Arbeiter Zeitung, April 26, 1924, p. 2. This was an effective way to conduct business for the cooperatives since it allowed for some degree of fluctuation in the economic market without jeopardizing the co-operative's capital investment.

45 Ibid.
the cooperatives had been adopted in 1913 and based on an 1896 law. He advocated a major revision of this anachronistic law in order to achieve an equitable tax policy for the urban working-class cooperatives.  

After his return to the ACM in 1920, Renner sought to resolve some of the post World War I problems which confronted it. In 1924, for example, he denoted an increased feeling of apathy among the rank and file ACM members which he attributed in part to World War I. During the War the ACM organizations had been enlisted into government service with the result that many members had ceased to remain in the movement. This membership apathy created a severe strain on the financial structure of the ACM. Signs of membership indifference, however, had been evident prior to the War. In 1924 Renner, attempting to put things into perspective, rationalized the previous two decades of irregular ACM membership

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46Ibid. Although Renner criticized the government for not changing a law which had been on the books since 1913, he failed to mention that the Socialists had, also, not revised the law between 1918 and 1920 when they were in power. Naturally, this 1918-1920 period was rather chaotic which may excuse the lack of socialist legislation on this point.

47Karl Renner, Arbeiter Zeitung, July 6, 1924, p. 2.

48The consumer cooperative movement suffers a similar problem today for many of the young people in Austria refrain from joining the movement due to its association with the old "Red Vienna" notion. Frau Dr. Elizabeth Spielmann, private conversation, Vienna, Austria, May 1, 1971. Dr. Spielmann is a consumer consultant with the Vienna Consumer Cooperative Association.
enthusiasm referred to it as nothing more than an organizational form of "children's sickness" which would disappear with maturity. For Renner, the ACM financial difficulties reflected the state of the entire Austrian economy after World War I. It was no surprise to Renner that it took until 1925 for a certain degree of economic normalcy to return to the ACM. In order to boost the morale among the rank and file, Renner explained that the enemy, the private local merchant, would proclaim a holiday if a cooperative branch closed its doors; the former could once again dictate prices.

As President of the cooperative movement, education and retraining ACM employees remained one of Renner's chief objectives. He emphasized that people in the ACM required the same technical skills and education as their counterparts in the private sector. Renner conceived

50In 1925 Austria returned to the gold standard which created more confidence in the Austrian Shilling.
51Renner, Die Dreieinheit der Arbeiterbewegung, p. 5. Not all of the ACM problems were, of course, financial. In 1932, for example, the ACM had difficulty obtaining permits from the Christian Socialist Government for additional ACM retail branches. Ibid.
52According to Jacques Hannak, Renner, himself, had been a stimulating teacher which might account for his great faith in the process of education. Interview, Vienna, Austria, May 10, 1971.
53Renner, Die Stellung des Genossenschaftswesens in der Wirtschaft Oesterreich, p. 4.
of the process as a continuous one whereby the ACM, itself, would conduct courses and seminars for its employees. This plan necessitated the formation of an institute which would be responsible for educating and retraining ACM people.\textsuperscript{54} Renner justified this educational approach, in part, because of the need to have a more informed group of people on all "boards of directors," for the boards were responsible for the finances of each local branch. And for Renner, responsible economic control was a prerequisite for economic democracy. Moreover, as early as 1910, he wrote that "there is no true economic democracy without economic control."\textsuperscript{55}

Renner continued to promote the ACM even after the Second World War. In 1947 he addressed a group of students from the University for World Commerce in Vienna on the

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\item \textsuperscript{54}Renner, \textit{Sozialismus, Arbeiterchaft und Genossenschaft: . . . .}, p. 26. This original idea was realized in the 1920's with the founding of the Hohewarte Institute which still exists in Vienna. It offers seminars on recent retail and financial techniques and houses a fair-sized library for research purposes while also serving as a retreat for experienced employees of the ACM. In appreciation of the contributions which Renner made to the institution and the ACM in general, the institute has been responsible for recreating Renner's original study along with an adjoining room in which a number of his memorabilia is on display.
\item \textsuperscript{55}Renner, \textit{Die Dreieinheit der Arbeiterbewegung}, p. 6.
\end{itemize}
advantages of the cooperative approach. These students had just completed a course of studies in which the virtues of the free-enterprise system had been emphasized. Renner met this challenge by contrasting the free-enterprise system, which stressed both individual freedom and the free exchange of goods, with the socialist approach which stressed cooperation among men, not competition. He confessed that, initially, this goal had been obscured by the unsuccessful efforts of the utopian socialists. Renner maintained, however, that effective economic alternatives to the free enterprise system had gradually developed, e.g., the ACM was one positive response although certainly not a total solution. To a large extent, Renner merely repeated in 1947 what he had written years before: "In any case, the way of the cooperatives was one method to mitigate the effects of capitalistic reform." Renner also pointed out to these commerce students that both the ACM and the Austrian Socialist Party were dynamic, modern organizations.

Although it is beyond the scope of this study to evaluate in detail Renner's contribution to the ACM, certain observations might be made. The chief weakness

56 Renner, Die Stellung des Genossenschaftswesens in der Wirtschaft Oesterreich, p. 2.
57 Ibid., p. 8.
in Renner's interpretation of the cooperative approach was his rather rigid notion of the consumption process. Under Renner's cooperative system the consumer's buying habits remained arranged and constant; the distribution system provided only that which was needed. This assumption, however, neglected the fact of impulse purchasing, changing consumer habits, and technological developments—all of which stimulated industry and employment possibilities. On the other hand, adhering to his original principles, Renner's primary goal during his association with the ACM was the establishment of economic democracy. He insisted for example that cooperative funds were never to revert to the control of individuals for a primary principle of the ACM was that funds had to be controlled by an elected body. This preserved the notion of social capital as opposed to private capital. In addition the more notable accomplishments of the ACM under Renner's stewardship were providing the working class with access to credit facilities and expanding retail cooperative branches so that by 1932, as mentioned above, Vienna had over 300 such stores.\(^{59}\) Above all else, Renner's role as an official spokesman, who clarified the purpose and aspirations of the ACM, must be viewed as his chief

contribution to the movement. In a very real sense, Karl Renner's work in the ACM must be considered as a dedicated endeavor to reconcile humanitarian theory with the practical world.
CHAPTER IV

RENNER'S CONCEPTION OF A POST WAR GOVERNMENT --
ECONOMIC DEMOCRACY, PARTY COOPERATION,
AND BUREAUCRATIC SERVICE

Three topics on which Renner wrote and talked regularly during the post World War II years were the need for economic democracy, the necessity of economic and political cooperation among all Austrians and Austrian parties, and the role of bureaucracy in a democratic society. In spite of his implicit faith in the democratic process, Renner maintained that without an improved socio-economic ethic the concept of democracy would be a hollow and deceiving principle. Between 1945 and 1950 Renner did not depart significantly from his basic economic beliefs. Many of his views on both democracy and economics at this time reflected a synthesis of his earlier writing. And essentially for him the concept of a democratic social economy was predicated on the assumption that an effective legal and economic organization prevail in the society. Renner was able in those post war years to bring the full weight of his political and academic prestige to bear upon these ends.

Between 1945 and 1950 Renner continued to oppose an economy that was organized on the basis of individual enterprise in spite of that system's positive
contributions.\footnote{Karl Renner, \textit{Fuer Recht und Frieden} (Wien: Der oesterreichische Staatsdruckerei, 1951), p. 327. Two aspects of the free-enterprise system which Renner rejected were the emphasis on competition rather than cooperation and the lack of consumer protection.} Although the free-enterprise system had served a useful role in the past, Renner viewed the system as an anachronism for the second half of the Twentieth Century. By October 1946 Renner asserted that the age of the individually organized economy had ended. He stressed, however, that his evaluation of this type of economic organization did not detract from past contributions which the individual entrepreneur made to society and the economy. To the contrary, Renner congratulated these men for being the most vital and creative element within the free enterprise system; some of the greatest inventions and discoveries had come to life only through their efforts.\footnote{Ibid., p. 329. Renner made these remarks in a speech in October 1946 before a group of small businessmen in Vienna. His commendatory comments reflected his awareness of the potential hostility which this group might harbor against his socialist views.} Renner enumerated the positive characteristics of this entrepreneurial group, e.g., outstanding intellect, energy, character, and experience, all of which contributed to the deserving success of the private businessman. After these laudatory remarks, however, Renner discussed the typical entrepreneur of the mid-Nineteenth Century who adhered to a self-oriented philosophy, which
was based on the notion that since he, the entrepreneur, was taking "all" the risks, the overwhelming share of the profit should remain with him. Even though this type still existed within the business community, Renner continued, the modern and more enlightened type was rapidly overshadowing him. The Nineteenth-Century prototype had become an obsolete species. Renner obviously intended to encourage Austrian businessmen to assume a sense of social responsibility. During these years immediately after World War II with the emphasis on reconstruction and renewal, the ground was fertile for such an appeal.

Renner struck at the nucleus of the question of free enterprise versus socialism by asking the rhetorical question whether competition and self-interest had really become a part of men's souls. He admitted that the profit motive was embedded in the marrow of all economic development and that the idea of economic self-interest had been responsible for an entire epoch. However, Renner questioned whether this epoch was destined to last much longer.\(^3\)

After posing this vital question to Vienna's businessmen, Renner subtly suggested that perhaps the great efforts and ingenuity of the entrepreneurial element had been, in reality, dissipated in the latter stages of capitalism

\(^3\text{Ibid.}, \ p. \ 333.\)
because that group had not served the whole society in the most effective fashion. In order to absolve businessmen from complete responsibility for this, Renner pointed out that the role of the small entreprenuer was established only vaguely in law and statute. It was not, therefore, entirely the businessman's fault that he had not contributed his full share to society for his legal position vis à vis the society had been ambiguous. The law, Renner continued, was a key to the introduction of a socially conscious group of entrepreneurs, for it would not only establish their legal position, but would also promote their economic security.  

Although Renner believed that both a private and public sector of the economy should exist, he stressed that both should come under the law in order to eliminate the "law-of-the-jungle." He maintained, for example, that the director of a state-owned railway had the same function and obligations as that of a privately-owned one. The director's role in the future, however, would be outlined by law on behalf of the common interest, as opposed to his former role, which had been geared to self-interest motives.

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4He failed to mention, however, that this advantage would appeal mainly to the least efficient of the small entreprenuers.

5Renner, *Fuer Recht und Frieden*, p. 337.
For Renner the act of nationalization, however, should not merely signify a transfer of private property to the state, for this would constitute no more than a legal or jurisdictional transaction. He believed instead that the true value of nationalization centered in its potential for "democratic-economic organization." For Renner, the essence of nationalization, therefore, was not the transfer of property, but rather the promise of a more rational and effective system of economic organization. The stewardship for such an economy should be exercised Renner felt by the people through a freely elected parliament.

At the end of the Second World War, Renner felt that the process of nationalization would have to be accelerated in Austria for the shortage of capital had made it almost imperative for the government to step in and finance depressed industries. In February 1947, in an interview, Renner rejected the notion that total nationalization was advocated by the Socialist Party. Rather, he stated, the question of nationalization would have to be considered on the merits of each individual case, and, moreover, the decision would have to be based on the potential economic contribution of such an action for the society at large.

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6 Ibid.
In May 1948 he rebutted the critics of nationalization who charged that it had proven ineffective in its initial stages by reminding them that every new endeavor "had its diseases of its childhood." 9

While Renner rejected the Nineteenth-Century laissez-faire system of economic organization as an inadequate model for the complicated Twentieth-Century economy, he did not refute its past contributions. Renner recommended, for example, that the concepts of incentive and profit should be incorporated into a new democratic social economy, however, societal needs were to become primary. Renner did not naively believe such a revolution in attitudes would occur without a massive educational program. He stressed that a socialized society could not be decreed or just come about spontaneously; it would materialize only after a period of tedious work and education. For example, Renner cited the case of a union shop steward who was responsible for the organization of only one hundred people, and, yet, how difficult this organization was to accomplish for, among other obstacles, he was confronted with the traditional middle-class value which called for a free citizen in a free society. Although Renner confessed that this was superficially an attractive appeal, he

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9 Ibid., 8035: 1948.
rejected it on the basis that it emphasized the individual at the expense of the community at large. Renner was attracted to such a restructuring of the socio-economic spheres of life because he firmly believed that democratic socialism would replace the anarchy of the open market system with a superior form of socio-economic organization.

In spite of his appeal for more government intervention in the private sector of the economy and more legal statutes to guide that sector, Renner never abandoned his quest for the protection of personal freedom in either the political or economic activities of the individual citizen. In an interview on October 1947, Renner was challenged to reconcile his Marxist interpretation of socialism with his prominent stand on personal freedom. Renner's response, although somewhat circuitous, synthesized some of his earlier thoughts on Karl Marx and personal freedom. Renner went on to stress the essential differences in Marx's early and later writings with the *Communist Manifesto* of 1847 which, Renner concluded, had been written under the influence of the approaching revolutions in Europe in 1848. For Renner, Marx demonstrated in his early and later works that

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11 Renner, *Fuer Recht und Frieden*, p. 358. These comments were made by Renner in a speech delivered on March 19, 1948 in Lower Austria.
he had opposed absolutism under whatever guise it assumed and supported personal freedom:

If Marx could come to earth again, he would be rather astonished at what they have made of his theory. All his political essays before the Manifesto made him appear as a firm opponent of every form of absolutism and as a defender of human rights and democracy. The Manifesto of 1847 stood under the impression of the coming revolution and reckoned with this revolution. His later writings, especially the authentic interpretation by Engels, proved that Marx, himself, in his later years reckoned with quite other possibilities than on the eve of 1848.12

Renner's sketch of Marx, therefore, depicted Marx, the young pamphleteer who opposed absolutism, momentarily sacrificing his former opposition to absolutism on the pyre of revolution, but recovering his former sense of balance in later life. In spite of this obvious over-simplification, it was apparent that the Marx who Renner admired was clearly the Marx who valued human rights.

Renner's desire to include all elements within the economy under the law did not mean that he endorsed government control of the entire economy. To the contrary, Renner favored the continued development of organizations such as trade unions and cooperatives which had made significant progress without state assistance.13 The combined efforts

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12 Protokoll Book, 11,648: 1947. Renner continued in this interview in October 1947 to characterize the communists as "partisans of the old faith: They believed in Marx of 1847 and were thus inside his doctrine the reactionary wing themselves. . . ."

of the unions in negotiating for legal contracts with employers had in Renner's mind replaced the "natural law" of competition which repelled him. Renner associated that "natural law" with an immature competitive society as opposed to a modern and efficiently organized cooperative one.¹⁴

Renner criticized both employer and labor associations that placed their own interests above those of the whole economy; neither could prosper in the long run, Renner believed without an over-all affluent society. In 1945 Renner still maintained, moreover, that strikes harmed the workers more than they did the leaders of business or their stock holders. Renner discounted the general effectiveness of the strike in comparison with other less dramatic negotiating tactics. The assumption, of course, was the existence of a legal state of law in which the proper atmosphere prevailed for settling labor/management disputes. Renner justified some strikes, although in principle he thought they had outlived their usefulness.¹⁵ They were as anachronistic as was the free enterprise economy.


¹⁵ Ibid., p. 104.
Unemployment remained a prominent concern for Karl Renner throughout his career. He isolated three forms of unemployment and their subsequent causes: First, seasonal unemployment which could not be controlled, second, unemployment caused by periodic economic crises, and third unemployment which resulted from a faulty economic structure that, which for example, existed in Austria after the First World War when the country had been reduced from a large empire to a small state. Renner believed that the remedy for this latter condition necessitated basic alterations in the entire economic structure through the intervention of the state. That state, however, should not be required to execute these changes through its bureaucracy alone; it needed the active support of such organizations as trade unions, cooperatives and employer organizations. In other words, Renner felt it imperative that the people share in formulating policy and governing the state.

Although Renner advocated an economic democracy, codified in law, his confidence in that system rested on his confidence in the workability of cooperation. This conviction extended far beyond Renner's experience with the Austrian Cooperative Movement, which had received his

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16 Haus-Hof-und Staatsarchiv, Karl Renner Nachlass, Carton I, Packet 25, Folio 229-247. Hereafter cited as HHSA.

17 Ibid.
time and effort for nearly four decades. Renner envisioned a spirit of cooperation prevailing in many areas of Austrian society after World War II. That spirit which Renner endeavored to instill in the Austrian consciousness was transmitted, naturally by him, into the area of political activity. Initially, during the period of the Provisional Government, Renner sought bi-partisan cooperation for his government, believing those men who made up the leadership of Austria's three democratic parties had resolved many of their differences in war time concentration camps. This experience Renner believed had provided Austrian politicians with an opportunity to become acquainted on a close personal level; the result he believed was that mutual trust had developed among them. Renner, of course, seized the opportunity to foster this cooperative spirit on every occasion. In spite of his emphasis on cooperation among parties, however, Renner seldom lost sight of the pragmatic world of power politics. As one observer has pointed out, the most serious threat to Renner's objectives during the Provisional Government was Communist "efforts to push cooperation to the point of eventual union with the

_18_ Renner, _Fuer Recht und Frieden_, p. 361.

Renner, however, did not conceive of cooperation among political parties as leading to their ultimate fusion, but only as a means to hasten the reconstruction of the Austrian state and its society.

Cooperation among party leaders, according to Renner, presented no special problem for the primary issue remained the same for all parties in 1945, "to overcome the difficulties of the food question, to find solid ground for future reconstruction, and to organize efficient collaboration with the occupying powers." Publically, Renner relegated former party feuds to the past: "If there are any controversies in the field of domestic politics, they concern only events of the past and are of no actual importance." In spite of his attempt to foster harmony, Renner confessed in 1947 that some conflict existed between the Federal Government and the provinces, but he emphasized that these differences arose from economic, not political disagreements. He blamed the existence of provincial particularism on the Allied Powers and their division of the country into four separate zones. That division had

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22 Ibid.
caused economic havoc in Austria according to Renner above and beyond economic problems resulting from the war.\textsuperscript{23} In any event, Renner was convinced that the spirit of cooperation among political parties, born of necessity after World War II, would endure. In May 1948, in an interview, Renner stated that Austria's political parties and all its sensible citizens had learned that an over-extension of the role of the state by any party led to totalitarianism, which was followed by the elimination of the rights of man.\textsuperscript{24}

In another interview in that same month, Renner was asked what the possibility would be of the socialists forming their own government if they won a majority in the coming elections. He insisted that it would have no effect on the principle of inter-party cooperation, for the needs of the country had made it mandatory that parties cooperate: "Therefore, in my opinion a cooperation at least of the two great parties, Austrian People's Party and Socialist Party, would be necessary in the interest of Austria."\textsuperscript{25} Renner, seldom able to resist an opportunity for a didactic remark, went on to explain that the word "party" came from "pars" which meant part, and the part

\textsuperscript{23} Ibid., 263: 1947.
\textsuperscript{24} Ibid., 16,513: 1948.
\textsuperscript{25} Ibid., 8035: 1948.
never stood above the whole of the people. In his May 1, 1949 message to the country, Renner called upon all Austrians who were entrusted with representative positions in factory, municipal government, or provincial government units, never to forget that their first duty was to society, and not only to their specific organization.  

Renner, of course, was not the only Austrian political leader interested in promoting a cooperative spirit during these post war years. Chancellor Leopold Figl, of the Austrian Peoples Party, for example, sent an invitation to Renner to attend a February 2, 1946 memorial gathering in the Vienna Concert Hall in tribute to the victims of the February 1934 suppression of the Austrian Socialist Party in Austria.  

That most of these victims, including Renner, had belonged to the opposition party symbolized

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26 Ibid., 17,773: 1949. Also, Renner, Fuer Recht und Frieden, p. 271. On a more personal level, Renner sometimes pushed the idea of cooperation to the extreme, e.g., he kept the important proposals that required a consensus of the Provisional Government Cabinet to the very end of the Cabinet meetings. In order to receive the customary food and drink that was served following the meeting, the tri-party Cabinet was forced to reach agreement. The calorie consumption in Vienna in 1945 was only 400 to 800 per day; therefore, the food provided at the Cabinet meetings assumed special importance. William Bader, Austria between East and West (Stanford: Stanford University Press, 1966), p. 23.

27 Protokoll Book, 1028: 1945/46. On a private basis, for example, Renner demonstrated his desire to promote the cooperative spirit by sending a letter to Chancellor Leopold Figl in which he counselled him not to be overly concerned with his failure to obtain a state treaty at the 1947 Moscow meeting. Renner reminded Figl that, at least, a long list of important questions had been clarified. On occasion, however, an incident of non-cooperation did occur, e.g.,
the spirit of cooperation in a most dramatic fashion.

The arts, too, offered opportunities to cultivate the cooperative spirit, said Renner, for they transcended the political and economic interests of individual Austrians. Moreover, he appealed to the people to support the arts; this would insure that the artist would not be subjected to the whims of the individual patron as in the past. Renner felt that the human soul aspired to creativity in its various manifestations—opera, painting, poetry, literature, and he respected the abiding contribution of the arts to the spirit of cooperation. Moreover, Austrians in particular had excelled in artistic endeavor in the past. In a speech in June 1947, Renner stated: "Human heroism did not preserve itself with tanks and swords, in the means of destruction, but rather in the creative work of the hand and mind . . . in the development of ideas."28

Nevertheless, by the 1949 election in spite of his urgings and his optimism, Renner feared a resurrection of the former animosity between the two major parties. He was especially concerned about this because he thought that Austria's chances for obtaining a state treaty, in spite of the Super-Power rivalry, would be significantly

Renner prematurely released information to the press on the status of the State Treaty in February 1948, and Figl reprimanded him for the action. Renner complained in his defense that he had not been informed of the Government position vis à vis the released material. Ibid., 1885: 1948.

28 Renner, Fuer Recht und Frieden, p. 305.
enhanced if the domestic political environment reflected a stable and mature growth toward a democratic form of government.\textsuperscript{29}

Of all the institutions which the democratic state had inherited from the old order, Renner felt that the bureaucracy probably retained its central role in society more than any other institution. Renner sketched the origins of the bureaucratic system from the Byzantine model through the absolutist monarchical state down to the Nazi abuse of the modern bureaucratic apparatus. He maintained, however, that the bureaucracy as an institution was necessary for it facilitated the workings of a modern state. However, the bureaucracy had to conform to democratic principles and controls. Although he acknowledged certain faults with all bureaucracies Renner maintained that the Nazi version was an atavistic form. He cautioned people, however, not to assume a superficial attitude toward the concept of a bureaucracy for a modern democratic society could not function without the services rendered by it.

Renner proceeded to trace the degeneration of the bureaucratic apparatus which had begun during the Byzantine period. This degeneration was manifested, in part, by the

\textsuperscript{29}Ibid., p. 275. The 1951 elections, indeed, demonstrated an open appeal to the former Nazi vote, and in general the elections reflected a very low standard of political conduct on the part of the two major parties. Each of the two parties accused the other of affiliation
"arrogant official" who held little, or no, respect for the common people. The modern bureaucracy Renner believed had originated in the era of the absolutist prince after he had defeated the clerical and feudal resistance to his absolute power. The prince at that juncture was forced to replace the administration of the former with some administrative mechanism. Thus he came to rely upon the institution of the bureaucracy. Renner equated this absolutist bureaucracy, modeled after that of Byzantium, with the Nazi abuse of the modern bureaucracy in so far as both systems relied upon the arrogance of civil servants and the submissiveness of the population to this power. A modern bureaucracy emerged, according to Renner, after the middle-class revolutions of the late Eighteenth and early Nineteenth Centuries, when the old system was abolished and replaced with a state of law. He gave credit to this newly developed bureaucracy for fostering the economic and cultural progress of the last century. He

with either the Nazis or the Communists—the Austrian People's Party with the former and the Socialist Party with the latter. It must be recalled, however, that the 1951 Presidential election in Austria was the first post World War II presidential election. Renner had been elected by the Austrian Parliament, not the electorate at large.

30 Karl Renner, Demokratie und Bureaucratie (Wien: Universum Verlag, 1946), p. 3.

31 Renner, Fuer Recht und Frieden, pp. 197-98.
felt, however, that the middle-class revolutions had not removed all negative aspects of the old type bureaucracy, for example, the church's power for one was modified only very gradually.\(^{32}\)

With the advent of capitalism, the bureaucratic machine, Renner claimed, became much worse. The individual citizen became less and less significant while the bureaucracy became more and more odious with officials devoting less time to the individual citizen while the former's arbitrariness increased. Consequently, the goal of all revolutions became the "destruction of the apparatus."\(^{33}\)

While acknowledging the necessity of a bureaucracy within a democratic governmental structure, Renner enumerated certain corruptions which could occur even with modern bureaucratic forms. He singled out the Communist example as dangerous for it de-emphasized the individual in a way that the Nazi system had done. He also conceded that government bureaus found it difficult to attract individuals with talent, because they competed with private business which paid more. In order to compensate for the inability to pay higher wages, therefore, the government offered power, or the "I command" appeal.\(^{34}\) As a result,

\(^{32}\)Ibid.

\(^{33}\)Ibid., p. 199.

\(^{34}\)Renner, Demokratie und Bureauratie, p. 32.
no one, Renner maintained, had not at one time or another experienced the insolence of a civil servant. The threat of the half-educated official who rose to a position of real power which he really did not understand represented yet another weakness of bureaucracies.35

Renner therefore offered precautions which he felt necessary to insure control of bureaucracies. Bureaucrats should not be subject to political employment or dismissal. They must enjoy professional security, but simultaneously be held to account for their performances. It was necessary, moreover, to provide a system within the bureaucracy which enabled departmental and individual transfers, e.g., this would be necessary if an individual or department became " politicized."36 Renner drew a sharp distinction between a civil servant and a politician; the former should never assume political responsibility. Thus, both politicians and bureaucrats should endeavor to understand their respective roles. In support of his argument Renner cited the Nineteenth Century English economist and political writer, Walter Bagehot, who had written that 'bureaucracy tends to over-govern'.37 Yet Renner accepted the fundamental

35 Renner, Fuer Recht und Frieden, p. 216.
36 Renner, Demokratie und Bureaucratie, p. 33. This was undoubtedly a subtle way of suggesting that certain areas of the Austrian civil service should be denazified without offending the sensibilities of any involved persons.
37 Ibid., p. 32.
necessity of the institution. He quoted a certain K. C. Wheare, the author of a small pamphlet on the machinery of government: 'Parliament without bureaucracy would be halt and lame, bureaucracy without parliament would be deaf and blind.'\(^{38}\) One complemented the other. Whether the institution of bureaucracy remained under private or public administration, its essential function remained the same. Renner, however, especially commended the official who wished to serve the people. He admitted that such officials represent only a portion of the existing bureaucracy. But for the future, "service to the people" rather than a "mandate to rule" should serve as the guide for any bureaucratic institution.\(^{39}\)

Renner's views on the institution of bureaucracy which he expressed after World War II were based in part on his own experiences in the Austrian National Parliamentary Library between 1896 and 1907. Consequently, he supported the right of public servants to organize and protect their economic interests, arguing that the modern civil servant was not an aristocrat, but one who depended upon a salary for his livelihood. In discussing the bureaucrat's lot, Renner recalled the reaction of the

\(^{38}\) Ibid., p. 30. Also, Renner, *Fuer Recht und Frieden*, p. 214.

\(^{39}\) Renner, *Demokratie und Bureaucratie*, p. 8.
Austrian Parliamentary Library bureaucracy to his early marriage; it had been interpreted as a "character weakness." A doctor of jurisprudence and public official, at that time, was expected to purchase the favors of a prostitute until he was thirty-five years old by which age he was expected to have obtained a sufficient rank to support a family. This Renner regarded as nonsense as he did the fact that bureaucrats, like Renner himself had been prevented from publishing political tracts while working in the Library.  

Economic democracy, a spirit of party cooperation, and bureaucratic service in a democratic society were, therefore, central themes which Renner pursued during these post World War II years. Although they were areas that he had discussed at length throughout his career, the state of spiritual and material collapse in Austria after World War II magnified their importance if democracy was to prevail. Between 1945 and 1950 Renner's speeches, interviews, and published articles and pamphlets demonstrated his belief that little permanent progress could be achieved without a determined program of public education regarding these three decisive areas of societal development. Renner's continued commitment to achieving this task must be viewed as one of his primary accomplishments during these years.

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40HHSA, I/25, Folio 376-391.
CHAPTER V

THE STATE TREATY AND ALLIED OCCUPATION

One of the most formidable tasks confronting Austria and Renner in the immediate post World War II years was that of obtaining a state treaty for Austria from the Allied occupation powers. That Austria did not receive this treaty until 1955, or five years after Renner's death does not diminish his contribution toward achieving this goal. No one anticipated the ten-year struggle for the Austrian State Treaty. Renner later confessed that in April 1945 he had believed that drafting the State Treaty would not take much longer than had the post World War I treaty which Austria had signed at St. Germain.¹ This initial optimism, however, was gradually modified. Renner then proceeded with concentrated efforts to foster sympathy and understanding for Austria's position through interviews and speeches in which he enunciated Austria's ambition to obtain an independent status within the world community.

Renner throughout the late forties endeavored to call attention to Austria's dilemma by arguing that Europe, itself, could not be secure without a free and independent Austria. By placing the Austrian State Treaty into this

larger context, Renner suggested that the treaty might symbolize a reconciliation between the "Great Powers." Renner also maintained that Austria required a state treaty and a seat in the forum of nations in order that she participate in the peaceful solution of world problems. This suggested that Renner conceived of a role for Austria which, in effect, she occupies today, i.e., that of a neutral country. Karl Gruber, Austrian Foreign Minister during the post World War II years, also made numerous public speeches in support of expediting a solution to the Austrian problem. He stood behind Renner with regard to Austria's position vis à vis the United Nations. Gruber, like Renner, wanted guarantees for Austrian security, not from separate treaties with individual states, but rather from the United Nations. Gruber, like Renner, continued to place the Austrian problem into a world context. In July 1948, Renner put the position succinctly, "the powers are negotiating over Austria, but they are dealing with Europe." The obvious intention was to dramatize the significance of the Austrian problem in order to garner world public support.

It was Renner's contention that legally Austria did not have to conclude a peace treaty with any individual state for the Austrian state had ceased to exist in 1938; therefore Austria had not participated in World War II as

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2 Karl Renner, "Austria: Key for Peace and War," Foreign Affairs, XXVI, No. 4 (July 1948), 589.
a legally constituted entity. His purpose was to demonstrate Austrian innocence with respect to responsibility for World War II. In spite of this legal rationalizing, Renner fully appreciated the gravity of the real situation. In November 1946 Renner stated "we expect that the Four Allied Powers will conclude a state treaty with us wherein they recognize the Austrian Republic and determine our political and economic relations."\(^3\) Austria's fate, he knew, lay in the hands of the four occupying powers.

On December 30, 1946, Renner enumerated the seven points which he felt must necessarily be included in a state treaty:

1. Austria must receive full political and economic sovereignty.
2. Austrian property rights must be recognized by neighboring states.
3. The Austrian Army should consist of 30,000 men.
4. The Austrian borders of 1937 must be recognized as the rightful frontiers.
5. Austrian claims vis a vis Germany must be guaranteed; that is Austrian gold and other assets must be returned.
6. Austrian representatives must participate officially in the writing of the peace treaty.

\(^3\)Bundespraesidentschaftskanzleiarcbiv, Protokoll Book, Document Number 7482, Year 1947. Hereafter cited as "Protokoll Book".
7. The state treaty must contribute productively toward the goal of peace.\(^4\)

These points remained essentially unaltered as Renner continued to urge the drafting of the state treaty, and in articulating them, Renner reflected the majority opinion of the Austrian leadership at the time.\(^5\)

On January 16, 1946, Renner wrote to Ludwig Adamovich, Rector of the University of Vienna and one of the foremost legal authorities in Austria, and outlined his thoughts on how to expedite a state treaty. For one, Renner proposed that a council of Austrian jurists be charged with investigating legal alternatives. More specifically, Renner suggested that the Federal Chancellor, the President and the Foreign Minister journey to Moscow, London, Paris, and Washington in order to promote the Austrian cause. At the very least, he felt that they might be able to obtain a clear definition of Austria's frontiers and a clarification of the rights of both the occupation powers and the Austrian authorities. Another proposal put forth by Renner to hasten the drafting of a state treaty was that the Austrian Government consult with the United Nations and


\(^5\)The common struggle for a state treaty, of course, served as a powerful unifying force for the two major Austrian parties, the Austrian People's Party and the Austrian Social Democratic Party.
perhaps dispatch to it a mission similar to that contemplated for the four Allied capitals.\textsuperscript{6} He recognized that both these suggestions would require that legal authorities thoroughly examine state and international law. In order to add authority to these suggestions, Renner referred to certain internationally accepted articles on trusteeships. He stressed in particular the fact that the function of a trusteeship after World War II was to grant the sovereignty of the given trustee area as rapidly as possible. He also pointed out that the legal aspects of the trusteeship were to be controlled by the United Nations, which by treaty possessed sole authority of interpretation and implementation. Based on his understanding of the United Nations Charter, Renner believed Austria could end the four power occupation through a unilateral agreement with the United Nations. Renner could find nothing in the UN charter that legally prevented Austria from becoming totally free and independent by at least December 1947.\textsuperscript{7} He recommended to Adamovich, however, that all the legal aspects of the problem be settled before Austria appealed directly to

\textsuperscript{6}Protokoll Book, 476: 1946. In 1946, when this suggestion was put forth by Renner, he was seventy-six years old which is not a recommended age for globe trotting.

\textsuperscript{7}These views were expressed in January 1946 when Renner still possessed faith in a legal solution for the Austrian State Treaty problem. At that time, he did not fully comprehend inter-Allied conflicts. Renner, himself, changed his mind when it became clear to him that Austria had become a "pawn" in the East-West struggle.
the United Nations. Briefly it was Renner's position that Austria could easily qualify as a trustee under the control and protection of the United Nations, rather than remain under the authority of the Allied High Commission. Such a legal manoeuvre would have been a brilliant feat, had it been successful.⁹

Renner anticipated that Adamovich could successfully mobilize the professional resources of the University of Vienna in order to construct a legal case for Austrian independence. The ultimate goal was two fold: Renner wanted to secure a state treaty, and he also hoped to absolve Austria from obligations stipulated by the Potsdam Agreement which required that Austria, like Germany, submit to Allied economic demands on any former Nazi property.* Renner believed that the results of the 1946 London Foreign Ministers Conference had been favorable to Austria. It had promised Austria would receive a state treaty in which her political and economic sovereignty would be recognized. In spite of this, however, Renner preferred to rely on the authority of the United Nations, while at the same time encouraging the Soviet Union to agree to an Austrian State Treaty promptly

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⁸Renner made this recommendation after he had studied Article 77, paragraph 1 of the United Nations Charter which discussed the relationship of United Nations administered trusteeships.


*See below, page 109.
in order that Austria celebrate April 27, 1947 as both the achievement of a State Treaty and the first anniversary of the Second Republic. 10

In an interview on February 3, 1948, Renner expressed shock at the extent to which the Soviet Union exercised control over the Austrian economy 11 and suggested that this merely intensified the East-West conflict. He maintained that the East-West conflict and world peace could be best served by giving a state treaty and restoring her economic sovereignty. Soon Renner, along with most Austrian leaders, questioned the sincerity of the Allied Powers with respect to the Austrian State Treaty question. By January 1948, in fact Renner had fully realized that the Austrian State Treaty was not dependent upon Austria's own efforts, for it had become an appendage of an external power struggle between East and West. He came to the conclusion that the fate of the state treaty was dependent upon the immediate relationship between the Super Powers. 12 Consequently, Renner's strategy with regard to the State Treaty shifted from a legal approach to a simple emotional appeal that Austria be allowed to enter the community of free nations:

10 Ibid., 1189: 1947.
11 Ibid., 1885: 1948.
12 Ibid., 1297: 1948.
"The new democratic Austria will not, even if it could do so, misuse this power, and it would . . . cease to be a source of sorrow for the Allies and become . . . a useful member of the community of nations." 

A minor thorn in the Austrian State Treaty negotiations involved the area of South Tyrol, divided between Austria and Italy after World War I. Renner assumed an intransigent position vis-à-vis the South Tyrolean question for he felt that it was illegally awarded to Italy in 1919. Renner totally supported Austria's "undisputed right" to govern all of the Tyrol on grounds that it was Austrian territory. Renner, like most Austrians, claimed that the South Tyrol was Austrian historically and ethnically, as well as important to Austria for economic and geographic reasons. Renner pointed out that the area had not even been considered for possible inclusion in an Italian State before the discussions at St. Germain—the simple reason being that Italians constituted only five to ten percent of the population. Renner also reminded the world that even the Italian representative at St. Germain, Salandra, in a speech in the Italian Senate endorsed the idea of autonomy for the German population in the South Tyrol. However, two years after the St. Germain settlement, all mayors and public officials were Italians and the Tyrol had been

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13 Ibid., 476: 1945/46.
14 Ibid., 8381: 1946.
inundated with Italian immigrants. Renner knew that the South Tyrolean question had poisoned the inter-war relations between Austria and Italy. Therefore in August 1946, he directly challenged the notion that Italy needed the South Tyrol:

South Tyrol is nearly worthless for the Italians; however, for us it is important because the South Tyrolese are the best Austrians and the Tyrolese will never be satisfied with the dismemberment of their land. This question if unsettled will be a hinderance in the good relations between Italy and Austria for decades.\(^{15}\)

Since the area had ceased to be of any real strategic value to Italy, Renner was optimistic about Austria's claims.

Closely associated with Austria's desire to obtain a state treaty was her wish to have either the very ambiguous terms of the Potsdam Agreement clarified, or to get out from under it all together. The problem focused on the wording of the Agreement with respect to what constituted German property. The major conflict between the Soviet and the other Allies interpretation of what constituted German property focused on that property seized during the Nazi administration of Austria from 1938 to 1945. On this point, the Soviets, in contrast to the other Allies did

\(^{15}\)Ibid., 5661: 1947.

\(^{16}\)Ibid. Although it might not be judged as chauvinism, Renner's statement reflected a rather overt appeal to the Austrian's nationality sentiments, e.g., "the South Tyrolese are the best Austrians".
not distinguish between pre and post Nazi Germany. Austria, caught in the middle, was the party that suffered the consequences of this difference of view. Renner stated in February 1946 that Austria's most anxious sorrow concerned the Potsdam decisions: "If this decision either to elucidate the terms, or remove Austria from the jurisdiction of the agreement is not carried out in a just fashion, it will bring about the absolute impoverishment of the country." Renner's view was that Nazi Germany had "stolen" from Austria its major industrial assets and that these must be returned, lest "Austria remain a state of beggars for years to come."

Since the Potsdam agreement on Austria did not specify definite properties and assets to be confiscated by the Allied Powers, Renner challenged the agreement's legality. Much of former Austrian property claimed by the Russians, according to Renner, was not German, but Jewish property that had been seized illegally by the Nazis. Moreover, Renner maintained that most of the alleged German property claimed by Russians had been purchased by the Nazis with captured Austrian funds. These funds had been commandeered

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17 Ibid., 1396: 1946.
18 Ibid.
19 Renner estimated that one third of the property seized by the Russians was actually former Jewish property.
from Austrian banks, insurance companies, saving institutions, labor organizations, and then in turn re-invested in Austrian property.\textsuperscript{20} In addition to these illegal acts, Renner charged that Nazi Germany had confiscated most of the Austrian gold reserve which as yet had not been returned. In March 1946, he stated the following opinion:

\begin{quote}
In case of a literal interpretation of the Potsdam Agreement, all property having gone over to Germany along with all investments made by the Germans would be claimed by the occupying powers. However, here it was not taken into account that we have not, and cannot, receive back our gold reserves.\textsuperscript{21}
\end{quote}

By August 1946, Renner had isolated the Soviet Union as the only power that had not assisted Austria economically, while praising the other three Allies for their endeavors to establish a precise definition of what constituted legitimate German property in Austria. The Soviet Union he maintained had thwarted Austrian efforts to regain economic solvency. The Zistersdorf Oil Fields, for example, had formerly belonged to a consortium of American, British, Dutch and Austrian companies. During the war, Nazis had seized the property, consequently

\textsuperscript{20} Protokoll Book, 4971: 1947. Eric Ashley, Renner's grand son-in-law and a former United States Treasury Officer in Vienna during this period who worked on the German property question, estimated that before the Second World War German property in Austria represented from five to ten percent; after the War it represented from fifty to sixty percent of total Austrian property. Private interview with Eric Ashley, Hillsborough, California, October 17, 1971.

\textsuperscript{21} Protokoll Book, 5146: 1947.
Soviets after the war claimed it as former German property. Another example of Soviet greediness was the Laenderbank which had been established with French capital and was also claimed by the Russians, because it had been confiscated by Nazis. Renner recommended to all the occupying powers that they follow the example of General Mark Clark, the American High Commissioner, whose policy was not to inquire who owned the property, but rather to determine how might the property best serve the Austrian economy. Ultimately Renner felt thoroughly frustrated over the German asset question. In general, he believed that until 1947 the peace-talks had centered excessively on claims demanding compensation for wartime suffering, instead of adopting a constructive approach with a view to building a lasting peace. He cited Ernest Bevin, the British Foreign Secretary, as a politician who comprehended the potential dangers of not doing so; that is, Bevin encouraged the economic rehabilitation of Austria. Bevin wrote "a new Europe would be impossible if there existed in its center a huge slum; endangering with its infections all other countries." In his efforts to imbue Austria with a democratic spirit, Renner felt compelled to clarify certain aspects

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22 Ibid., 5661: 1947.
23 Ibid., 3243: 1947.
of the Allied occupation for the Austrian people. One intent was to make the whole occupation experience somewhat more palatable. With regard to the Allied presence in Austria, he deftly interlaced praise with condemnation. At the beginning of the occupation in April, 1945, Renner assured the Austrian people, in a Provisional Government Proclamation, that it was not the Soviet Union's intention to change the form of Austrian society. Whether this was a valid statement at that time was of little practical significance. For in April 1945 Renner had to convince not only his own people that the Soviets would not institute communism in Austria, but he also had to impress the other Allied Powers that Austria had no intention of falling under Soviet domination. While he acknowledged the assistance of the Red Army, Renner stressed that the Austrian Provisional Government represented only the Austrian people. He accentuated the point that his Government was not a creation of the Soviet Army, but rather that it had been selected and supported by the three democratic parties of Austria. He defended this view already in late 1945 when he wrote that the Provisional Government was "only afterwards confirmed by the headquarters

of the Red Army."  

Renner remained sensitive to the friction between the Austrian people and the Allied occupation troops and served as a kind of mediator between them. For example, in response to a newspaper article written by a Mr. Arthur Noyes for the April 13, 1946 *Stars and Stripes*, the United States Army newspaper, Renner wrote a two-page letter to General Mark Clark in which he objected to the charge that Austrians had not welcomed their initial liberation by the Soviets. Renner rejected Noyes' allegations that large segments of the Austrian people had been hostile to the first waves of Soviet troops. He acknowledged that German Army units, and especially Schutzstaffel (S.S.) detachments had fought in Vienna against the Soviet troops, but these actions had not been supported by the majority of the Viennese people. Renner on the other hand felt obliged to provide the Austrians with an explanation of the barbaric behavior of the initial waves of Soviet troops in Austria. True, the Soviet troops had conducted themselves as conquerors rather than as liberators upon their arrival in Austria, but Renner reminded the Austrian people that these troops had either witnessed or been told that

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26 Protokoll Book, 2452: 1945/46. This letter was, in effect, an official Austrian protest to the Noyes' article.
German-speaking troops had devastated their homeland. These Soviet troops could not distinguish between Germans and Austrians; moreover, the initial waves of Soviet troops were battle hardened men who knew that they had been victorious. Renner further reminded the Austrian people that the acts of wanton destruction perpetrated by fleeing Nazis had done more harm to the country than the initial assaults of the Soviet troops.

In addition to explaining the nature of the so-called Soviet liberation of Austria, another of Renner's primary, although unofficial, duties as President of Austria was to unravel Soviet occupation policy for the Austrian people. In October 1947, he explained that the uncompromising Soviet economic policy in Austria stemmed from the economic havoc in the Soviet Union which had resulted from World War II. Although Renner believed that the Soviet Union did not have any long-term-economic interests in its control of Austrian industry, he knew that this short-term control assisted in the reconstruction of the Soviet Union.

27 Karl Renner, Oesterreich von der ersten zur zweiten Republik (Wien: Verlag der wiener Volksbuchhandlung, 1953), pp. 230-31. One difficulty, of course, that confronted Renner in his attempt to rationalize the early Soviet actions stemmed from the massive looting and raping which had occurred. The first Soviet troops who came into Vienna had not been given proper instructions. Thus, when, for example, they saw radios and bath tubs in the apartments of the Viennese workers, they mistook the workers for the hated "capitalistic" class. "The Attempted Sovietization of Austria," 1951, p. 4. Nationalbibliothek, no author cited.

In an interview on March 12, 1946, Renner demonstrated real compassion for the Soviet view: "We understand also the standpoint of Russia completely and totally." Renner was quick to stress, however, that his sympathy for the Soviet position in no way would diminish his efforts to obtain Austrian control of her economic assets. Early in the occupation in April 1945, Renner called upon all Austrians to cooperate with the Red Army in order to avert more bloodshed, and in order to hasten the essential business of feeding the Austrian population.

By 1946 the occupation forces had been exposed to the Austrian population for almost one year. One of the chief difficulties of the occupation was the language barrier between the troops and the Austrian people. Renner, however, claimed that in spite of this problem the population and the troops had acquired mutual respect for each other during that year. He pointed out though that the Soviets had brought with them Austrians who either had been trained in Russia or had lived there during the war, while the Western Powers brought citizens of their respective countries who could speak German. This according to Renner, enabled the Soviets to obtain a more accurate knowledge of Austrian affairs and personalities. The Soviets, therefore, knew

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29 Ibid., 5146: 1947. This quote, out of context, could be taken in a positive or negative sense; however, Renner intended the former.

30 Renner, Fuer Recht und Frieden, p. 16.
they could trust the majority of the population, whereas the Western Allies were initially skeptical. The latter in fact employed unknowingly, as administrators more ex-Nazis or those who might have associated with the Nazis.  

In both his capacities, as Chancellor of the Provisional Government and as President of the Second Austrian Republic, Renner acknowledged the indebtedness which his country felt toward the civilian and military forces of the Allied countries. As the official representative of the Austrian people, Renner wrote for example an article in the Arbeiter Zeitung on August 21, 1945 in which he expressed Austria's particular appreciation to the Red Army for its participation in Austria's struggle to free herself from Nazism. And Renner strove to maintain good relations with that Army. In January 1946 for example Renner corresponded directly with Marshall Ivan Konev, the First Soviet High Commissioner, appealing for his assistance in obtaining coal from Austria's traditional supplier, Poland. Konev complied partially to this request by allowing the importation of 150,000 tons of coal for Vienna and Lower Austria, but he refused to permit the Austrians to negotiate directly with the Poles.

31 Renner, Oesterreich von der ersten zur zweiten Republik, p. 232.
32 Renner, Fuer Recht und Frieden, p. 19.
In December 1945, Renner expressed official appreciation to all the occupying powers for the restoration of roads, bridges, works of art, and for their generous contributions of food. Never, he claimed, would the Austrian people be able to forget these acts of goodwill. He stated frankly, that without the assistance of the Allied Powers, Austria would not be able to create the necessary machinery to complete the proposed domestic plans for reconstruction.\textsuperscript{34}

Renner singled out the "European Recovery Program" (Marshall Plan) as one of the decisive factors in the Austrian recovery:

> From the household of every Austrian worker to the last little farmstead, we realize that alone we could not have existed during these postwar years, and that accepting this aid was essential to our survival. It was given freely and generously, and we were able to accept it with dignity and resolution.\textsuperscript{35}

Renner reiterated his profound appreciation for United States aid which, by February 1948, accounted for almost sixty


The approximate total of unilateral assistance to Austria from the beginning of the occupation until September 1948 amounted to 688.1 million dollars of which 533 million came from the United States. This amounted to almost seventy-five percent of all aid given to Austria during this period. Clark Loomis, "The United States Contribution to the Economic Recovery of Austria," 1949, p. 194.
percent of Austrian production. The Soviet Union, of course, had exerted a great deal of political pressure to dissuade the Austrians from participating in the Marshall Plan. Renner, however, remained adamant in his support of Austrian participation. In an interview on January 26, 1948, he declared: "As an Austrian, I do not see the plan [Marshall Plan] as an evil at all, but as a dearly desired blessing. It is not for us to speak about its effects upon Western Europe." The rank and file of the Austrian people viewed any objection to Austrian participation in the Marshall Plan as "unintelligible." They considered the communist propaganda assertion that the aid would reduce Austria to "servitude" as utter nonsense, particularly when they considered the suffering of the population and the destroyed and confiscated Austrian industry. Renner welcomed what he envisioned might develop from the Marshall Plan, i.e., a European customs union similar to the one which had existed among the Danubian countries from 1867 to 1914. Renner referred to this period as the "golden

70. Nationalbibliothek. Loomis went on to say: "It is safe to say that without American aid the Austrian economy would have collapsed." Loomis, p. 194.

Another observer claimed that Austria received a total of 1,585 million dollars of which eighty-seven percent was from the United States between 1945 and 1955. Franz Nemschak, Ten Years of Austrian Economic Development, 1945-1955 (Vienna: Association of Austrian Industrialists, 1955), p. 27.

age" for the economic development of the Danubian lands. Austria partook of the Marshall Plan without making any official political commitment to East or West. Renner's position remained as it had been during the period of negotiating entry into the European Recovery Program, "first live, then philosophize."\(^{37}\)

At times Renner was somewhat premature with his expressions of gratitude to Allied Governments. On one occasion immediately after the war, he expressed Austrian appreciation to the Soviet Union for lending Austria four-hundred Reichs Marks in order to facilitate the reorganization of the Austrian banking system. However, after the November 30, 1945 "Schilling Law" which reduced the note circulation to 3.3 billion schillings and the total money circulation to about seven billion, Reichs Marks became virtually worthless. The Soviets, of course, demanded payment of their loan in schillings, not in the original Reichs Marks. General Clark saved Renner in this instance by demanding that Austria also pay the United States two billion schillings, which, of course, was financially impossible. Clark understood this, but he also knew that his demand would enable Renner to refuse both the Soviet

\(^{37}\)Ibid., 1297: 1948.
and the American demands without offending the sensibilities of the Soviets. Renner acquired a genuine respect for General Clark's ability to assess complex problems such as the "Reichs Mark" one with discretion and objectivity. When General Clark left Austria in April 1947, Renner expressed, in a letter to Chancellor Leopold Figl, his desire to bid farewell to "our deserving and loved friend, Clark."  

Renner seldom failed to acknowledge any positive action taken by the Allied Powers. On June 28, 1946, the Allied Control Commission signed a new control agreement for Austria. The heart of this new agreement, Article 6a, required an unanimous veto within thirty-one days in writing from the Allied Control Commission to any objectionable constitutional legislation passed by the Austrian Parliament. The stipulated unanimity, of course, made it impossible for any individual country to veto Austrian legislation. Renner, along with other Austrian leaders, applauded this action on the part of the Allied Powers.

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38 Mark Clark, Calculated Risk (New York: Harper & Brothers, 1950), pp. 469-70. The original four-hundred Reich Marks had been confiscated in Austria by the Soviet Army.


While Renner praised the Allied Powers on occasion, he, also, censored them when he felt it necessary. At his most acrid, Renner evoked some caustic analogies. In an interview on March 12, 1946, for example, he stated that "Austria remained under foreign economic control the same as during the time of the Nazi regime only with the difference that instead of one Germany, four powers share the booty." Early in the occupation, Renner objected to the Allied policy which required four separate passes for any Austrian citizen who traveled through the various occupation zones. Renner suggested as an alternative one pass printed in four languages. On another occasion, Renner compared Austria to a village with five mayors: "As a matter of fact, we are a village with five Burgo-meisters." Renner concentrated much of his criticism of the Allied occupation on the economic predicament which their presence created for Austria. Whereas the American and English financed their own costs to a very large extent, the Soviets and the French required the Austrian Government to subsidize their occupation costs. Another complaint of Renner's related to the method of food

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42 Ibid.
43 In addition to supporting its occupation troops, the United States also contributed substantially to the Austrian economy through the Marshall Plan and other economic aid bills.
distribution which was controlled by each Allied Power in its respective zone. Renner wanted that function to fall under the purview of the Austrian Government. By 1949 Renner became more aggressive in his criticism of the occupation troops who did not speak German, who did not understand the Austrian people, and who blamed the Austrian people for the deeds of Hitler's Germany. Moreover, he was critical of complications which arose in Austria over the confusion of conflicting authorities. In order to safeguard the Austrian people from the contradictory instructions which they received from both civilian and military authorities, Renner suggested that all should coordinate their activities. To facilitate this coordination, he recommended that the Allies should all centralize their headquarters in one large Viennese government building.

Although in general Renner cooperated with the Allied Powers, the relationship between the Allied commission and himself was not always a comfortable one. In February 1946, for instance, Renner was censured by the Commission: "Also, to express to Dr. Renner, the former Chancellor of Austria, the displeasure of the Allied Council that during

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44 Renner, *Fuer Recht und Frieden*, p. 95.

45 Renner, *Denkschrift der provisorischen Staatsregierung* . . . , pp. 11-12.
his period of office as Chancellor, the Heeresamt Army was allowed to engage in illegal military activities.\textsuperscript{46} Renner did not publicly protest this reprimand perhaps because he conceded to the charge. In any event, he realized that the Allied Council would stop with a censure and not pursue the matter further.

In spite of the reform measure passed by the Allied Commission on June 28, 1946,\textsuperscript{47} the Commission remained intransigent with respect to its authority over the Austrian legislature and administration. This interference with Austrian administrative procedures, Renner maintained, extended even to remote villages where city fathers often received contradictory instructions from the local Allied Commander and the Federal Government. Renner therefore sought to distinguish between the concepts of "control" and "administration." He recognized the Allied Commission's interest in retaining control in the four zones, but he insisted that the daily administrative machinery should be left either to the Federal or local government agency.

\textsuperscript{46}Military Government Austria (Vienna: Report 4, February 1946), p. 2. This was a report from the United States High Commissioner, General Mark Clark, to the Joint-Chief-of-Staff.

\textsuperscript{47}On June 28, 1946, the Allied Commission passed a resolution whereby all laws passed by the Austrian Parliament would be automatically approved within thirty days of their passage unless all of the Allied Powers vetoed the legislation, i.e., an unanimous Allied veto was required to block any Austrian legislation.
Renner also protested to the lack of consistency in the administration of laws and policies within the four zones. Even laws that received sanction from the Allied Council were administered differently in each of the zones. The result for Austria, according to Renner, was an economic environment which retarded the process of unification. In March 1946, Renner elaborated on this problem with some specific examples:

We have iron ore in the British sector, oil in the Russian, salt in the American, electric current in the French zone and certain foodstuffs, especially meat and milk products, in the Western parts of Austria. But, we cannot use them for the benefit of the country as a whole by distributing them fairly, nor by using them for the purpose of compensation for imports from abroad. Everyone of the military governments reserves for himself the right to use the assets of his respective zone only, or mainly, in the interest of this zone.48

In spite of such criticism of Allied policy Renner expressed optimism with respect to the Allies' intention of helping Austria. In the same communiqué, therefore, Renner wrote:

Nevertheless, we are absolutely convinced that all four occupying powers have the best will to help us, and we have every reason to be forever thankful for the very efficient help which they have granted to us; especially concerning foodstuffs. There is no lack of goodwill, there are only mistakes in organization.49

49 Ibid.
Few people could dispute the diplomacy of Karl Renner. He zealously defended what he considered legitimate Austrian prerogatives, but he seldom lost sight of the practical restrictions on his authority. Renner never challenged the occupation powers to an open confrontation for he realized that unnecessary animosity would diminish Austria's chance for independence.

In 1946 Renner held that Austria needed a 30,000 man Army in order to provide internal security and an adequate frontier force. This recommendation was, however, rejected by the Allied Commission. After Renner was informed of this decision, he suggested that the Allied occupation should be reduced to 30,000 troops. This number represented, according to Renner, the number of occupation troops that Austria could support. He stated categorically the inability of Austria to implement a meaningful plan of economic reconstruction while the country remained saddled with such a large army of occupation. He did not call

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50 The President of Austria, like the President of Germany, is not the focus of political power, for this role is fulfilled by the Chancellor in both countries. In addition to the limited political power of the Austrian Presidency, as defined in the Constitution, Renner also had to contend with the restrictions imposed on him by the Allied Powers.

51 Protokoll Book, 1396: 1946. In early 1947 Renner estimated the Allied occupation forces at 300,000 men which explained his apprehension as to Austria's ability to support the armies of occupation. Ibid., 7482: 1947.
for an immediate withdrawal of Allied troops for he knew that Austria needed time to re-establish its own defenses, though Renner labelled the post World War I Allied occupation Kinderspiel (child's play) as compared with the occupation after World War II. Holding to his position that Austria had not been responsible for World War II, Renner found the huge increase in the number of occupation troops from World War I, when Austria had been an aggressor, to World War II, a puzzle.

Renner maintained a constant surveillance over the relationship between Austria and the Allied Powers in spite of the official restrictions on his authority as President. On February 21, 1946, for example, in a letter to Karl Gruber, the Austrian Foreign Minister at the time, Renner raised some questions about the proposed statute of the Allied Governments which were to govern their relations with Austria. Renner recommended to Gruber that Austria do all in her power to intervene in these discussions in order to bring to bear what influence she could. In addition, Renner urged Gruber to keep him posted of any decisions in this regard. Although he did not possess direct political authority, Renner's memo to Gruber demonstrates how he, through his great prestige and personal contacts, managed to circumvent the official restrictions on his authority. Renner remained very close to the

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52 Ibid., 1218: 1946.
government decision-making process during the post World
War II years.\footnote{It must be recalled that Renner and Adolf Schaerf,
the Socialist Vice Chancellor under Figl, were long-term
political and personal colleagues. Schaerf, whom Renner
addressed with "du", received many invitations to spend
the week-end at Renner's Presidential cottage near
Semmering. Also, it was Schaerf who managed affairs
for Luise Renner after Renner's death in 1950.}

Each of the occupation powers had a political represen­tative who served as an adviser to both his respective
country's high commissioner and, of equal importance, to
his respective government. Renner understood and
appreciated the significance of these men. He knew that,
as a conduit to their respective governments, they exer­
cised impressive influence. On March 15, 1946, the Stars
and Stripes printed an article in which Renner was quoted
as supporting a unified command of the occupation forces.
Such a comment did not ingratiate him with the Allied
authorities, who interpreted the comment as a criticism
of their authority. Renner immediately dispatched
explanatory notes to the military government political
representatives, stating that his words had been mis­
represented.\footnote{Protokoll Book, 1475: 1947.} In another letter dated June 16, 1947 to
William Henry B. Mack, the British Political Adviser,
Renner congratulated him for having been elevated to the
peerage: "I am extraordinarily pleased that his Majesty, the King, has recognized your great service in such a conspicuous fashion." In addition to Renner's connection with Mack and Colonel-General Zheltov, the Soviet Political Adviser, Renner maintained a particularly close relationship with the American Political Adviser, John Erhardt. Erhardt's wife, Eleanor, spoke and wrote fluent German as did Erhardt himself and Mrs. Erhardt often exchanged houseguests and notes with Frau Renner. Renner was quite candid with Erhardt whenever he felt a particular Allied Council action had been unjust. For example, in a letter to Erhardt on March 30, 1946, Renner stated that the Allied Council decision stipulating that an unanimous vote be required to suspend any newspaper in Austria had had a very "soothing" effect on most Austrians. However, Renner continued, that he remained doubtful that a newspaper in a particular zone could survive if the Allied power controlling that zone opposed it. Renner requested that

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55 Ibid., 5963: 1947. Thus, Renner, the life long socialist, did not refrain from praising one of the few vestiges of the old aristocracy when he felt it was politically expedient.

56 According to William Stearman, Colonel General Zheltov was the most influential Russian in Austria. Stearman, The Soviet Union and the Occupation, p. 152.
Erhardt investigate the matter. Renner specifically inquired as to whether such a paper could continue to publish during an appeal period if one was granted. Renner's letter to Erhardt further confirmed Renner's resolution to intervene unofficially in Allied occupation policies whenever he felt that policy might precipitate a conflict between the Austrian people and the occupation powers.

As both the Chancellor of the Provisional Government and President of the Second Republic, much of Renner's time was consumed performing as the official host of the Austrian people. In this role he displayed great diplomatic agility, a talent which he had cultivated over a period of forty-three years in public service. During the post World War II years, this experience enhanced Renner's efforts to create harmony between the Allied occupation forces and the Austrian populace. His primary objective remained the acquisition of a state treaty for Austria, and he came to believe that the way to achieve it was to foster a climate of understanding between the Austrian people and the occupation powers.

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57 Protokoll Book, 2037: 1945/46. According to Jacques Hannak, the immediate reason for his death, aside from the fact that he was eighty-years old, was an unending number of house guests who paid him tribute on his eightieth birthday. Private interview held, Vienna, Austria, May 10, 1971.
Throughout his lifetime Karl Renner regularly interpreted and synthesized historical events with the purpose of explaining their causes and effects to contemporary Austrian society. Throughout the post-World War II period, Renner increased this activity. Although his particular historical approach could be challenged it was not his objective to seek absolute historical accuracy. His intention was to relate the historical development of the democratic experience to his fellow Austrians in order to illustrate the struggle of Western Civilization in achieving a democratic way of life. Renner's interpretation of historical events demonstrates that he believed man could learn from historical experience. From 1945 to 1950 Renner's historical analyses included, among other topics, the failure of the 1848 revolutions in Europe, the Anschluss question, the Austrian quest for internationalism, an interpretation and explanation of the rise of fascism in general and Nazism in particular, the process of denazification in Austria, and the necessity of democratic education in Austria.

It is important to distinguish between Renner's ideas and his actions throughout the post World War II period.
During his tenure as Chancellor of the Provisional Government from April to December 1945, Renner it would appear was in a position to implement some of his ideas. However, although he was consulted by Chancellor Leopold Figl on most major issues, Renner did not in fact have direct political authority due to the restrictions placed on the Austrian President. Yet, while he was President from December 1945 to his death in December 1950, Renner's ideas did have an impact on Austria.

It is for this reason that Renner's ideas, even more than his actions, are of paramount interest for that post-War period. The ideas which he expressed during this period represent the culmination of many years of development and experience. The chief theme of these ideas is Renner's passion to achieve a successful democratic society in Austria.

On the one-hundredth anniversary of the 1848 revolutions in Europe Renner provided a brief sketch of its major events. He attributed the failure of the revolutions to the inability of the participants to recognize that their society was in the initial stages of capitalism, and consequently they did not understand what type of constitution they wanted or needed. He also traced the

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1The Austrian President resembles the German President, i.e., he is more of an official representative than an active source of political influence.
revolution's major events and characterized some of its leading personalities in order to demonstrate the frustrations encountered in striving for a constitution. He implied that the sacrifices of his own generation, which had experienced two World Wars, were, in part, the result of the failure of 1848 to achieve a democratic constitution. Consequently, he urged post World War II Austrians to defend their existing democratic institutions with determination.

Because the Anschluss and its consequences remained a heated point of controversy between Austria and Germany, Renner addressed himself to this vital question on a number of occasions between 1945 and 1950. In 1947, Renner contended that the idea of Anschluss with Germany reflected a form of particularism which had expired in 1848 at the Paulskirche. He introduced the problem of Austrian Anschluss with Germany by drawing a comparison between the Austrian desire for Anschluss in 1918-19 with the accomplished fact in 1938. In 1918-19, Anschluss would have been founded on a mutual treaty, allowing Austria to remain autonomous within a larger Germany. However, in

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1938, Anschluss had been a unilateral act on the part of Germany, followed by the humiliating division of Austria into nine administrative Gaus. \(^4\) Renner confessed in 1945 that most Austrians, including himself, had wanted Anschluss in 1918 because it was in accordance with the idea of national "self-determination." \(^5\) In a speech on April 27, 1950, Renner stated that it had been natural for the Germans of the old Habsburg state to desire annexation with a larger German state; all of the other nationalities at the time also sought national unification. \(^6\) The Austrian Parliament had in fact voted on November 12, 1918 for a democratic republic and for union with Germany. However, the First Austrian Republic was not immediately recognized by the victorious Allied Powers, nor did the powers permit Anschluss. On the third anniversary of the Second Austrian Republic, Renner requested that foreign observers refrain from comparing the Second Republic with the pro-Anschluss First Republic for the Austrians of the Second Republic knew they did not want Anschluss. \(^7\) Renner maintained that the question of Anschluss after 1918 had


\(^6\) Renner, *Fuer Recht und Frieden*, p. 106.

become academic; unification had been legally prohibited although one-fifth of the population he estimated actively continued to support such a program.\(^8\)

In this same speech in April 1950, Renner recalled that at St. Germain where Austrian affairs were settled after World War I, he had stated the following: "The Republic of Austria considers itself an autonomous province of the League of Nations."\(^9\) Renner was clearly trying to demonstrate that even though the Austrian people had envisioned an alignment with the greater Germany after World War I, they had not intended to lose their autonomy, that is, they still desired the protection of the League of Nations. Renner's conclusion on this position was expressed in the form of a rhetorical question: "Are we not, inspite of all differences, therefore in a similar position as we were at St. Germain?"\(^10\)

Renner in those post World War II years exaggerated Austrian opposition to the Anschluss in 1938, stating that all but a "small minority" had opposed it. To support his position, Renner pointed out that Hitler did not allow

\(^8\) Renner, *Denkschrift ueber die Geschichte*. . . . , p. 18.


\(^10\) *Ibid.*, p. 39. One observer claimed that Renner even argued that if the Allied Powers had permitted Anschluss with Germany after World War I, the strength of the democratic forces in Austria would have prevented Hindenburg from having been elected President of Germany in 1925,
a plebiscite on the issue. The integration of Austrian troops into German units by Hitler was further evidence that such troops could not be relied upon.\textsuperscript{11} Renner also blamed the free world for not providing assistance to Austria in 1938: "that this help remained unoffered was not the fault of the Austrians."\textsuperscript{12}

Renner confessed that certain elements in Austria had supported Anschluss with Germany in the inter-war period for their own personal advantage. One was the thereby averting subsequent Nazi infiltration and subversion of German society. Robert Strausz-Hupe, "Austria's Dilemma," \textit{Yale Review} (Autumn 1949), p. 313.

\textsuperscript{11}Probably the major reason for integrating the Austrian troops with German units was the lack of faith of the German High Command in Austrian military preparation. With respect to the forced induction into the Reich Army of Austrians, it also must be recalled that many Austrians, at that time, welcomed induction for it provided economic relief at a time of general depression.

\textsuperscript{12}Bundespraesidentschaftskanzleiarchiv Protokoll Book, Document Number 7485, Year 1947. Hereafter cited as "Protokoll Book". Renner granted an interview titled "Ich stimme mit Ja" (I Vote Yes) to the \textit{Neues Wiener Tagblatt} newspaper on April 3, 1938 in which he gave his endorsement to the Anschluss. According to his daughter, Frau Leopoldine Deutsch-Renner, he favored Anschluss then although he did not endorse the Nazi Government. Jacques Hannak pointed out that Renner explained this endorsement after World War II by claiming that he had suffered a brief mental relapse at the time (Renner was 68 years old in 1938). Some contend that Renner released the article in order to secure safety of Robert Danneberg, former Socialist Treasurer of Vienna and a Jew, from the Gestapo. Hannak contends, however, that Renner was not coerced into releasing the article. Frau Leopoldine Deutsch-Renner, private interview, Gloggnitz, Austria, June 7, 1971. Dr. Jacques Hannak, private interview, Vienna, Austria, May 10, 1971.
Austrofascist group, as represented by Prince Ernest von Starhemberg, with its focus on anti-Semitism. Renner likened this group to the 1848 intellectuals who had supported the Gross-Deutsch solution. Renner held that these men of 1848 had supported the union of the Austrian Empire with the German Confederation, because they believed that all other nations and cultures in Central Europe were inferior to the Germanic. Renner felt this century-old predilection of the Austrian mentality was unfortunate, but could be remedied by expanding the Austrian educational system and its curriculum in order to teach not just German culture, but that of other nations as well. In an interview in February 1946, Renner revealed what he believed to be the post-war attitude of the Austrian people vis-à-vis Germany:

Furthermore, it should be stated that the aversion of the Austrian people to Germany is not only theoretical in nature for . . . they [the Germans] have made themselves so hated by their behavior that even a human affection no longer exists. All parties are united in the question of retaining Austrian independence, or autonomy. As far as the Social Democrats are concerned, one should not forget that they played a leading role in this regard in May 1945. Nobody thinks any differently today than at that time.13

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13 Ibid., 5146: 1947. Renner also pointed to the economic inability of post-war Germany to accept additional territory. According to Renner, the Austrian Socialist Party had remained consistently opposed to Anschluss after 1933. Ibid.
Although the tragedy of World War II was still vivid in the minds of the Austrian people, it is doubtful that Renner really believed that "even a human affection no longer exists" between Germany and Austria. Moreover, one obvious intent of this statement was to convince the Western Powers that Austria had rid itself of any desire for Anschluss. Renner was also trying thereby to achieve a united front of the Austrian political parties on the question of Anschluss.

On January 1, 1948 in his New Year's message to the Austrian people, Renner stated emphatically that Austria would never allow another Anschluss with any other country: "We and the UNO, that is enough for us, any other is an evil for us." He stressed that the Austrian people would be disappointed bitterly if they were forced to enter another Anschluss arrangement with any other country. The clear inference was that Renner did not want to see Austria compelled under any circumstances into an Anschluss arrangement with Moscow or even Washington.

This clarification of Austria's position toward Anschluss was part of Renner's endeavor to promote Austrian participation in the international community and

to call attention to Austria's desire to be a neutral country. In order to advance these causes, Renner employed a number of different approaches encouraging always a state treaty and independence for Austria. In order to achieve this objective, he offered historical reasons for such, argued that the prevailing attitude in Austria was anti-Anschluss, and maintained that Austrians had demonstrated political maturity. Renner had been a champion of internationalism all of his life, and now in the twilight of it he remained true to his earlier convictions. He felt that the particularism which had triumphed at the Paulskirche in 1848 symbolized also a contemporary danger. He acknowledged that many obstacles needed to be overcome before a true form of internationalism could develop, but he felt the basic course had been charted. In this Renner associated Austria's freedom and her participation in world affairs with the freedom and traditional sovereignty of all small countries.\textsuperscript{15}

Central to Renner's efforts to convey the necessity for Austrians to accept and believe in a concept of international cooperation was his enthusiastic support of the United Nations. He vigorously endorsed both the ideal and the reality of that organization. Renner reminded Austrians

\textsuperscript{15}Karl Renner, "Austria: Key for Peace and War," \textit{Foreign Affairs}, XXVI (July 1948), 589.
however, that the United Nations would require time to develop, but that the basic idea behind it was destined to succeed. In an address to Austrian youth in October 1950, he admitted that the two World Organizations, the League of Nations, and its successor the United Nations, had not yet succeeded in their efforts to put the world at peace. This should not discourage the youth, however, from placing their trust in the United Nations he maintained. Renner did not believe in 1946 that the world was ripe for internationalism. To some extent World War II had retarded the development of international cooperation by weakening the moral fiber of both victor and vanquished. In May 1946, he wrote: "It is one of the worst effects of the War that it ruined the morals of the victors as well as the vanquished." The United Nations, however, could protect little Austria in such a world. Moreover, through it Austria could participate in the world economic "new deal." Renner tried with mixed success to convince the world press that Austrian economic interests would be served best by retaining an independent and autonomous status under the United Nations.

16 Renner, Fuer Recht und Frieden, p. 181.

17 Protokoll Book, 3375: 1946.

18 Ibid., 1333: 1947. One observer remained emphatic that Renner "never believed" in a truly independent Austria: "Like many Austrians, Renner never believed that a truly independent Austria was viable. Every since 1918, he had been convinced that she could survive only as a member of
Renner's faith in an international community of nations extended beyond the concept of the contemporary UNO. He envisioned a world government that would possess certain defined powers which it could exercise according to the international laws that would sanction and establish its existence. He supported a legally constituted form of world government that would not, however, diminish the autonomy of any given state, except that the individual state's right to conduct war in order to settle a dispute must be forbidden. Disputes would have to be settled in international courts of arbitration through legal means.19

In an article in the Wiener Zeitung on January 19, 1947, Renner argued that the Nineteenth Century concept of the nation state had served a useful purpose, but for the post-World War II era international common interest must supersede the earlier concept. He identified both Hitler and Mussolini as evil representatives of an atavistic concept of the nation state.20 To buttress his appeal for some form of world government, Renner pointed out that


20Renner, Fuer Recht und Frieden, p. 69.
world-wide communications and trade were realities which made every country and its citizens fundamentally dependent upon one another even for the necessities of life. He attributed much of this mutual dependency to the development of capitalism because it had transcended national boundaries as more "economic imperialists" directed its course. He believed, moreover, that from a growing state of mutual economic dependency some form of world government would evolve. In a speech on October 18, 1946, however, Renner criticized capitalists for ignoring the growing distance between the developed and the less-developed nations.

National imperialism, for Renner, was not only evident in England's domination and exploitation of India, but, also, on a much smaller scale applied to the German-Czech, Maygar-Rumanian, and Polish-Ukrainian situations. Renner believed that this national imperialism violated the idea of self-determination of individual nations. In May 1946, he stated, that the fascist brand of national imperialism had affected not only those nations which had been defeated in World War II, but also the victors, for

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21Ibid., p. 175.


23Renner, Fuer Recht und Frieden, p. 333.
even the latter had demonstrated their ambition to command other nations. He proposed therefore that those areas in the world still controlled by European powers should be given their freedom.  

Austria's key geographical position convinced Renner that it would continue to command an important position in future international affairs. For this reason, he maintained, it was no accident that the occupying forces of the four great powers had met in Vienna. It symbolized the significance of Austria as a cross roads in the path of international peace. Renner conceived it to be Austria's mission to mediate between East and West. No country, he argued, possessed such a wealth of experience in the field of moderating national differences as did Austria. The population, Renner continued, constituted a melting pot of various peoples with a Western cultural foundation, while still a part of the East. In January 1947 he maintained that Austria's future was to provide a territory which would remain free and independent between its five contiguous neighbors. 

24 Protokoll Book, 3375: 1946. Renner's objective probably was to establish some connection between the freeing of the non-European areas with Austria's bid for independence.

25 Renner, Fuer Recht und Frieden, p. 23.


position would also guarantee her continued economic importance to Europe.

Renner envisioned Austria's role in an international order as that of a neutral state which would attempt to promote peaceful understanding among others. He used Switzerland as a model for Austria to emulate, but he cautioned people not to anticipate sudden and dramatic progress in that direction for Austria, for Swiss neutrality had been achieved only after many years and many wars until it was officially recognized at the Congress of Vienna in 1815. An achievement of a truly neutral Austria, therefore, would require time and determination as it had with Switzerland. Renner also drew historical comparisons between Sweden and Austria, since at one time both had been major powers, whose influence had greatly diminished. Their modern function, as Renner saw it, was to remain neutral in order to promote peace and internationalism in the world.

The idea of Austrian neutrality, however, should not prevent Austria from participating in the European

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28 Renner traced the Swiss effort back to the Treaty of Verdun (843) which recognized the separation of Swiss territories from the Western and Eastern Franks.

Recovery Program (Marshall Plan), which had required courage on the part of the Austrian Government, since participation seriously compromised Austria's position of neutrality vis-à-vis the Soviet Union.\textsuperscript{30} Renner, himself, however, did not view Austria's participation in the Marshall Plan as leading toward economic deadlock between Austria and the Soviet Union. To the contrary, he believed that Austria should attempt to establish trade agreements with the Soviet Union as well, and that such a move was vital for Austria.\textsuperscript{31}

Ultimately how far did Renner's internationalism extend? During the inter-war years, he wrote: "In general, where at such points the international interest outweighs the national interest, the international must lead the way of the national."\textsuperscript{32} He cited, as an example, 

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\item Cary Travers Grayson, \textit{Austria's International Position, 1938-1953} (Geneve: Librairie E. Droz, 1953), p. iii. It is interesting to note that a similar situation exists in contemporary Austrian affairs due to Austria's intention in forming a limited alliance with the European Common Market. The Austrian Foreign Minister, Rudolf Kirschlager, has apparently made acceptable concessions to the Soviet Union, for Soviet opposition to it has ceased.

\item Although Austria did not receive a state treaty until 1955, by December 1946 it had the authority from the Allied Powers to negotiate trade agreements with foreign countries. This was necessary given the depressed condition of the Austrian economy. Philip Mosely, "The Treaty with Austria," \textit{International Organization} IV (May 1950), 221.

\item Renner, \textit{Mensch und Gesellschaft} . . . , p. 398.
\end{enumerate}
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highway construction within a given state where the right of eminent domain was exercised in the interests of the general population. Renner recommended that this principle be extended to an international level. He felt that it was "absurd" to allow crucial areas of the world to remain under the sovereignty of individual nations that did not, at times, even possess the qualifications, power, or goodwill to administer these areas in the interest of all humanity.  

Although in principle Renner supported various appeals for European unity, such as Churchill's Pan European Plan, he did not feel that Europe should be unified for the purpose of serving as a "third force" against the two super powers. He felt rather that Europe should be unified economically, then politically, as first steps toward world unity.  

It must be emphasized that Renner's concern for the international community was always tied to his concerns for Austria.

In attempting to influence the democratic attitudes of his fellow countrymen Renner frequently discussed the

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33 Ibid.
34 Protokoll Book, 1885: 1948.
recent fascist and Nazi experiences. He viewed these as historical aberrations within the larger framework of Western history, aberrations which culminated in the epoch of national imperialism. Fascism was a "criminal distortion" of this national imperialism, and it had required the enormous efforts of the Second World War to stamp it out, Renner maintained.\textsuperscript{36} Using this approach, Renner hoped to provide Austrians with some basis for an objective analysis of fascism.

Renner suggested a number of reasons for the success of fascism. He reminded the Austrian people that fascism had masqueraded as society's savior promising to end turmoil and revolution. The fascist leadership had successfully misled the world with its messianic message which, along with the idea of the Fuehrerprinzip, offered a simplistic solution for society's ills. Using a Marxian approach, Renner maintained that this kind of tragedy occurred in a society where no definite class possessed power: in such a society neither of the two main classes, the bourgeoisie nor the proletariat, possessed the strength to govern the other. Consequently, the state apparatus virtually ceased to function, allowing a group which could not be categorized as belonging to either class, to seize

\textsuperscript{36}Protokoll Book, 3243: 1947.
power. This group moreover was not even affiliated with any of the established political parties. The growth of fascism, in other words, could be traced to a group of people attempting to form a class which was not a class, a party which was not a party, to present a platform which was not a platform: what emerged was a very primitive personality cult.\textsuperscript{37} He described, for example, that group which had constituted the fascist-Austrian Heimwehr movement in the following ways: It had consisted of the old officer class which possessed no professional hope or future, of the old bureaucracy which had become disillusioned, and of the agricultural elements which had been exposed to urban industrial pressures during World War I, losing their jobs for lack of skills after that war. This latter group attributed its unemployed status to the Social Democratic Party's monopoly of trade union organizations. Consequently, that group vented its frustration by actively, or indirectly, supporting the Heimwehr. Renner thought it a great "irony" of history that the fascists who had endeavored to destroy the proletariat as a distinct class actually had stimulated the growth of that class. The tremendous physical destruction wrought by the Second World War, together with

\textsuperscript{37} Renner, \textit{Mensch und Gesellschaft}. . ., p. 384.
the loss of great sums of capital, had served to expand the ranks of the property-less. He concluded that the former balance of power between the two great classes had turned in favor of the working class.\textsuperscript{38}

Between 1945 and 1950 Renner emphasized Austria's World War II loses. In an interview on November 5, 1946, he was asked whether Austria had been treated differently from other countries that had been occupied by Germany. Renner responded by stating that the major difference between Austria and the others, was an economic one, i.e., Austria had suffered more than most economically. In occupied lands with "Quisling" type governments, national economic interests were protected but Austria had been absorbed completely into the Third Reich, thereby relinquishing the majority of her assets to Germany. Also, many Austrians had lost their lives under the Nazi regime; Renner estimated that number at 10,000.\textsuperscript{39}

Among the many negative traits of fascism, Renner singled out the \textit{Fuehrerprinzip} as totally incompatible with the needs of modern society. He ridiculed this concept of the divinely-inspired leader whose very person overshadowed the contributions of the people he professed

\textsuperscript{38}Ibid., p. 389.

\textsuperscript{39}Protokoll Book, 7485: 1947.
to lead. Renner claimed that the fascist Fuehrerprinzip with its ritual of hero worship was based on the same notion as that of the old monarchial system.

In contrast to his inability to change the history of the Nazi takeover of Austria, Renner was in a position to affect by his actions the denazification process in Austria following World War II. In his first appeal to the country, as Chancellor of the Provisional Government, he called upon all Austrians to rid themselves of Nazi influence, implying that if they did not do it themselves, the occupying forces would. A special quadripartite denazification bureau was in fact established by the Allied Commission on October 31, 1945. Only in the Soviet sector was the Renner Provisional Government permitted to conduct all investigations. One reason for this Soviet policy

\[40\]
Renner, Mensch und Gesellschaft . . . , p. 386.

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Josef Kocensky, ed., Dokumentation zur oesterreichischen Zeitgeschichte (Wien: Jugend und Volk, 1970), p. 29. This Austrian "Declaration of Independence" was promulgated on April 28, 1945. It was signed by Renner, Adolf Schaerf, Leopold Kunschak, and Johann Koplenig. Renner and Schaerf represented the Socialist Party, Kunschak the old Christian Socialist Party, which became the new Austrian People's Party, and Koplenig the Austrian Communist Party.

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Renner, Fuer Recht und Frieden, p. 14. Also, Heinz Fischer, ed., Karl Renner, Portraet einer Evolution (Wien: Europa Verlag, 1970), p. 389. The Renner Provisional Government promulgated its first denazification law (number thirteen) one week after Austrian independence was declared. In this initial proclamation, all Nazi racial laws and other Nazi legislation were completely abolished. In addition, all laws and ordinances which legally had established the Anschluss were declared null and void. Renner, Denkschrift ueber die Geschichte . . . , p. 26.
undoubtedly stemmed from a Russian desire to inspire confidence in Franz Honner, the Austrian Communist Minister of the Interior in Renner's Cabinet.\(^{43}\)

During October 1945 the Provisional Government ruled that no Nazis would be allowed to serve in the government. Renner thereafter called upon the occupation powers to allow Austrian authorities to re-enter their offices which they had not been permitted to do until that time. In order for Austrians themselves to conduct an effective denazification process, Renner stressed in October 1945, the absolute necessity for the Allied Powers to return the administration of both the prisons and the courts of law to the Austrians. In addition, Renner requested that the post, telegraph, and railroad connections be re-established throughout the entire country in order that Austrian authorities be able to facilitate legal action against war criminals.\(^{44}\)

\(^{43}\)Renner believed that in part this liberal Soviet approach could be explained by the fact that Russians relied on Austrian communists for their information rather than foreign interpreters as the other Allies did. The Russians, therefore, knew that the Austrians were serious about the denazification program.

One of the major tasks confronting the Austrian denazification program was how to reconstitute the country's judicial system which had been decimated by the Nazis. Renner stressed that reconstruction would require time and patience. For example, he emphasized the need to follow proper procedures even for those who had been accused of Nazi connections. And in fact Austria refused to issue blanket prosecutions; individual trials were held.\textsuperscript{45} In order to demonstrate the efficiency of the Austrian denazification program, Renner stated confidently on July 31, 1946 that the Austrian public service was free of all former Nazis.\textsuperscript{46}

February 6, 1947, the Austrian Parliament passed a harsh denazification law (Number Twenty Five). It was stronger than the Figl Government desired, but it was passed in order to appease the Allied Powers. The Law established two major classifications for ex-Nazis: "implicated" and "less implicated" (for those only suspected of Nazi activity or affiliation). The penalties were enforced according to the degree of involvement. But by April 21, 1948, a Parliamentary law lifted restrictions on 487,000 of the nearly 524,000 Austrians, who either had been classified as Nazis, or came under Law Twenty Five in some fashion. The immediate purpose of that amnesty law was to enable those released to vote. All parties supported the policy of leniency for they were all interested in obtaining the electoral support of this substantial number of potential voters. Stearman, The Soviet Union and the Occupation of Austria. . . , p. 90. Therefore, within a period of three years, the major thrust of the Austrian denazification effort had been spent. \textit{Ibid.}

\textsuperscript{45}\textit{Ibid.}, 7485: 1947.

\textsuperscript{46}\textit{Ibid.}, 4971: 1947.
In general, Renner refrained from any close identification with the denazification process for it would have detracted from his efforts to foster harmony in the country. He continued, therefore, to stress that Nazism was not the real danger for Austria, but rather the real threats in 1945-46 were hunger, cold and the possibility of political anarchism. Renner felt essentially that Nazi strength had been insignificant in Austria before the Anschluss, and that after Austria had been delivered from the Nazi yoke, Nazism would again be relatively insignificant. He stressed, however, that the Austrians must eliminate the Nazi past themselves. In 1945 he wrote that "... the number of members and candidates of this party [Nazi] who were really imbued with the spirit of Nazism or acted in the interests of the party was not a very large one. The vast majority were victims of economic, social, or even personal coercion." Renner contended that the overwhelming majority of the Austrian population had been opposed to the Nazis. Based on this assessment,

47 Renner, Fuer Recht und Frieden, p. 46.
48 Renner, Three Months Work of Reconstruction... , p. 9.
49 Karl Renner, Oesterreich von der ersten zur zweiten Republik (Wien: Verlag der wiener Volksbuchhandlung, 1953), p. 233. The following statistics do not support completely Renner's position: A total of 536,000 persons, or 7.1 percent of the population, were registered as former Nazi Party members. Of these 22,729 had been in the S.S. and 61,198 had been in the S.A. The total population of the country was approximately 7,000,000. Grayson, Austria's International Position, 1938-1953, p. 88.
Renner tried to assuage the proponents of a tough denazification process for fear an intensive program would politically and socially fragment the country. In an interview in February 1946, Renner put forth his opinion on the denazification problem:

That this work must be done as quickly as possible we ourselves know best, because only the quick punishment of the real culprits and re-education of the mere followers, making them good Austrians again, can stop a source of uneasiness which would be a hindrance to the work of reconstruction.50

The key word in this statement was "hindrance"; it illustrated Renner's objection to the denazification process, for while he recognized that a job had to be done, he felt it should be completed with the utmost urgency.

Although the post World War II Austrian denazification process might prove successful in the short run, Renner constantly maintained that only through popular education could such a societal menace be permanently controlled. The role of education in Austrian society always remained a subject of intense interest to Karl Renner. In one sense, he conceived of it as the most logical long-term solution to combat such ideological extremes as fascism. On the other hand, he conceived of it in a broad sense which included not only formal educational preparation and opportunity, but, also, the notion that any civilized

50Protokoll Book, 1396: 1946.
country must continue educating its citizenry on current socio-economic developments affecting their daily existence. 51

Education did not only represent the most efficient method of confronting extreme ideologies, but to Renner constituted the best means of instilling the Austrian populace with the democratic spirit. He helped, for example, with the introduction of adult-education programs for all people who demonstrated an interest in them. These were sponsored by organizations such as the Chamber for Workers and Employees (Kammer fuer Arbeiter und Angestellte). They were designed, in the main, to provide the working class population with an opportunity to become informed on current developments in politics and economics. Renner also believed that it was the chamber's solemn responsibility to provide an opportunity for all Austrians to demonstrate their talents and abilities by providing vocational retraining programs as well as some academic experience. The public schools, of course, aided in this, but Renner felt that other channels must be created for genius or talent for the entire community could benefit from these potential contributions. 52

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51 Renner, for example, blamed the results of the 1927 Socialist Party strike and subsequent burning of the Palace of Justice on an inadequate educational system among the rank and file which permitted this breach in discipline.

52 Renner, Fuer Recht und Frieden, p. 293.
Another group addressed by Renner in November 1946 on the topic of education was the youth of Austria with whom he sympathized, for it had been affected by a distorted and one-sided education during the fascist era; it had been deceived by a pernicious system of educational propaganda that had concealed and obscured the truth. For this very reason, Renner understood the skepticism with which the younger generation viewed the adult world. Although Renner did not deny their reasons for this skepticism, he requested that they seek out the positive as well as the negative elements of the past. He charged the students to learn and know their history in order to discover for themselves the reasons for the insanity under which they had been educated. They must recognize the dangers of praising war instead of peace, strength instead of compassion, and the Fuehrerprinzip instead of democracy, i.e., they must strive to create an environment where all might exercise their own philosophical and religious beliefs. Renner reminded the students that it was their responsibility to realize that National Socialism was no improvement upon the type of government offered by Ghenghis Khan. In lieu of dangerous and false allegiances, Renner proposed the following ideals: "... peace, freedom,

cooperative spirit, and work." He called upon the students to contribute their minds, hands -- all of their talents -- to the reconstruction of their exhausted country for much of the arduous task of reconstituting a democratic state in Austria would fall upon the rising generation.

Renner's central intention was to present a clear understanding of what Austria's democratic rebirth meant for the Austrian citizen. He pointed out that every adult Austrian (after the denazification process was terminated) possessed the right to vote for the candidate of his choice, and that the minority party could always become the majority party in a new election. He urged all Austrian citizens to express their political views through their vote, and not through violence as in the past, for it led to civil war. He reminded them that their vote was a right which should be exercised in order to avoid one of the most pernicious enemies of democracy, an apathetic electorate. The Austrian citizen, he maintained, must avail himself also of the various representative chambers which had been constituted in a democratic fashion on all levels of society. Even professional and trade organizations provided the Austrian with an opportunity to

\[54\]Ibid., p. 379.
express his opinion democratically. Through democratic means, Austrians of all persuasions could be heard, and the true will of the people determined.

Closely related to Renner's efforts to popularize historical events and the advantages of a democratic system was his endeavor to instill a sense of confidence into Austrian society after the horrendous experiences of the fascist era and World War II. He understood that if the Austrians were expected to support a democratic form of government they needed to possess a sense of confidence in themselves, in their country, and in their government. By furnishing Austrians with a partial rationalization for their participation in World War II on the side of Nazi Germany, Renner hoped to initiate the growth of a sense of confidence. For Austria, like Germany, after World War II was affected by a national war guilt and this Renner was determined to remove. In a speech in April 1946, he stated categorically: "There was no Austrian State when this war began."

Indeed how could Austria, a land of barely seven million inhabitants, he asked, have been expected to resist the Nazi invasion when it had required the combined forces of the world's most powerful nations five years of

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55Renner, Fuer Recht und Frieden, p. 280.
56Ibid., p. 39.
all-out war to obliterate the disease of Nazism?\textsuperscript{57} Renner held fast to his belief that "Austria should be completely and totally absolved of the responsibility for the war."\textsuperscript{58} In this he differentiated between the illegal acts of individual Austrians and the position of the state during the war. As individuals, Austrians could be held to account for their actions; however, Austria as a nation could not, for it had ceased to exist as a state after the Anschluss.\textsuperscript{59} In December 1945 Renner therefore contested the ambiguous statement on Austrian war guilt in the Moscow Declaration of 1943.\textsuperscript{60} The first post-World War II Austrian elections, which seemed to indicate the workability of the democratic system, demonstrated to Renner the real tendency of the Austrian people: "The results surprised many circles in Austria and most foreign observers; however, no one who knew and understood the Austrian people was surprised."\textsuperscript{61} Renner explained the results by stating that most Austrians had simply retained the same political loyalties which they had held prior to 1934 again in 1945.

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\item \textsuperscript{57} Renner, \textit{Denkschrift ueber die Geschichte} . . . , p. 20.
\item \textsuperscript{58} Renner, \textit{Fuer Recht und Frieden}, p. 181.
\item \textsuperscript{59} Protokoll Book, 5632: 1947.
\item \textsuperscript{60} Text of Moscow Declaration, 1943: See Appendix B page 169.
\item \textsuperscript{61} Jacques Hannak, \textit{Karl Renner und seine Zeit} (Wien: Europa Verlag, 1965), p. 687. The results of the November
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Renner more than anything else appreciated the absolute necessity for Austrians to possess faith in the future of their country in order for Austria to emerge as a democratic state. For seven years the Austrian people had been besieged by anti-democratic propaganda, which accounted for much of the confusion among the people whenever a post-war politician spoke of the advantages of a democratic society. In order to allay apprehensions, Renner continually worked at reinforcing Austrian confidence in future prospects for a democratic Austrian state. In a speech on October 9, 1949, for example, he stated: "The next years, however, are years of destiny. Destiny for the state in its entirety and also for every individual." Although he acknowledged that critics of the democratic system still existed in Austria, he was of the "unshakable" conviction that most citizens of the Republic, after all the bitter memories of the fascist era, freely confessed to the democratic system. Therefore, even though a minority in Austria opposed the democratic system, Renner believed the overwhelming majority of the population would never surrender the post-war opportunity

1945 elections were the following: Austrian People's Party (formerly Christian Socialists) 85, Socialists 76, and Communists 4. Kozensky, Dokumentation zur österreichischen Zeitgeschichte, p. 48.

62 Ibid., p. 102.
for a democratic rebirth. Renner thought that Austria should not feel bound by the past and its misfortunes. He observed, in April 1948, that although a "thousand threads" had connected Austria to the old Habsburg Monarchy, and a "thousand chains" had connected Austria to the Third Reich, Austria could achieve economic freedom and political independence through the industry of its people.63 For Karl Renner, the post World War II period represented a departure point for a new era not only for Austria, but for mankind in general. He envisioned it as the beginning of a new epoch for the human race.64 Although Renner's discourses pertained to a variety of subjects during the years from 1945 to 1950, they really all converged in his vital commitment of achieving a new presence for the Republic of Austria. In this he became Austria's leading teacher, democrat, and visionary.

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63 Ibid., p. 285.
64 Ibid., p. 305.
CHAPTER VII

CONCLUSION

Between the occupation forces and the Austrian people, much subtle and overt animosity prevailed from 1945 to 1950. Renner's conciliatory approach during these years, aiming at reconciling differences between the military occupiers and the civilian population, must be recognized as one of his major contributions to Austrian reconstruction. Renner was also a factor of moderation between the major Austrian political parties, which had had in the past a history of dissension. The inter-war years witnessed a cleavage in Austrian society culminating in the abolition in 1934 of the Austrian Socialist Party by the ruling Christian Social one under Chancellor Engelbert Dollfuss. In spite of the bitter memory of this, Renner and other prominent Austrian political leaders recognized the necessity of transcending the cleavages of the past if the country were to survive. One of Renner's chief objectives, therefore, was to encourage a spirit of cooperation, not only among the political parties, but throughout society at large.

Renner was eminently qualified to promote this spirit of cooperation. He had behind him, for one over forty years of experience as a leading figure in the Austrian
Cooperative Movement. He had also fostered harmony within his own political party during the course of his career. Renner's position as President after December 1945 officially required him to be non-partisan, and this facilitated his efforts to seek harmonious relations between the political parties. In his public speeches, articles, and interviews during the post-World War years, he seldom assumed a position which could be interpreted as politically biased. Naturally, this did not prevent him from promoting his own social-democratic views and these were obviously influenced by his commitment to socialism.

Renner believed that the single greatest internal threat to a democratic society arose from a misinformed public. He proposed a vast expansion of the Austrian education system. From 1934 to 1945, Austrians had not lived under a truly democratic form of government. Consequently, while many Austrians were receptive to Renner's explanations of the democratic process, the Nazi experience had probably made others cynical. Renner understood this "credibility gap" and recognized that the reconstruction of Austria's former democratic institutions would require a tenacious effort.

Perhaps Karl Renner's most significant achievement during these years was to present a positive and viable
hope for the Austrian people who had been deceived by Nazi propaganda. The Austrian citizen was confused and bewildered. Renner's speeches and interviews replaced this confusion with a sense of purpose and confidence in the society's ability to reconstitute itself according to democratic principles. To achieve this objective, he addressed workers, students, businessmen, professional groups and housewives in order to enlist their energy and support.

To achieve his objectives Renner employed a variety of methods, using historical models such as Switzerland and Sweden, stressing the advantages of Austrian affiliations with the United Nations, debunking the so-called advantages of Anschluss with any other country, and supporting all efforts to hasten the reconstitution of the Austrian judicial system. The legal structure of Austria had been thoroughly subverted by the Nazis, and it required time to purge the Nazi element. The law commanded little respect.

Renner's role as an official Austrian spokesman to the world was possibly of equal importance with his efforts to convey democratic ideals to the Austrians. During the years 1945 to 1950, Renner granted scores of interviews that for the most part focused on two major topics, Austria's innocence in the conduct of World War II and the desire to have an autonomous and independent existence
under the protection of the United Nations. It was necessary for Renner to differentiate between Austria's forced participation and Germany's aggression in World War II. He maintained consistently that the state of Austria had ceased to exist in 1938 and had been absorbed into the Third Reich. Renner's stressing Austria's innocence stemmed mainly from his desire to impart a sense of confidence in the people and to convince world public opinion of Austria's desire for peace and independence.

In spite of Renner's prior socialist affiliation and commitment, he refrained from advocating socialist objectives that might have jeopardized Austria's chances for economic and political recovery after World War II. On the other hand, Renner never abandoned his faith in the superiority of socialism over capitalism as a political and economic system. In pragmatic terms, however, he stressed the need for Austria to move gradually toward a democratic-socialist society within the framework of her reconstituted democratic institutions. Renner's post-World War II views on socialism remained remarkably consistent with his earlier socialist ideas. His rhetoric changed slightly, but that probably stemmed from his desire to reach all groups in Austria and to conform with modern terminology as well as to appease the Western Allied Powers. Between 1945 and 1950, therefore, Renner still supported selective nationalization of industry,
comprehensive social insurance plans, municipal housing programs, consumer cooperatives and chambers of workers, businessmen and professional people, but above all else, he called for a return of a socio-economic order rooted in law.

The symbol of Austrian autonomy and independence was, of course the State Treaty granted in 1955, ten years after the end of hostilities. Renner sought to obtain this treaty in both public and private ways, realizing after 1946 that Austria was a "pawn between East and West." In spite of this, Renner seldom failed to demonstrate a sense of optimism with respect to Austria's prospects. He publically criticized the inability of the Allied Powers to reach an agreement on the Austrian State-Treaty question without, however, specifying a particular country--demonstrating again his sense of diplomacy. Renner's attempts to reconcile the views of the Soviet Union and the United States regarding Austria's hope for a state treaty reflected a tradition of mediation which Renner had cultivated over the years. His reputation for moderation had been expressed early in the pre-World War I nationality scheme for the Habsburg Empire and in his appeals for party unity during the inter-war period. Renner's moderate stance, however,
should not be mistaken for lack of determination, for he took decisive attitudes on all the major problems which confronted Austria from 1945 to 1950.
APPENDIX A

State Treaty Conferences

1. London Conference: January 14 to February 25, 1947
2. Moscow Conference: March 10, to April 24, 1947
3. Vienna Convention: May 12 to October 11, 1947
4. London Convention: November 26 to December 17, 1947
5. London Convention: February 20 to May 6, 1948
7. Paris Conference: May 23, June 6, 1949
8. London Convention: July 4, September 1, 1949

A total of 539 days or almost 18 months, of negotiating over the State Treaty.

Taken from Josef Kocensky, ed., Dokumentation zur österreichische zeitgeschichte, 1945-1955, pp. 516-518.
The Governments of the United Kingdom, the Union of Soviet Socialist Republics, and the United States have agreed that Austria, the first free country to fall a victim to Nazi aggression, shall be liberated from German domination. They regard the annexation imposed upon Austria by Germany's penetration of March 15, 1938, as null and void. They consider themselves as in no way bound by any changes effected in Austria since that date. They declare that they wish to see re-established a free and independent Austria, and thereby to open the way for the Austrian people themselves, as well as those neighboring states which will be faced with similar problems, to find that political and economic security which is the only basis for lasting peace. Austria is reminded, however, that she has a responsibility which she cannot evade for participation in the war on the side of Hitlerite Germany, and that in the final settlement account will inevitably be taken of her own contribution to her liberation.

Taken from: Rundbrief, Hersausgeben Vom London Bureau der Oesterreiche Sozialisten, January 1944.
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   It contains 978 entrees, most of them authored solely by Renner, a prolific writer, who in addition to publishing a large number of books and pamphlets, wrote a major newspaper article virtually every week of his life.

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