

**Condemned to success: The 1945 transitional government in  
Austria**

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## Introduction<sup>1</sup>

In April 1945 Austria declared independence from Nazi Germany that had occupied the country in 1938. Although Hitler had received a warm welcome by many Austrians then and Austrians were generally willing to serve in the Germany army that devastated much of Europe, the Allied in their Moscow Declaration of 1943 had recognized Austria as the first victim of Nazi Germany. Consequently they also made clear that the post-war order would see Austria's revival as independent state. This declaration provided the external parameters for the transitional government and conveniently met the current preferences of the Austrian political leaders who all had thought of themselves as belonging to the German nation in the pre-war time. The declaration of independence was signed by State Chancellor Karl Renner and the chairmen of the three political parties that were able to establish themselves and managed to get the approval of the Allies, i.e. the Socialist Party (SPÖ), the People's Party (ÖVP), and the Communist Party (KPÖ). These parties then stuffed the transitional government, the Provisorische Staatsregierung, that was in office between 27 April and 20 December 1945 and which is the subject of this paper.

In this highly provisional paper I argue that the 1945 provisional government represents a case of a highly *successful* transitional institution. What makes this government successful is that it indeed laid the foundations for Austria's post-war success. Given the chaotic situation in 1945, the shadows of the past and the shadow of a possible Soviet future this success was all but self-evident. While the struggle continued when the transitional government left for the first regular post-war cabinet, the rails to success had been laid.

The shadows of the past reached back to the breakdown of the Habsburg empire. The disintegration of the multi-national empire had by default created a new state, the Republic of Austria, that was considered not viable by all relevant political forces. The parliament therefore had unanimously agreed to join Germany, what in turn was rejected by the Entente. Although not entirely unhappy, the First Republic experienced economic crisis and political turmoil. The economic crises of the 1930s led to unprecedented mass unemployment, with

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<sup>1</sup> This paper is based on a larger German language manuscript that carefully documents all empirical claims made here in 342 footnotes, drawing on primary sources and the relevant literature. Notes and references will be inserted in a later version of this paper.

about a third of the workforce out of labor and most of the workers left without unemployment benefits. The political crisis unfolded gradually after the breakdown of the initial all-party government in 1919 and the subsequent grand coalition government in 1920. The militarization of political conflict and the escalation of political violence, peaking in the 1927 Vienna riot that was ended by unnecessarily brutal police action, paved the way to the bourgeois government's coup in 1933. Exploiting a loophole in the parliamentary rules of procedure, the government declared that the parliament had dissolved itself permanently and continued to govern by decree. In 1934 the Social Democrats belated attempt at forceful resistance against the quasi-legal building of a dictatorship led to a short civil war that ended with the triumph of the government. All organizations of the left were made illegal, their leaders persecuted. Even the most moderate, who were to play leading roles in the post-war period, were imprisoned for months. While the precise character of the 1934–38 regime remains a matter of controversy (Fascism modeled after Italy, or Fascism with strong leanings to the Catholic Church, or traditional authoritarian regime) it certainly was a dictatorship (though a relatively mild one if the body count is taken as the base line). This regime in 1938 was followed by the Nazi regime. The Nazi party had made substantial inroads in the Austrian electorate already in the early 1930s and historians estimate that it would have won up to 30 percent if elections were to be held in 1934. While historical research shows that this initial enthusiasm for Nazism soon weakened, the transitional government inherited a population including roughly 500,000 card-carrying members of the Nazi party (out of roughly 4.5 million adults), not counting their relatives.

The chaotic and challenging situation in 1945 initially meant that the war was still going on a few miles out of Vienna. After the German capitulation in May it meant that the country was zoned and occupied by all four victorious allies who were increasingly divided. The zoning and the war damages implied that communication with other parts of the country was difficult. The government also had to face problems of scarcity, as food and fuel were in short supply, a third of the housing severely damaged or destroyed, and industrial production had largely broken down.

The shadow of a possible Soviet future constituted another challenge that was mastered. In contrast to its Eastern neighbors Austria did not fall victim to Communism, nor was it divided

as Germany or had to accept a “special relationship” with the Soviet Union as Finland. The solution eventually found in 1955, permanent neutrality modeled after the Swiss case and some payments to the Soviet Union, were a good price for liberty and independence. Obviously, this was achieved long after the transitional government had left office. However, the decisions made by this government (against some internal resistance of the Communists) were crucial for keeping this pleasant option open for Austria. While grand strategy of the Soviet Union certainly was important for that outcome, the same is true for the internal struggle against Communism. In the first post-war decade, Communism had to face several defeats in Austria. Yet, the most important one happened already in 1945. The transitional government, or rather the Social Democratic and Christian forces within it, managed to keep in check the Communists in the transition period, establish democratic institutions, and defeat the Communists decisively in the first election in November 1945.

Thus, after the economic and political disaster of the inter-war years, the provisional government is the beginning of what turned out to be a tremendous success story. It was possible to overcome the burden of history and to introduce cooperation between the enemies in the 1934 civil war. Austria is now a stable democracy and one of the world’s most wealthy countries. It is hard to see how this could have been achieved without the crucial decisions made by the provisional government. Of course, not all was settled once and forever in the short lifetime of this government, but the tracks had been laid which needed to be followed in the years to come.

Finally, the success of the transitional government can also be seen from the further careers of its members, as it contained two future presidents (Karl Renner and Adolf Schärf), two future chancellors (Leopold Figl and Julius Raab), several long-term cabinet ministers, three future presidents or vice-presidents of parliament (Leopold Figl, Johann Böhm, Karl Waldbrunner), and a number of men who would fill important economic jobs.

In the remainder of this paper I first describe the setting up of the provisional government, the institutional framework in which it was embedded, and its internal rules. Then I briefly discuss the transaction costs involved in the transition and whether it compromised democracy or justice. A brief conclusion follows.

## The Provisional Government

The provisional government resulted from two processes that were started independently but soon united. It was Karl Renner, the most important leader of the Social Democrats' right-wing in the inter-war period, who started the more glamorous process. Renner had been the founding Chancellor (Prime Minister) of the First Republic and the President of its last parliament, which, with Renner's active participation, without intention had played into the government's hands by "dissolving itself". Having survived the war in the countryside of the part of Austria first to be reached by Soviet troops, he got in contact with the local officers and demanded a message to be sent to Josef Stalin. He won the Russian support for government formation but maintained that his formal recognition as the government formateur needed to come from Austria. For that purpose Renner got in contact with individual Social Democrats and Christian Socials. With regard to the Christian Socials he contacted a former Minister of Finance, Josef Kollmann. In his letter Renner recalled the wrongdoings of what he described as a clique among the Christian Socials and required that these people would play no political role in the new republic, but offered cooperation with the rest. While Kollmann were not to come to play an important role in post-war politics, the Social Democratic addressee of Renner did. It was Adolf Schärff, soon to emerge as Vice-Chancellor of the provisional government and leader of the Social Democrats. Schärff had already begun to revive the Social Democratic Party, now Socialist Party (SPÖ), and he was already in contact with the new leadership of the Christian Socials, who now called themselves People's Party (ÖVP). The Austrian Communist leaders, coming from Moscow, had already introduce themselves to the two other parties. They had credibly claimed that the Allies, but the Russians in particular, would expect these parties to cooperate with them. When the Communists learned about the role Renner was going to play, they were all but happy and sent a messenger back to the Soviet capital, who however failed to get revised Stalin's decision of supporting Renner's ambitions.

Although it was clear from the very beginning that a three-party cabinet under Renner would be formed, some thought was given to how this could be legitimized. Renner's first plan was

to call in, as its president, the last democratically elected parliament. Yet, this would have been a time-consuming enterprise of limited prospects as no one would know how many of the MPs or their substitutes were still alive (15 troublesome years after the election), where they would live, and how they could be found and brought to Vienna. The Austrian Communists also rejected this idea, as they were not represented in that parliament and, according to Renner's plan, would have received the seats of the German national parties and the Fascist Heimwehr. The Communists suggested to bring into play the last Federal President, Miklas, who would appoint a new government and then resign from his office. This was an idea clearly unacceptable to the Social Democrats, given that Renner had named "President Miklas who had sworn a false oath" as one of those totally discredited Christian Socials, with whom the Social Democrats would never cooperate, in his very first contact with the Christian Socials (letter to Kollmann). Eventually, it was the theory of party democracy that provided the legitimation of the provisional government. As the last parliament was based on democratic parties, these parties (more precisely those that had not sold out to Nazism) could act "as the creators for their creation" (i.e. the parliament) (Renner 1945a: 22).

Having settled for this principle, it was not totally clear what parties would emerge. To be sure, there were the Social Democrats, the People's Party, and the Communists, who could make the credible claim that their support had considerably increased since the last democratic election in 1930. Indeed, many Social Democrats who had been disappointed with their own party's performance in the fight against Fascism had joined the Communists. In the last parliament there was also the Greater German People's Party that had turned out a willing victim for conversion to Nazism and the Heimwehr that was seen as the core of Austrofascism.<sup>2</sup> Both were considered fully discredited and disqualified for democratic politics. However, there had been the Landbund, a smaller agrarian party with German national outlook but allied with the Christian Socials in the last years of the First Republic. Clearly, it was no more discredited than the Christian Socials themselves. Having a second bourgeois party would have compensated for the split of the left in Social Democrats and

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<sup>2</sup> Note that although the term "Fascism" is contested as a label for the 1934–38 Austrian regime, it is generally accepted for the Heimwehr.

Communists. For these reasons Renner planned for a four-party government until he learned from the People's Party that the remainder of the Landbund had joined their ranks.

While the main parameters of government formation were uncontroversial among the actors, the actual allocation of portfolios was a contested issue. Initially, Renner offered the Communists one (out of nine) full cabinet position (it seems that Renner's choice would have been the Ministry for Reconstruction). However, the Communists rejected this plan. Rather they demanded control over the Ministry of the Interior and the Ministry of Education & Public Information. This claim was eventually accepted upon Soviet pressure. However, handing over control over the police forces and the organization of elections to a Communist was considered risky. Therefore, the following construction was created for most of the individual ministries: each party would be represented either by the minister, called Secretary of State to emphasize the government's provisional character, or by a junior minister, called Undersecretary. While the ministries would remain monocratic institutions, with the minister at the helm, all parties would be fully informed and in the case of disagreement could appeal to the full cabinet. With regard to the Chancellor, each party would get a deputy, a Secretary of State without portfolio. They would step-in for the Chancellor in the order chosen by the Chancellor (which was SPÖ, ÖVP, KPÖ). Together with the Chancellor, they would form an inner cabinet, the Political Cabinet. The Provisional Constitution, soon to be enacted, gave the Political Cabinet collectively all the powers the Federal President held under the 1929 Constitution. These rights included the notification of laws enacted by the provisional government, representing the Republic of Austria internationally, appointment of government employees, and granting pardons.

Given the plethora of Undersecretaries, the provisional cabinet was the most numerous in the history of the Austrian Republic. Initially, it consisted of 34 members (Table 1).

Quantitatively, there was full parity between the Social Democrats and the People's Party. The Communists were short of one Secretary and one Undersecretary. The Social Democrats held the Chancellery, which clearly was the most important department (also in charge of building up an army and foreign affairs), and the portfolios of Social Affairs and Food Supply, the People's Party was in charge of all economic portfolios, and the Communists held the Interior and Education & Public Information ministries. Yet, Renner had made clear that

this distribution of portfolios was even more provisional than the government, as it were to be changed once the western *Länder* (states) were liberated from Nazi rule and under the provisional government's rule.

Table 1: Party composition of the provisional government until the conference of the *Länder* (4 May – 26 September 1945)

	Chancellor	Secretaries	Undersecretaries	Total
SPÖ	1	3	7	11
ÖVP	0	4	7	11
KPÖ	0	3	6	9
Non partisan*	0	2	1	3
Total	1	12	21	34

\* One Secretary leaning toward the SPÖ (Justice) the other leaning toward the ÖVP (Finance).

When the provisional government assumed office on 27 April 1945, with the courtesy of Soviets, it could claim control of Vienna and a large part of the eastern part of Austria. After the battles had ended, the western parts of the country were occupied by the Western Allies who did not recognize the Renner government and for that reason denied its jurisdiction over the territory under their control. Even the Soviets had refrained from legally acknowledging the provisional government, though that was a gesture towards their Allies rather than the expression of distrust. In contrast, the Western Allies initially thought of Renner as a Soviet puppet and distrusted a government in which the Communists were in charge of the police forces and the organization of elections. While their judgment of the Renner cabinet improved once contacts were established, the Western Allies remained deeply concerned about the Communists' influence.

Simultaneously to the establishment of the provisional government the old political structures were revived at *Land* (state) level, with remarkable parallels between the Soviet occupied

eastern part and the western parts of the country. On the one hand, the Social Democrats and Christian Socials revived their party organizations. Both recognized the leadership of their party comrades from the east and used the new labels. On the other hand, provisional *Land* governments were formed that, with one non-partisan exception, replicated the joining of forces of the two traditional camps that had occurred at the national level (the Communists were much weaker in these *Länder*). Yet, the contacts between the national and the *Land* governments remained difficult, infrequent, and informal until the *Länder* conferences were set up as a mechanism to link the national government to the *Länder* in September 1945. Party conferences of the SPÖ and ÖVP preceded and prepared the first *Länder* conference. The *Länder* conference comprised the top party politicians of all nine *Länder*, a total of 80, and the provisional cabinet. One of its tasks was to renegotiate the composition of the cabinet and the tasks of its members. Now the recognition of the provisional cabinet and the extension of its jurisdiction over the *Länder* under Western control were at stake and could be traded against concessions with regard to these issues. Table 2 summarizes the resulting cabinet reshuffle in quantitative terms. More important, however, were the changes in the Ministry of the Interior: here a second ÖVP Undersecretary was appointed who was made the head of a new committee. The committee consisted of two ÖVP, two SPÖ, and one Communist representatives. It alone assumed responsibility for the organization of the elections. In addition to that, all security issues were to be referred to and unanimously decided by the committee. Hence, in effect the monocratic ministerial organization was replaced by a fully collegial one with respect to the most important tasks of the ministry.

Table 2: Party composition of the provisional government after the conference of the *Länder*  
(26 September – 20 December 1945)

	Chancellor	Secretaries	Undersecretaries	Total
SPÖ	1	3 (3)	8 (7)	12 (11)
ÖVP	0	5 (4)	9 (7)	14 (11)
KPÖ	0	3 (3)	7 (6)	10 (9)
Non partisan	0	2 (2)	0 (0)	2 (2)
Total	1	13 (12)	25 (21)	39 (34)

Note: Figures in parentheses report the party composition before the conference of the *Länder*.

Once the provisional government had assumed office it gave itself the rules under which it was to work. These were the Statute of the Government (rules for the conduct of government business) and the Provisional Constitution that was passed in the cabinet's 6<sup>th</sup> meeting on 13 May 1945.

The Statute of the Government had never been formally adopted by the cabinet. Rather it had been imposed on the cabinet by the Chancellor as provisional rules of procedure. However, despite some announcements of the Chancellor to the cabinet that draft rules of procedure were soon to be discussed, the Statute remained the only document regulating the internal conduct of government affairs. While the legal character of the Statute is not fully clear, the analysis of the cabinet minutes shows that conflicts were indeed resolved by the means provided by it. The cabinet decision rule, as formulated by § 8 was “decision formulated by the Chancellor according to the result of the debate”. Majority decisions were explicitly ruled out. The formulation “according to the result of the debate” suggests that the Chancellor could not single-handedly overrule the majority. However, together with the explicit statement that decisions would not be made by majority, it gave the Chancellor much leeway. And Renner was the man ready to use it, whenever it seemed appropriate.

The government parties had different opinions concerning the Constitution. The Communists were in favor of working out a new Constitution. Renner and the left wing of the SPÖ were in favor of going back to the 1920 Constitution, thus undoing the constitutional amendment of 1929, the acceptance of which was an unsuccessful attempt of the Social Democrats to appease the political right. Schärf and the majority of the SPÖ were in favor going back to the Constitution of 1920 as amended in 1929 and leaving untouched all ordinary legislation that was passed until the government's coup in 1933. This also was the preferred outcome of the ÖVP. Renner eventually accepted this pragmatic solution, which allowed for the claim of a perfect legal continuity, once the two intervening dictatorships were treated as not having affected the legal order. The greatest advantage of this strategy was, of course, that the constitutional question would have been settled. Unfortunately, the 1920/1929 Constitution could not be implemented at the time being. Therefore a Provisional Constitution was to take its place until the conditions allowed the return to the regular Constitution. The Communists upheld their claim for working out a completely new Constitution, but when Renner asked them to either accept his proposal or resign from the cabinet, they submitted to the Chancellor. The Provisional Constitution was passed on 15 May but dated back to 1 May. It fixed the cabinet structure, as it had already emerged from the Renner's proposal and subsequent party interactions. Moreover, it named the Provisional Government as the sole legislative institution, combining the powers of cabinet, parliament, and head of state. Outside the Austrian constitutional framework, the Allies constituted a strong constraint. Only when the *Länder* conferences were established in an ad hoc manner in September 1945, an informal domestic constraint was added. To be precise, we have to contrast the constitutional claim of the provisional government to enact legislation for all Austria with its de facto powers, which initially limited the force of these laws to the Russian zone. Only when the *Länder* conference approved, after review by the individual *Länder*, the legislation passed by the provisional government, the constitutional claim to govern the whole country was realized. Only in a few cases the conference demanded changes that were then agreed with the government. The most important change affected the Provisional Constitution, which had given the provisional government the legislative powers of the *Länder*, normally to be exercised by the *Land* diets. These were now ceded to the provisional *Land* governments, while maintaining a right for the provisional cabinet to step in if urgently required. At the same time the cabinet declared that it would do so restrictively and, if possible, not without prior contacts with the affected *Länder*.

Once the *Länder* conferences had been established, they were charged with deciding those issues that were not agreeable in the cabinet. Empirically, the most important case was the exclusion of registered Nazis from the first elections in November 1945. This was one of the few decisions that were taken by the Social Democrats joining forces with the Communists.

## **Transition Costs**

### *Transaction Costs*

Building the provisional government and the Provisional Constitution was not without transaction costs. It required working out and negotiating between the parties a Constitution for the transitional period (plus separate laws for making the transition from and to the permanent Constitution), negotiating a cabinet, providing the cabinet with rules of procedure, and eventually designing the *Länder* conferences in an ad hoc manner. In evaluating these costs we must first ask whether there would have been an alternative and whether that would have been desirable. In both instances the answer is “no”. Given the situation in April 1945 it would not have been possible to return to the Constitution of 1920/1929 in more than a formal sense (as it was done). Working out a new permanent Constitution under these circumstances was even less feasible and desirable. Provided the need for transitional institutions, transaction costs were kept low. This can be seen from the number of days required for government formation (only 7 days, counting from Renner’s arrival in Vienna until assuming office on 27 April 1945), from the swift handling of the constitutional issue, despite the fact that it was controversial between the parties (the Provisional Constitution was discussed and accepted in one cabinet meeting), and from the swift and pragmatic integration of the *Länder*. Yet, this did not come at the expense of effectiveness. The achievements of the provisional government and the actual conduct of business demonstrate that the provisional institutions worked. The transaction costs for the system could be kept to a minimum because a great part was born by one political entrepreneur, Karl Renner, who had begun to develop his masterplan for transition in his “internal emigration” under Nazi rule. Renner, in turn, could draw on the experiences of the transition after the breakdown of the Habsburg Empire in 1918 (his first experience as Chancellor).

### *Compromising democracy?*

Was the transitional regime in 1945 compromising democracy? Strictly speaking, the provisional government was unelected. The Communists who never had won more than 0.5 percent of the votes in a democratic election figured prominently in the cabinet (Table 3). And having the support of the Soviet troops did not necessarily make the provisional government trustworthy. Moreover, the government granted itself unprecedented powers, including the right of making constitutional law, and it remained unchecked by parliament, head of state, constitutional court, or audit office. All this amounts to the nightmare from both a popular sovereignty and checks and balances perspective. Yet, in the short run there was no better alternative and the details of the provisional government's setup tried to compensate for some of these shortcomings. To begin with, the government from the very beginning aimed at elections as soon as possible and indeed managed to do so. The elections on 25 November 1945 were held seven months after Austria had reestablished itself as an independent state and only two months after the eastern and western parts had taken up their formal attempts at unification. Indeed, the Austrian elections were among the first in the countries liberated from Nazi rule. And there was no doubt that these were free and fair elections, at least with regard to the fortunes of the three licensed parties (see below).

The setup of the provisional government was an attempt to compensate for some of its democratic liabilities. As already mentioned, its assuming power was legitimized by reference to party democracy and by drawing on the current leaderships of the parties that had dominated the last democratically elected parliament. Admittedly, this attempt was complicated by the presence of anti-democratic and now fully discredited parties in the inter-war parliament and the real power relations in April 1945. Admittedly, it was impossible to know the strength of parties if elections were held at the time of government formation. Nevertheless, Table 3 indicates that the Communists clearly exploited their strong bargaining position.

Table 3: Party strength in the 1930 elections, the provisional government, and the 1945 elections (in percent)

	1930	1945 (government)* (before / after the first <i>Länder</i> conference)	1945 (elections)
SDAP / SPÖ	41.1	35 / 32	44.5
CSP / ÖVP**	35.7	35 / 38	49.7
KPÖ	0.6	29 / 27	5.4
Others***	22.6	–	0.4

\* Excluding non-partisan appointments.

\*\* As mentioned in the text, the ÖVP incorporated parts of the Landbund, which had won six percent of the votes in 1927, when it run separately for the last time. In 1930, it had a joint list with the Greater German People's Party, but later sided with the Christian Socials.

\*\* With the exception of Carinthia, the Allies allowed only three parties to run in the elections.

Comprising 34 and later 39 members, the provisional government was an attempt to be an executive and a representative institution at the same time. While the concern for party representation dominated, some attention was also given to geographic representation. To some extent the provisional government compensated for the absence of external checks and balances by its internal organization. As we have seen, the Political Cabinet substituted the head of state. The fact that this was internal to the provisional government was compensated by the all-party character of this body. Given the inclusiveness of the provisional government, the absence of parliamentary control was partly compensated by the internal control by Undersecretaries of parties other than that of the respective Secretary within each government department and by having the full cabinet as an appeal body. After two thirds of the provisional government's lifetime, the *Länder* conferences were added as an external check. Finally, the provisional government presented its record to the newly elected parliament. Thus, eventually an ex post accountability mechanism was in place and it had been anticipated from the very beginning. Provided that the members of the provisional government had the ambition to continue their careers, this should have been quite effective.

Finally, it may be worth considering the long-term consequences of the transitional government in having three “historic” parties, i.e. parties that existed before and indeed founded the Second Republic. In other words, how shall we evaluate the facts that government participation and electoral competition was confined to three parties in 1945? In a short-term perspective, the three “historic” parties may indeed have provided the supply of parties that was in demand (leaving aside a party representing the Nazis). The left wing of the Social Democrats, which had split from their party in 1933 and had upheld resistance against the autocratic regime in the 1934–38 period, joined the Social Democrats (who from then on called themselves “Socialists”) before any attempt at government formation. The largely bourgeois resistance movement O5 was integrated in the People’s Party, with one of its leaders, Raoul Bumballa, becoming a rather ineffective Undersecretary in the provisional government. To the extent that the Landbund (Rural League) was able to raise its voice in 1945, it was also integrated in the People’s Party. However, the two subsequent elections in 1949 and 1953 saw an outburst of parties crossing the threshold of candidacy (Müller 1997: 224). In 1949 the second traditional non-Socialist camp reestablished itself as the League of Independents (VdU). In addition to upholding German national sentiments and fighting anti-Nazi legislation, its rationale in the party system was to give a voice to criticism of the two-party division of all possible spoils in the famous (infamous) *Proporz* system of the ÖVP and SPÖ. While the VdU could draw on older structures and networks, no other party was able to establish itself in parliament before the emergence of the Green cleavage in the 1980s. Did this reflect the true demand or was this due to the advantage at the starting gate that the “historic” parties enjoyed? The parties represented in the provisional government indeed began dividing the country among themselves, a pattern that was “perfected” under subsequent grand coalition government of the ÖVP and SPÖ. *If* the provisional government had any detrimental effect on democracy, it probably was this allocation of resources and the resulting structuring of the party system.

### *Compromising justice?*

Finally, did the transitional government provide incomplete justice?<sup>3</sup> Recall, that it had to cope with the legacy of two dictatorships, the 1933/1934–38 authoritarian regime and the subsequent Nazi rule. The provisional government built on the belief that these two dictatorships were different and needed to be treated differently for reasons of principle and out of practical considerations. While initially many Social Democrats had considered Nazi rule the lesser of two evils, this no longer was the case in 1945. The People's Party, in turn, recognized that the bourgeois dictatorship was nothing to be proud of. Rather it should be forgotten as soon as possible. While the Social Democrats were not willing to get the bourgeois side away that easily, they recognized that it was impossible for practical reasons to deal with both dictatorships at the same time and that the Allies did not care much about the pre-Nazi period anyway. So, as we have seen, all they did was to demand that the Dolfuss-Schuschnigg<sup>4</sup> clique would be excluded from politics. In applying these standards to the leaders of the People's Party the Social Democrats were not particularly nitpicking, as all ÖVP leaders until the 1970s had played some role in the 1934–38 regime. Julius Raab, the most important post-war leader of the ÖVP, had been a Heimwehr commander and had served in the last Dolfuss cabinet in 1938 as a representative of the regime's Christian Democratic core (note that the cabinet already contained some Nazi ministers forced upon Dolfuss by Hitler). While more prominent members of the 1934–38 regime initially played some role in building up the People's Party, they were sacked once the ÖVP had fully integrated the Catholic Conservative camp of the inter-war period, and with the November elections approaching. Applying the realistic standards mentioned above, SPÖ leader Schärf commented on the sacking of the old guard in private: "The People's Party has come to a rather radical end with the past. All people, who have been associated with the Dolfuss-Schuschnigg course, have been eliminated." (cited from Müller 1999: 201). However, the ÖVP never ceased to show some loyalty towards these discredited politicians what, in turn, led to the occasional outburst between SPÖ and ÖVP over the following decades.

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<sup>3</sup> See Elster (2004) for a sophisticated discussion of these issues.

<sup>4</sup> Engelbert Dolfuss established the authoritarian regime and put down the Social Democratic uprising in February 1934, and Kurt Schuschnigg succeeded him after he was murdered in an attempted Nazi takeover in July 1934.

Overall, there was no serious attempt to hold inter-war politicians of the bourgeois camp to judicial account. Nor was it accepted by the ÖVP that there was a case for so doing. The ÖVP tended to consider Dolfuss et al. just one step ahead of the radical Social Democrats in replacing parliamentary democracy by a regime more responsive to their partisan demands. While rejecting such interpretations, some SPÖ leaders of the immediate post-war period accepted that the behavior of their predecessors might have given this impression to the bourgeois parties. At a minimum they accepted that the militant Social Democratic rhetoric of the inter-war years made it easy to convince the non-Socialist voters of a threatening dictatorship of the proletariat. As these mass beliefs had remained largely unchanged in the Second Republic, an important precondition for judicial accountability was lacking.

With regard to the Nazi dictatorship, the provisional government was much more united and willing to act. Clearly, the Allies expected swift and thorough measures, but the all three government parties were seriously concerned about justice with regard to the crimes committed by the Nazis. There was the problem of size, however, as together with their families the Nazis amounted to well over half a million people. This in the first instance meant that an administrative solution had to be found. In the second instance the question emerged what effect the marginalization of such a sizable group would have on the economic reconstruction of the country. The anti-Nazi legislation of the provisional government worked from the principles of registering all Nazis but treating them according to their individual guilt (see Stiefel 1981). This legislation turned out difficult to implement. Given the existing administrative and judicial capacity, it would have taken more than a decade to cope with all the registered Nazis individually. The implementation of this legislation initially was confined to the Soviet zone and even after the Western zones came under the jurisdiction of the provisional government's laws denazification was more relaxed there. As we have seen with regard to the issue of the disenfranchising the Nazis, the provisional government took a radical position. However, when it gave way to the first regular government judicial denazification had not made much progress. This was largely due to the idea of individual judicial accountability and the lack of capacity to process the cases. The subsequent government therefore settled for collective punishments, however without giving up the claim to bring individual cases to justice. Ill thought-out interventions by the Allies and electoral

and economic considerations by the Austrian politicians account for an overall result that clearly failed the initial ambitions of the provisional government.

## **Concluding Remark**

The Austrian transitional government of 1945 faced a very difficult situation: the legacy of two dictatorships, Allied occupation leading to the zoning of the country, the latent threat of a Communist takeover, and severe problems of scarcity. Under the leadership of Karl Renner the provisional government managed to cope with these problems. When it gave way to the first regular government Austria had been set on the tracks which eventually led to making it a free, fully democratic, and wealthy country. The paper has described the setup and internal organization of the provisional government. It has also discussed some of the costs involved in the transition to democracy. Transaction costs in the narrow sense remained low. Given the available alternatives, it is hard to see how a more democratic transition might have been possible. With regard to transitional justice, the record looks least impressive. Here the government faced serious constraint, too. In short, the goal of justice conflicted with the goals of building bridges (between the SPÖ and ÖVP), overcoming the hostility of the inter-war years, and promoting the country's economic development (by reintegrating the Nazis). It is beyond the scope of this paper to engage in sophisticated counterfactual analysis with regard to the balance between these goals.