

# 2025

PERSPECTIVE

# Foundations and Institutional Framework of the Wirtschaftswunder: The 1945 to 1965 German Economic Miracle

The Future of Global, Regional, & National  
Development Plans (GRAND)

**CONTACT**  
CSGEF Research Unit.  
SIT Tower, Dubai Silicon Oasis.  
Dubai, UAE.  
T: +971 4 330713  
E: [research@csgef.org](mailto:research@csgef.org)  
W: [www.csgef.org](http://www.csgef.org)

**Disclaimer:**

This document is solely intended for informational purposes. It is not intended to provide policy advice to any government, corporation, academic institution, or organization responsible for shaping economic policies. Its purpose is to offer readers insight into a significant event in economic thought - Ordoliberalism model success story following the German Freiburg School of Ordoliberalism and how Germany's impressive post-war recovery was driven by a meticulously designed institutional framework that harmonized individual freedoms with social responsibilities. It should be noted that various economic beliefs and doctrines, regardless of their alignment with liberal or conservative strains of capitalism, existed before, during, or after this pivotal moment in economic history and had a similar impact. Therefore, when conducting analyses and determining the most effective economic approach and course of action, readers are advised to consider this information.



Paper Type: Perspective  
Paper No. PES-2025- 01  
© 2025. Center for the Study  
of Global Economic Future (CSGEF).  
All Right Are Reserved

Date: 21 FEBURARY 2024

**Keywords:**

Ordoliberalism, German Social Market Economy, Wirtschaftswunder, Ludwig Erhard, Freiburg School

**Overview:** *This Perspective discusses the evolution of Germany's social market economy post-World War II, highlighting the historical, ideological, and institutional frameworks that contributed to Germany's rapid economic recovery and emergence as a political and economic power by 1965. The reconstruction process was characterized by a balance between individual liberties and social welfare, facilitated by the principles of ordoliberalism, which emphasized a competitive market economy free from excessive state intervention.*

*Historically, the reconstruction of Germany involved addressing three primary concerns: establishing a constitutional structure that prevented the concentration of power, creating a socially-oriented economic order, and reforming the financial sector to avoid the pitfalls of pre-war economic cartels. The new constitution, known as the "Grundgesetz" or Basic Law, was adopted in 1949 and aimed to ensure a democratic framework with checks and balances, while also promoting individual rights and social protections.*

*The Perspective emphasizes the importance of federalism in the new German state, allowing for decentralized governance while maintaining national unity. The Basic Law established fundamental rights for citizens and delineated the powers of the federal and state governments, ensuring a balance of authority that would prevent the rise of authoritarianism.*

*From an economic perspective, the social market economy model sought to harmonize free market principles with social security measures. It aimed to create an environment where competition thrived without state interfering while also providing safety nets for the vulnerable. The Freiburg School's ordoliberalism played a crucial role in shaping this model, advocating for a market economy that prioritized individual dignity and social justice.*



Paper Type: Perspective  
Paper No. PES-2025- 01  
© 2025. Center for the Study  
of Global Economic Future (CSGEF).  
All Right Are Reserved

*The perspective also discusses the evolution of Germany's financial system, which transitioned from a concentration of power among a few large banks to a more diversified structure that supported small and medium enterprises. This shift was essential for fostering competition and ensuring that the financial sector operated independently from state control.*

*The social market economy's success was attributed to its ability to reconcile the conflicting ideologies of collectivism and free-market efficiency. The model not only facilitated rapid economic growth, known as the "Wirtschaftswunder" or Economic Miracle, but also established a robust social safety net that addressed the needs of the population.*

*In conclusion, the article posits that Germany's post-war recovery was a result of a carefully crafted institutional framework that balanced individual freedoms with social responsibilities.*

*The principles of ordoliberalism provided the foundation for a competitive market economy, while the Basic Law ensured the protection of citizens' rights and social welfare. This unique blend of economic liberalism and social protection has made Germany a model for other nations, demonstrating the potential for a harmonious relationship between market forces and social justice.*



## Introduction

The development of Germany as a political and economic hegemon after the Second World War, relied on historical and normative paradigms that rapidly unraveled a new period of prosperity for the nation after the conflict. Such reconstruction evolved through the harmonization of cultural, and institutional arrangements that positioned the country back as one of third largest economies by 1965 . Among the diverse origins of this process, the following article outlines the relation between ideological, economic and institutional actions that ignited this progression. Especially those principles that permitted the implementation of the German social market economy as a device for harmonizing the decentralized autonomy of the Länder (federate states) and the republic, as well as the values of liberty and social welfare. Finally, the article shed lights on how the theory of ordoliberalism played a relevant role in the reconstruction of the modern German economy.



Paper Type: Perspective  
Paper No. PES-2025- 01  
© 2025. Center for the Study  
of Global Economic Future (CSGEF).  
All Right Are Reserved

## Brief historical context

Before the end of the Second World War, three major political concerns dominated the discussions on the reconstruction of Germany after the conflict. One central issue was the constitutional structure of post-war Germany, which needed to be harmonized with a system of checks and balances to prevent future threats posed by the concentration of power in the executive branch. On this matter it was acknowledged that the form of government would play a crucial role in determining both the success and the speed of policy-making, as well as the degree of autonomy the economy would have from the state. This aspect of the newly established Germany was shaped not only by the advantages of federalism over unitarianism but also by the ideological and institutional frameworks that supported it. Secondly, among the various ideological perspectives on the economic model of the post-war period, it was essential to outline the structure of a new *socially-oriented* economic order. This was driven by the need to redefine and harmonize constitutional protections for private property with the principles of a competitive market economy that included the provision of social security. Amid these discussions, it became essential to reconstruct the financial sector by assessing the validity of two primary models. One model favored a streamlined structure of financially autonomous institutions, like those found in the United States or the United Kingdom. Or a different one in which the historical German bank institutional structure may play a dynamic role. Moreover, it was imperative to avoid – during the demarcation of the boundaries of these future arrangements- the potential influence of economic cartels that characterized part of the prewar economic history, while at the same time, ensuring an economy free of state controls in the aim of acquire an inner *spontaneous competitive order*. Finally, it was indispensable to allow the encompassment of a new institutional and juridical regulation, without affecting the incentives of a free trade competitive market. Such goal was oriented to permit a price system free of gridlocks, without state intervention, ensuring long term stability and prosperity for all members of the German society.

These three goals could be appropriately summarized in the words of Alexander Rüstow, one of the leading economists of the German economic reconstructions during the first half of the 20th century; “*The Social Market Economy must be the servant of humanity and of trans-economic values. All social, ethical, cultural and human values are more important than the economy, yet the economy must prepare the ground for their fullest development*” (Konrad. 1980. (21/50).



Paper Type: Perspective  
Paper No. PES-2025- 01  
© 2025. Center for the Study  
of Global Economic Future (CSGEF).  
All Right Are Reserved

## An approach to the institutional framework of the post war German economic system

The western occupation of the defeated Nazi Germany ignited the necessity to design and implement a new constitution coherent both, with the new political circumstances of the country, as well as with the legitimate need to draft the document addressing national and international appeals to include a democratic perspective. On the midst of the political discussions of the era, the very definition of a constitutional order, demanded the notion of a German sovereignty beyond the influence of the western allied countries. The impossibility of crafting a text without foreign influence led to the elaboration of the “Grundgesetz”, a law that operated as the new institutional and political framework of the nation. The “Basic Law” was also conceived to set the new political administration of the federal German state with a bicameral structure, encompassing the lessons of the prewar era, while assuring a prudent stage of autonomy to each one of the states of the newly federated republic. The law also allowed the independent organization of the fragmented territory of Germany without being affected by the autonomy of the eastern bloc.



Paper Type: Perspective  
Paper No. PES-2025- 01  
© 2025. Center for the Study  
of Global Economic Future (CSGEF).  
All Right Are Reserved

During the discussion, it was understood that one of the main problems of the previous constitutions derived from the asymmetric concentration of power by the executive branch. One of the reasons behind this concern was the fact that the previous political organization of Germany, was not conceived to favor a necessary either *balanced or democratic* participative order. In fact, during the shift from the 19th to the 20th century, it was suggested that before the Weimar constitution -as it was noted by Carl Friedrich-, the “*German Empire (...) was not meant to be a democracy. Its constitution retained the separation of powers traditional in the German constitutional monarchies*” which “*led to an amazingly complex structure in which the chief executive was a composite*” (Friedrich. 1933. P, 191).

This historical background was not absent of an ideological pattern that influenced the very political structure of Germany as a whole. Even during the first decades of the 20th century, the influence of the government in the economic and political life of Germany, was uniformly widespread in constitutional terms. This pattern was further related to the idea that interference of the state in public matters ought to be legitimized by dictatorial power, rather than authority power. An issue that was warned in somewhat naïve terms, when it was suggested a few years before the Second World War that with the drafted constitution, “In any case, Germany will remain a constitutional, democratic state with strong socializing tendencies whose backbone will continue to be its professional civil service”.

Such institutional background was not absent of influencing the very notion of the economic order of the country. The overwhelming power of the state was also linked to the idea of a collectivist and social economic structure, in which it was natural to approve the interference of the central government in conducting the production apparatus of the nation and the overall private relations of the population. Decades before, some intellectuals even considered the implementation of a political order called democratic socialism. Moreover, during the discussion on the definition of the post war era, centralist politicians put into question the capacity of each one of the economies of the federative states to try to conduct their economic duties without interference of the central government, ignoring the historical notion of the German unity that characterized the country as a cultural and political entity. Unlike the case of the United States, overtime however, the federalism of the Grundgesetz, demanded the notion of a country as a political unity. One that occupied a leading character even after the German unification in 1989. As such, though German federalism was considered for a the recovery period an apparently sluggish regime, for others signified an effective and secure policy making regime able to avoid the effects of poverty, hyperinflation and scarcity in the long run.





In exactly 4 years after the Germany unconditional surrender, on May 8, 1949 the fundamental law was adopted in Bonn. The diverse provisions imposed by the western allies were contained in the occupation statute, which complemented the basic law from which the configuration of the new German federal republic was built. In a relevant distribution of the content, chapter one includes all the main fundamental rights of the citizens, the principles of the inviolability and liberty of the people, personal freedom, human dignity, freedom of movement, inviolability of the home, property rights, equality before the law, freedom of assembly of association, inviolability of the home, property and the right of inheritance among others. What is relevant of the same chapter, is that at the same time, it also included regulation in issues like school education under the supervision of the state (Art.7), expropriation for the public good “by or pursuant to a law that determines the nature and extent of compensation” (Art, 14.3), and socialization of land, natural resources and means of production (Art, 15). These two apparently ideological contradictory trends, were however well matched in a way in which the further institutional provisions guaranty a limit between the boundaries of the state and the freedom of the German people, both in a political, as well as in an economic sphere.



Paper Type: Perspective  
Paper No. PES-2025- 01  
© 2025. Center for the Study  
of Global Economic Future (CSGEF).  
All Right Are Reserved

Section two to section nine relate to the configuration of the newly created federate state of Germany. Two elements are of main importance, on the first place that associated with the construction of an horizontal political sphere, in which the diverse branches of the public power are arranged independently in a way in which neither the *Bundesrat*, as well as the *Länder* overlap each other structurally. As it was addressed in 1949, “Bund and Laender are recognized as each autonomous in its sphere (e.g., Art.30, and 109 re finances). Even though “federal law breaks land law” (Art. 31 as modified by Art. 141), all legislative authority not specifically granted to the Bund is vested in the Lander (Art. 80), and the Laender have the right to conclude international treaties in those fields to which their legislative authority extends” (Friedrich. 1949. P, 9). Finally, the newly created model reduced the power of the president for enforcing the figure of the chancellor, who is elected by the constituents. The equilibrium of power in broad terms is fulfilled by the articulation of the federal government (executive), the

the Bund (legislative conformed by the *Bundestag* and *Bundesrat*) and the Lander (state government). All of them as key fundamental figures of the distribution of power in the newly created republic. Finally, chapter 10, established budget and financial provisions for each one of the state bodies.

From an economic perspective, the new German institutional framework didn't include appeals to the state as an interventionist actor over the market, or the economic relations between individuals. Nor it suggests the existence of a predefined political model for Germany. What it was expected to ensure was essentially a state of affairs in which a strong, stable and well-protected institutional structure, guaranty the rights of the individuals to organize private matters beyond the authority of the government.

The government, however, reserved the right to ensure an environment in which each one of the individuals participated under similar conditions for the benefit of each one of them, and for the benefit of the collective. In words of the president of the government in 1994, the goals of the republic were "*human dignity, civil rights, fundamental freedoms and democracy for the entire German people in a society based on the rule of law tempered by social justice*", in this aim, the former basic law of Germany, aimed to find a path to the construction of "*liberal, democratic, federal and welfare elements*", that enabled the country "*to acquire economic prosperity and social security while maintaining internal stability*".



Paper Type: Post-Positive Summary  
Paper No. PES-2025-01  
© 2025. Center for the Study of  
Global Economic Future (CSGEF).  
All Right Are Reserved

## The path of economic liberalism, social organization and internal stability

The assimilation of the ideas of ordo-liberalism, played a fundamental role in harmonizing the political sphere of the state, with the autonomy and liberty of the individuals. The economic theory developed extensively at the Freiburg school, acknowledges the relevance of an economy free of intervention in which the individual could develop their potential at fullest in an environment when competition, incentive and common prosperity is guaranteed. During the first decades of the 20th century, the diverse political tensions of the German society led to the ideological polarization of the public discourse. On the one hand, Marxism principles ignited discussions about the concentration of economic power by defined actors within the German state, this premise also appealed to the historical background of Germany encouraging an economy docile to state interventionism. One in which it was commonly accepted the formation of cartels and monopolies as fundamental devices for the implementation of corporate economic collectivism.



Paper Type: Perspective  
Paper No. PES-2025- 01  
© 2025. Center for the Study  
of Global Economic Future (CSGEF).  
All Right Are Reserved

On the other hand, in contrast, such appeals to interventionism and collectivism were criticized on the basic ideas of *Laissez fair*. As such, the leading economist that participated in the publication of the Freiburg Economic Journal "Ordo", back in 1948, warned about the consequences of the permissiveness of the authorities with corporate intervention in public matters, as well as the effects of cartels and monopolies over competitiveness. As suggested by Böhm, "*Through cartels the economy was deprived of its essential ordering tools —(were) free prices and competition are based on individual proficiency. It created much malaise in the population and led to increasing attacks on market principles and to ever-growing interventionism*" (Konrad. 1980. P, (21/50)). The assumptions that aroused on the intellectual discussion of the postwar era, lead to conclude that the government must also avoid the maintenance of state monopolies, in a step forward for setting the main enemies of a prosperous free society.

The idea of the implementation of a political and economic model in which the dignity of the people and the maintenance of conditions of free competition were pivotal, lead to what was commonly known as the *German Social Market Economy* model. For many of the relevant figures of the period, what was necessary in Germany, was to maintain the coherent unity of the German society as a whole. As such, though socio political problems were interrelated with economic problems, nor one or the other will be resolved without the implementation of a system that contributes to the well-being of the population. The model thereby highlights the principles that, by fair competitiveness and at the same time, no state intervention in economic matters, soon Germany will reach back a point of prosperity, as political problems will precede economic concerns. This “*second phase*” scenario was nicely sketched by Müller Armak.



Paper Type: Perspective  
Paper No. PES-2025- 01  
© 2025. Center for the Study  
of Global Economic Future (CSGEF).  
All Right Are Reserved

*“beyond the efficient equilibration of supply and demand (...) new forms of property must be devised, spreading capital ownership over the widest sections of the population, through subsidies on personal saving, distributing state-owned property, increasing concern for education, cultural values and the environment. Concentration of anonymous big business must be corrected, encouraging individualism in small and medium sized enterprises”*(Konrad. 1980. P, (37/50)).

The new German model revered the construction of a financial system capable of fulfilling three fundamental roles. On the one hand, to ensure the development of private initiated by development an economy represented by the backbone of medium and small businesses. Second, that such goal should remain outside the interests of actors that aimed to increase regulation or political agendas. The prewar period acknowledged the level of influence of banks acting as corporate individuals for reinforcing conditions of regulatory privileges and influence at the national level, the model thereby wanted to refrain from supporting such previous activities. Finally, all institutions should be arranged in a way in which the government has to make sure that competitiveness between private actors, and especially banks, is encouraged. Unlike the Anglo-Saxon model, in the prewar period, banks were fewer in number but held more robust capital, contrasting with the more diverse and dispersed financial institutions seen in foreign frameworks.

The original institutional arrangements encouraged a dual relation of German banks with firms, one that was lately evolving to a scenario of diversification of services and competition, around the 1960's. At the end of the Second World War, banks held strong ties with medium and small businesses. Consequently, large firm's didn't depend in greater degree from them to boost their operations. In general terms, commercial banks were mainly focused on establishing relations of short term lending with large corporations, while at the same time managing equity finance for long terms stability. On the other hand, cooperative banks supported long term small and medium companies lending, being engaged with predefined industrial sectors of the German economy. This configuration evidenced an inefficient allocation of services and resources in the German economy. As the country embarked on a path of political and economic reorganization, both major banking institutions and commercial banks began diversifying, which intensified competition and led to a more balanced and well-distributed financial sector.



Paper Type: Perspective  
Paper No. PES-2025- 01  
© 2025. Center for the Study  
of Global Economic Future (CSGEF).  
All Right Are Reserved

The new institutional configuration of Germany demanded a strong separation between the state and the market. The model endorsed the idea of keeping the banks separated from state affairs. At the same time, in the path of increasingly supporting the development of an autonomous economy, it was also necessary to acknowledge that the role of the state cannot interfere with the operation of the financial system.

The first decades of the 20th century demonstrated how the accumulation of power of banking and financial firms on the state eroded the devices of self-regulation and competitiveness of the market. On the other hand, it revealed how state intervention on financial matters distorts conditions of perfect competition, leading to an alteration on prices, wages, demand and supply. In sum, for the new model, the financial sector must operate without the intervention of the state, but also ought to be monitored by the state to avoid private collusive practices.

Over time previous monopolies or cartels were gradually eliminated by the competitiveness between new mayor financial institutions, while at the same time, the model encouraged the insertion of medium financial firms to participate in nontraditional market groups. This was possible due to the articulation of saving and cooperative association with medium or small financial organisms, as for large firms to operate regionally, it was necessary to maintain good relations with regional banks.

*“Savings and cooperative associations are an essential pillar of bank competition in Germany. They help make it possible for small banks to compete successfully with large banks. It also distinguishes them from banking associations in the U.S., U.K. and many other countries, because the former are far more than lobbying organizations; they embody extensive, institutionalized interbank collaboration for mutual enhancement of competitiveness” (Deeg. 1998. P, 96).*



Paper Type: Perspective  
 Paper No. PES-2025- 01  
 © 2025. Center for the Study  
 of Global Economic Future (CSGEF).  
 All Right Are Reserved

The economic framework enabled the establishment of trade associations, which supported the organization of a diversified market economy and fostered opportunities for specialization. Early trade associations played a somewhat critical role in endorsing processes of concentration of power that eroded the mechanisms for balancing the political forces of the country. Even back in 1933, before the first years of the Nazi regime, executive emergence decrees aimed to contain the growing political influence at the regional level of corporate associations. Even though chambers were considered as organs of the Länder, associations and chambers frequently overlapped in the efforts for improving entrepreneurial and economic performance. The apparently conflicting relationship was gradually overcome by the mutual exchange of professionals and experts between trade/professional associations and chambers, which led to a hazardous public power takeover by corporate interests. By the postwar period, it was commonly known that “concentrated” power remained “in the hands of a few key ministers, and consequently, it was necessary for other bureaucratic actors close to the ministers to dominate the situation”. Such events eroded the democratic ground of the country, affecting at the same time the possibility of the adequate development of an economy free of corporate distortions. Moreover, in the case of the

appointment of a new authoritarian regime, associations believed that higher controls will increase their chances of survival. In such situation “the dictator would need them as a kind of insurance”, a case frequently disregarded since back in the beginning of the 30th decade, as “everybody, including the men in power, in the midst of the political and economic fray, think merely of remedies for the most pressing difficulties of the day”. Indeed, the new political configuration stimulated the maintenance of property rights as a fundamental principle for economic and market unambiguity. The encouragement of a society with free enterprise and free initiative supposed a rigorous transition period where legislation on private affairs was to be endorsed by appropriate regulation, low bureaucracy and civil relations free as possible from state interference.



Paper Type: Perspective  
Paper No. PES-2025- 01  
© 2025. Center for the Study  
of Global Economic Future (CSGEF).  
All Right Are Reserved

To a certain extent the conception of ordo-liberalism was nurtured in principles of free self-regulation. As such, some scholars supported the idea that in the process of construction of diversification of civil - market relations, legislation must be conceived afterwards. As Rapaczynski argues, “*contrary to the common economist’s assumption that a system of property rights is a precondition of a market economy, the development of market institutions is often a prerequisite for a variable private property regime. Property rights, like most other goods, are produced in response to market demand*” (Rapaczynski. 1996. P, 102). For the case of Germany this process was not free of threats, since the lack of regulatory instruments can lead to the absence of mechanisms to make individual rights enforceable. In broad terms it can be said that this pattern was followed in West Germany after the Second World War, contrary to the case of the eastern-block in which it was possible to assemble a heavy western normative embodiment represented in the constitutional, legislative, regulatory and judicial system.

During the evolution of the new German state, in accordance with the principles established in the new German fundamental Law, the idea of social security played a fundamental role. The endurances of scarcity were well known by big segments of the population. Moreover, the ideological principles that inspired the constitutional implementation of a society in which the individual took precedence again, suggested the adequate

incorporation of mechanisms of protection of underprivileged classes. The first decades of the German experiment demanded of its citizens to make efforts to iron out any roughness nurtured in social incompatibilities. Thus, the events of the two wars of the first half of the 20th century, became the glue to unite the German people to overcome disagreements with the aim of endorsing a post war common project. Whereas liberalism played a fundamental role in encouraging the shaping of a new economic path for prosperity, social protection sought to reconcile the perverse consequences of distorted market relations. As it was expected in the conception of the theoretical ground from which the social market economy experiment was fostered, *“protection against poverty, unemployment, illness and old age must not be pursued in conflict with the rules of the market”*, a feature that was represented as a strong argument against those who oppose the elimination of the estate as a direct regulator of the political and economic relations between individuals. So far as today, many of these principles are part of the contemporary ethical, political and constitutional code of Germany.



Paper Type: Perspective  
Paper No. PES-2025- 01  
© 2025. Center for the Study  
of Global Economic Future (CSGEF).  
All Right Are Reserved



## Concluding remarks on the German postwar Wirtschaftswunder

Up to the present it is worth to mention that the configuration of the modern Germany was embedded in two fundamental ideological branches of difficult harmonization. On the one hand the ideas of collectivism and welfare state that aroused as a contraposition against the effects of wealth and power accumulation dispersed on the nation in different stages at the beginning of the first half of the 20th century.

On the other hand the ideas of efficiency, competitiveness, and free markets, boosted upon the contributions of the Freiburg School, Hayek and others. Germany however, more than any other country in Europe at the End of the Second World War was in the imperative necessity of generating conditions for reconfiguring the state and the economy; and for setting the grounds for reaching prosperity in the decades to come. During the adverse postwar period, the German social market economic model, enhanced conditions of free economic relations between individual, while at the same time instituted a strong role for a state where boundaries were set to ensure legal legitimacy, property rights, social cohesion, and social protection. The result was the recreation of a model, that allowed the German economy to rapidly reach high growth rates while permitting setting the roots of social care mechanisms for the population in a scale never seen before, becoming an international role model even amidst rather strong international isolation.

The peculiar German history, and the cultural principles of the society endorsed by the Lutheran principles of compulsory education, and administration by the German *Länder* (states), enabled the necessary consistency between the aims of the *Grundgesetz* with the daily civilian efforts to ensure the reconstruction of the country. Overtime, the levels of social recognition of the values inspired by the document gradually achieved its own political legitimacy.



The long-term expectations of the allies concerning the future necessity of the German people for enabling a new “democratic” constitutional document once Germany overcomes the recovering period, were certainly exceeded by the level of internal articulation of the society with the main goals of their *Grundgesetz*.

Over time, the economic premises envisioned by the theorists of ordoliberalism found suitable land for the successful social experiment of the decades following the Second World War, with the peak of the application of the theory under the period of Ludwig Erhard (German Chancellor from 1963 to 1966), known for leading the West German economic post war recovery or *Wirtschaftswunder* (Economic Miracle). At the same time, Germany addressed an outward oriented economic development system, with trade relations adequately kept away from unnecessary state intervention, while the state played a role of strong authority in monitoring the potential threats to competition from collusive local corporate behavior.



Paper Type: Perspective  
Paper No. PES-2025- 01  
© 2025. Center for the Study  
of Global Economic Future (CSGEF).  
All Right Are Reserved

### Works cited.

*Basic Law for the Federal Republic of Germany (Grundgesetz, GG). Version promulgated on 23 May 1949 (first issue of the Federal Law Gazette, dated 23 May 1949), as amended up to and including 20 December 1993.*

*Bräuning, Tomas & Thomas König. The checks and balances of party federalism: German federal government in a divided legislature. Mannheim Centre for European Social Research (MZES), University of Mannheim, Mannheim, Germany. European Journal of Political Research 36: 207–234, 1999.*

*Commun, Patricia. Erhards Bekehrung zum Ordoliberalismus: Die grundlegende Bedeutung des wirtschaftspolitischen Diskurses in Umbruchszeiten. Freiburger Diskussionspapiere zur Ordnungsökonomik, No. 04/4. 2004*

*Deeg Richard. What makes German banks different. Small Business Economics 10: 93–101. Kluwer Academic Publishers. Printed in the Netherlands. 1998.*

*Demuth Fritz. German Trade Associations. The Journal of Business of the University of Chicago. Volume 6. Issue 1 (Jan, 1933). 55-61. 1933.*

*Friedrich Carl J. Rebuilding the German Constitution. The American Political Science Review. Volume 43, Issue 4, 704 – 720 (Aug., 1949).*

*Friedrich Carl. J. The development of the Executive Power in Germany. The American Political Science Review, Volume 27, Issue 2 (Apr., 1933), 185-203.*

*Konrad, Zweig. The Origin of the German Social Market Economy. The leading ideas and their intellectual roots. Adam Smith Institute. London and Virginia. 1980*

*Rapaczynski Andrzej. The roles of the State and the Market in Establishing Property Rights. Journal of Economic Perspectives – Volume 10, Number 2 – Spring 1996 – Pages 87-103.*



Paper Type: Perspective  
Paper No. PES-2025- 01  
© 2025. Center for the Study  
of Global Economic Future (CSGEF).  
All Right Are Reserved

## About Us

Established in Dubai, UAE, in 2021, the Center for the Study of Global Economic Future (CSGEF) is a multidisciplinary policy research organization scrutinizing the economic, geoeconomics, socio-economic, and systemic forces that bear upon the future of the economic system worldwide. The aim is to offer an extraordinary methodical perspective on the socio-economic and systemic forces that sustain the global economy's future.

For further details, email us: [info@csgef.org](mailto:info@csgef.org) or Call us at +971(04) 330 6898



Paper Type: Perspective  
Paper No. PES-2025- 01  
© 2025. Center for the Study  
of Global Economic Future (CSGEF).  
All Right Are Reserved

**CSGEF Research Unit**  
[research@csgef.org](mailto:research@csgef.org)