THE SUPREME CONTROL ORGANS IN EAST GERMANY*

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1. History up to May 1945

Before concentrating on what the title promises, we should take at least a short look at the history of the supreme control (audit) organs on German soil.

This history goes back to the beginning of the eighteenth century. The first such institution - named Ober-Rechen-Kammer (Supreme Chamber of Accounts) - was created in 1707 in Saxony, and located in Dresden. It was followed in 1713 by the Prussian General-Rechen-Kammer, which later changed names, and was first located in Berlin and, since 1817, in Potsdam. The Bavarian Oberster Rechnungshof was created in Munich only in 1812, followed by similar organs in other German kingdoms, e.g. Baden and Wurttemberg.

The leading role among these institutions on German soil was to be played by the Prussian Ober-Rechnungskammer (ORK). This was the name finally adopted since the beginning of the nineteenth century.

Prussian public administration in general, and its supreme control institutions in particular, reflected the cultural environment of the state, especially the administrative philosophies of the rulers (or at least those preached by them).

Frederick Wilhelm I (ruled 1713-1740) could, for example, work in linen cuffs to protect his uniform; the same ruler issued an instruction in which he warned that in cases of financial irregularities nobody should be protected, “even if it were my brother”. Frederick the Great (ruled 1740-1786) philosophized on how the ruler should be earnest in his work with state accounts - as the good of the state requires it, nothing may seem “too sour”.

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The realities, though, were sometimes far from these ideals. The same Frederick the Great spent considerable funds without committing them to audit. In 1753 he ordered that all construction accounts up to 1751 be burnt, explaining, *inter alia*, that he did not wish others to know later what costs he had incurred in the constructions at Potsdam (finally, though, these accounts were preserved).6

Big financial scandals were connected with the alienation of state domains in the occupied Polish territories after the third (and final) partition of that country in 1795.7

But, in general, the fastidiousness of the Prussian public administration and the work of the supreme control institutions were, apparently, fairly efficient; worlds apart from, say, the Russian situation.8

Like its counterparts on German soil, the Prussian ORK concentrated mainly on *ex-post* audit of accounts of state expenditure and revenue, and *in loco* checks of cash kept in state offices. But there were also some differences, giving it a stronger position. Perhaps the most important of these were the broad audit criteria (including economy and efficiency) which the ORK was supposed to apply, well reflected in the "Einrichtungsplan" and the pertinent regulations and instructions of 1750, 1768, 1770, 1798, and 1824.9 In fact, though, these broad criteria were frequently not used at all, a fact which was vehemently criticized by one of the "Young Turks" organized in the *Tugendbund* of the early nineteenth century.10

When, under the leadership of Prussia, the *Norddeutscher Bund* was created in 1866, followed by the German Reich in 1871, the ORK became the basis for the supreme control (audit) organ of the *Bund* and later the *Reich*. This arrangement was reflected in that a) the president of the ORK was always also president of the *Rechnungshof des Deutschen Reiches* (RDR), a situation which lasted until May 1945; b) the regulations regarding the functioning of the ORK formed the basis for those issued for the RDR; and c) both institutions were located on the same premises in Potsdam.

The main task of the RDR was the *ex-post* audit of accounts of the *Reich*, and -- until 1918 -- of Alsace-Lorraine, as well as of the German colonies. It reported to parliament, with comments, on the execution of the Reich's budget (*Bemerkungen*); its yearly reports (*Berichte*), though, were destined for the top executive. Gradually, especially during the Weimar Republic, parliament developed fairly close cooperation with the RDR.

The Nazi takeover of 1933 changed the role of the RDR in a radical way. Parliament, for all practical purposes, ceased to exist: the *Reichsrat* was formally disbanded in 1934, and the *Reichstag* limited to occasional propagandistic meetings. Thus any cooperation with it by the RDR became pointless. The *Entlastung* (discharge) on the execution of the budget was granted by the Cabinet to itself (*sic*). The *Rechnungshöfe* of the *Länder* were liquidated (with the exception of the Prussian ORK), and replaced by field offices (*Aussenstellen*) of the RDR, which, in 1942, existed in Hamburg, Dresden, Munich, Karlsruhe, Vienna, Metz, and Posen. Audit activities were mostly