In this talk, I shall propose to distinguish two major kinds of conversion processes in German: morphological conversion processes and syntactic conversion processes, understood as morphological and syntactic word-formation functions, respectively. In contrast to much of the literature, the morphological or syntactic nature of the products will be taken to be the decisive criterion for this classification. Morphological word-formation functions determine the forms and the meaning of lexical word stems, while syntactic word-formation functions determine the simple forms and the meaning of lexical words. Both lexical words and their lexical word stems will be conceived as pairings of a paradigm and a meaning. The nature of the bases—morphological or syntactic units and their meaning—will be used to identify various subkinds of morphological and syntactic conversion processes. By pursuing such an approach, it will be claimed, new light can be shed on problems of conversion in German.