

Europe Solidaire Sans Frontières > English > Europe, Great Britain > Russia & Eastern Europe > USSR, Soviet Bloc, Russian Empire (history) > Transition to capitalism in USSR and Eastern Europe > **Why the East Germans Lost**

Why the East Germans Lost

Thursday 29 October 2020, by [BALHORN Loren](#) (Date first published: 3 October 2020).

Thirty years since German reunification, the “new states” from the former East still suffer the effects of mass deindustrialization and emigration. But if reunification hasn’t delivered the promises of 1990, socialists should recognize why most East Germans didn’t defend the old system — and why welfare and public services aren’t enough to build a viable socialist society.

Today marks the thirtieth anniversary of [German reunification](#) — a decisive event in the end of state socialism in Eastern Europe. On October 3, 1990, the German Democratic Republic (GDR), formerly one of the most enthusiastic members of the Warsaw Pact, was annexed by the Federal Republic following an election victory for the Christian Democrats. Only eleven short months after the Berlin Wall fell, what had long been considered an unalterable and impermeable border ceased to exist, and an entire sociopolitical system disintegrated around it.

Rather than bringing the democratization, let alone the rejuvenation of socialism some initially hoped for, the [uprisings of 1989-1990](#) across Eastern Europe saw the consolidation of a neoliberal order as the supposed price to pay for basic civil liberties and nominal freedom of movement. Communist parties that had ruled for decades fell into disarray, hastily rebranding themselves as social democrats or dissolving entirely. The fall of the Soviet bloc also demoralized large sections of the Left on the other side of the Iron Curtain, prompting the collapse of the international communist movement and helping to set the stage for social democracy’s [pivot to neoliberalism](#).

If East Germany wasn’t all good, nor was what followed. In the early 1990s, unemployment skyrocketed across the former Eastern Bloc, the public sector collapsed, and millions were forced to emigrate in order to find work. Mortality rates went up, and [life expectancy declined](#) by several years. In a study conducted for the World Bank, economist [Branko Milanović](#) estimated that poverty levels in the former socialist countries rose from 4 percent in 1989 to a staggering 45 percent by the middle of the following decade.

GDR citizens were insulated from the very worst poverty by their integration into the West German welfare state, but nevertheless watched the economy collapse and the population shrink dramatically. Though a robust economic recovery did set in by the end of the decade, growth remains concentrated in low-wage sectors, and the promise of upward social mobility remains a pipe dream for most. East Germans own considerably less property than their Western neighbors and remain vastly underrepresented in higher education, politics, and corporate boardrooms. Unsurprisingly, millions of them still feel like [second-class citizens](#) even after three decades in a unified country.

No Do-Overs

Most German politicians would probably admit that, in retrospect, the transition should have been conducted in a more cautious manner to avoid at least some of the social and economic fallout. But

certainly, they would add, the world is better off now that the authoritarian and dysfunctional state socialist regimes have been consigned to history. Capitalism might not be perfect, but only socialism had to wall its citizens in to keep the system going.

The specter of dictatorship and economic stagnation that is used to (one-sidedly) characterize life in the Eastern Bloc continues to be cited as incontrovertible “proof” that capitalism is the only workable — and indeed desirable — socioeconomic system. Moreover, socialism’s collapse in 1989 demonstrated that, when presented with the choice, most workers opt for the material abundance of capitalism and liberal democracy over whatever a socialist system has to offer.

This claim is not without a few kernels of truth. After all, the [uprisings in East Germany](#) were largely driven by the desire for free elections which, once they were granted, saw a full 50 percent of the population vote for a conservative government, meaning swift integration into the capitalist West. Though many did not realize it would mean the destruction of the GDR’s extensive welfare state, whatever gains workers had made under socialism evidently were not enough to retain their loyalty when the moment of decision came. The shortcomings of state socialism — the sham elections, the travel restrictions, and the lack of consumer goods — ultimately came to define their aspirations. But did it have to be this way?

Risen From the Ruins

The emergence of a socialist state in Eastern Germany is inseparable from the [defeat of the mighty German workers’ movement](#), once the most powerful in the world, at the hands of Adolf Hitler’s Nazis. After consolidating power in 1933, they systematically decimated the organizations of the Left and slaughtered thousands of militants. Six years later, they plunged Europe into a war of catastrophic proportions, wreaking untold destruction and organizing the mass extermination of Europe’s Jews before, in 1945, Soviet, American, and British troops finally ended the killing and divided up the defeated Reich between them.

The communists tasked with constructing a new order in the Soviet zone faced an impossible task: How to build socialism in a country devastated by six years of war and twelve years of fascist terror, divided in half by the occupying powers, and now subject to crippling reparations payments? How to trust the working class, the social force Marxists believed would naturally fight for socialism, after it failed so spectacularly to stop the Nazis?

Even late in the war, only a tiny fraction of the German population ever engaged in organized resistance. Contrary to the communist vision of a revolutionary rupture carried out by the class-conscious masses, socialism actually came to East Germany by the bayonets of the Red Army, which had beaten back the German invasion and ultimately liberated most of Europe, losing at least twenty million citizens in the process. The Soviets were — understandably — not going anywhere soon.

In the eastern Soviet-occupied zone, they could count on tens of thousands of communists and anti-fascists in the newly founded Socialist Unity Party (SED) to rule on their behalf. But they faced a population of sixteen million, a great deal of whom had until recently been Nazis but somehow had to be reintegrated into society. Whereas communists in countries like [Italy](#) and [Yugoslavia](#) had gained mass followings through their leading role in the liberation struggle, communists in East Germany could make no such claim. This contradiction would haunt the GDR throughout its existence, its legitimacy always resting on its self-depiction as the culmination of an anti-fascist struggle which, in reality, had been imposed by and depended on support from Moscow.

An Uneasy Arrangement

The postwar constellation had two immediate implications: firstly, like all of the Eastern European “people’s democracies,” the GDR faced extreme economic challenges from the outset, unable to import Western technology and forced to rebuild largely on its own. Secondly, the experience of the 1930s and 1940s fed a pervasive suspicion of the masses among the Communist leadership. Historian [Martin Sabrow](#) describes them as a “generation of mistrusting patriarchs” who sought to exercise power on behalf of the workers and peasants, but could not rely on them to exercise that power on their own.

Most of those “patriarchs” had spent years in the illegal resistance, served long sentences in prisons and concentration camps (some were not only communists, but also Jews), and were genuine in their desire to build a new, antifascist Germany. Wilhelm Pieck, the only man to be titled “president” of the GDR, was one of the country’s most well-known Communists — back in 1919, he had been arrested together with Rosa Luxemburg and Karl Liebknecht on the [night of their murder](#) by far-right soldiers. Erich Honecker, who went on to lead the GDR from 1971 to 1989 and symbolized the system’s failure in the eyes of millions, bravely served in the resistance and spent ten years in Nazi prisons. Such biographies were typical of GDR leaders.

Though a communist monopoly on power was guaranteed by the Soviet presence, enthusiasm for many of the government’s initial reforms — particularly the redistribution of farmland among the peasantry and the comparatively thorough purging of ex-Nazis from public life — was real among wide swathes of the population. While a number of former Nazis held high-level government positions in the West, like leading diplomat Herbert Blankenhorn and director of the West German parliament Hans Troßmann, the East made a concerted attempt to purge the executive levels of the state from Nazi influence — assisted by the [dozens of anti-fascist committees](#) led by workers that sprang up in the wake of the war.

For many who survived fascism and wanted a new, better Germany, the GDR appeared as the natural choice. A number of [prominent leftist intellectuals and artists](#), like renowned playwright [Bertolt Brecht](#), composer [Hanns Eisler](#), philosopher Ernst Bloch, and legal theorist [Wolfgang Abendroth](#), opted to move East and lend their services to the cause. Some left in disappointment, while others chose to stay, criticizing the state’s weaknesses and excesses but remaining loyal to what they saw as an earnest attempt to build a better society.

Beyond these famous examples, it should not be forgotten that over five hundred thousand Germans chose to migrate not West but East in the first decade of the GDR’s existence. The hopes of these political pioneers were encapsulated in the country’s new national anthem, penned by Eisler himself: “From the ruins risen newly, to the future turned we stand.”

Fortifying the Antifascist State

The discrepancy between those lofty hopes and reality was powerfully symbolized by the presence of the Berlin Wall, which cut the German capital in two, dividing friends and sometimes even families. The “Anti-Fascist Protection Wall,” as it was known in official parlance, was not constructed until August 1961, twelve years after the GDR was founded and sixteen years after the Red Army defeated the Nazis. It marked the culmination of a decade-long process of militarizing the 1,400-kilometer-long “inner German border” that began in 1952 when the first stretches of barbed wire went up.

Unlike the rest of the Eastern Bloc, the Allied division of Germany meant that dissatisfied GDR citizens could leave for the capitalist West while staying within their own country. And leave they did: roughly 3.5 million moved before the Wall was built. Many were trained professionals drawn by the lure of higher wages in the West, a fact that posed existential difficulties for a fledgling state in desperate need of skilled labor to rebuild its shattered economy.

While West Germany enjoyed generous loans and subsidies granted by the US-funded Marshall Plan and soon entered the long economic boom known as the “Miracle on the Rhine,” the East was forced to pay extensive war reparations to the Soviet Union, dismantling and shipping over two thousand factories eastward — 30 percent of its remaining industrial capacity. Growth lagged behind the West, and the gap between workers’ standards of living became increasingly apparent. Even the [uprising on June 17, 1953](#) — memorialized today as a rebellion for democracy and German unity — was primarily sparked by economic grievances, as highlighted by one of the key slogans of the day, “Piecework is murder.”

Certainly, the GDR authorities had no problem with ex-Nazis, conservatives, and other political opponents leaving the country. Throughout the Cold War, East Germany often opted to deport dissidents, usually in return for considerable sums from the West German government, rather than waste precious resources on surveillance and imprisonment. But what to do about the many who were choosing to leave not out of political conviction, but economic frustration? How to stabilize and consolidate the new socialist order while losing hundreds of thousands of able-bodied workers every year?

In the two years prior to the Wall’s construction, the GDR faced another round of existential economic difficulties. The Soviets had always opposed physically separating East and West Berlin, hoping to eventually win back control over the entire city. But by the late 1950s outward migration was growing untenable, and East Berlin begged Moscow for permission to close the border once and for all, lest the GDR collapse in on itself. Rather than a sign of strength, it was an expression of the state’s weakness, trapped in the midst of a Cold War that it could hardly resolve and without which it probably would not have existed to begin with. In these circumstances, many citizens viewed the Wall as a temporary but necessary evil in order to protect the fledgling socialist state from subversion and collapse.

Making the Best of a Bad Situation

That harsh repression and pervasive censorship characterized life in the East is a given. But reducing the GDR to the Wall and the secret police does little to help us understand how and why it came about, and obscures everything else that happened within its borders. Millions of people in East Germany and other socialist countries actively supported and identified with the system, albeit to varying extents, for decades. Angela Davis even completed her doctorate at the Humboldt University in East Berlin. Are we really to believe that they were all brainwashed? Or were there perhaps redeeming elements about the society and their lives in it that led to such support?

The Wall was ugly, menacing, and, for many citizens, no doubt heartbreaking. But the economic and geopolitical stability it ensured also gave the GDR the chance to build a society that was broadly characterized by modest prosperity and social equality between classes and genders. Workers were guaranteed employment, housing, and all-day childcare, while basic foodstuffs and other goods were heavily subsidized. Though wages were only half of what they were in the West, adjusted for prices in relation to earnings, GDR workers’ actual purchasing power was more or less the same. This fact, combined with the chronic lack of certain consumer goods, taught citizens to rely on each other and help each other out in times of need — a reality that still resonates today in polls showing that Easterners are considerably more sensitive to social inequality and the importance of solidarity.

Despite popular notions about a corrupt caste of party bureaucrats living off of the fruits of socialism’s labor, class distinctions in the GDR were in fact dramatically reduced, both in material as well as cultural terms. Industrial workers earned significantly more than white-collar employees, and the pay gap between manual and educated workers, on the whole, was only 15 percent. Even the party elite, cloistered off in a gated suburb north of Berlin known as Wandlitz, enjoyed a standard of

living that was shockingly modest compared to today's ruling class.

Particularly in the first several decades of its existence, the GDR education system threw open its doors to the masses, sending thousands of young workers to university and later into middle management of the state-owned economy and the party. While the old status hierarchies remained firmly in place in the West, symbolized by its three-tiered, almost feudal school system, in the East a new majority emerged that actively identified as workers and embraced, to varying extents, egalitarian attitudes as a product of their socialization. All East German students attended the same schools through the tenth grade, and children of workers — at least politically compliant ones — were granted priority access to higher education. With the old bourgeoisie gone and the new rulers largely recruited from the working class themselves, this emerging class became the cultural and social bedrock of the regime. Proletarian culture, or at least a sanitized, regime-approved version, was publicly elevated and outward markers of status frowned upon.

One political result of this social transformation was that workers, though unable to criticize the regime in public, were by all accounts self-confident and prone to speak their minds when it came to workplace matters. In his [recent book](#) on the class structure of the GDR, Steffen Mau describes how the state's lionization of workers as the ostensible "ruling class" gave them considerable leeway to complain about problems and shape their working conditions. As [Kristen R. Ghodsee's research](#) has shown, women's integration into the labor market and access to childcare made them much less dependent on their partners. They were free to divorce abusive husbands and enjoyed significantly more self-determined lives. Today, many East Germans describe this as one of the things they miss most about the old system: though they now have the freedom to complain about the government, exerting any influence whatsoever at their workplace is out of the question.

A similar dynamic emerged in politics to a limited degree. Elections in the GDR, understandably dismissed by many as a farce, nevertheless pressured party officials to demonstrate a willingness to respond to public concerns, lest voters neglect to show up on election day and embarrass them. A fitting example of this was the [1968 referendum on the GDR's second constitution](#), held in early April following two months of public consultations. Millions of citizens participated in these discussions and thousands mailed in their criticisms and suggestions. That the referendum itself would pass was a foregone conclusion, but the government did incorporate some suggestions from the public and responded to critical questions earnestly.

As time wore on, these more promising features of life in the GDR began to fade. The centrally planned economies in Eastern Europe struggled to remain competitive on the global market, outpaced by the wealthier and more advanced West and unable to adapt to changing production processes. Particularly after the oil crisis in 1973, the GDR was forced to take on large amounts of debt to keep its economy going and struggled to invest in new technologies. The Cold War also began to ratchet up in the early 1980s, with the Soviet invasion of Afghanistan and escalating rhetoric from the Reagan administration heightening a siege mentality.

Popular dissatisfaction with life behind the Iron Curtain grew increasingly rife as a result. After several decades of pronounced social mobility, the GDR's social structure had ossified, and young people often found themselves unable to advance up the career ladder. The growing economic difficulties meant that, though workers continued to earn decent wages and enjoy extensive social benefits, there were often not enough goods on the shelves. Those that were available were of noticeably poorer quality compared to what workers could buy in the West, a fact reinforced by West German media on a daily basis.

The ruling party, led by an increasingly sclerotic generation of antifascist veterans in their seventies and eighties, proved unable to cope with the worsening situation and responded by circling the

wagons. While Mikhail Gorbachev enacted Perestroika in the Soviet Union, the country that had been regarded as the GDR's great teacher for decades, the SED leadership stubbornly refused to follow suit and instead ratcheted up repression. By the time things came to a head in 1989, most East German workers had ceased to identify with the regime entirely, making any attempts at reform from above seem like opportunist maneuvers rather than genuine interest in changing things for the better.

Better Luck Next Time

With "actually existing socialism" dead and buried, the question of whether or not it constituted a viable alternative to actually existing capitalism is largely superfluous. The political situation confronting us today is vastly different from the first half of the twentieth century. What remains of the old communist movement is a shadow of its former self, and should fascism return to Europe's shores, there will be no Red Army to come to our rescue. If we are to find a path to socialism in the twenty-first century, it will necessarily be vastly different from that of our progenitors.

Yet it would be equally irresponsible to simply dismiss the experience as a mere Stalinist aberration. Whether we choose to call it socialism or not, the women and men who lived and worked in the GDR spent four decades building a society they understood as such and registered a number of remarkable achievements. Like their comrades in Cuba or Vietnam, their state began and ended under siege and at a significant material disadvantage, inheriting societies marred by underdevelopment, oppression, and occupation.

Undoubtedly, the lack of a functioning political democracy and absence of a free press left the GDR unable to make productive use of diverging opinions and rise to the challenges posed by new socioeconomic developments. Though the external threats cited to justify these restrictions were by no means invented, in this case the cure turned out to be worse than the disease. Censorship and repression, conceived as temporary measures until the workers' state was fully developed, ended up facilitating those very workers' alienation from and opposition to their ostensible state.

The experience of the GDR is not one that socialists should aim to repeat. Nevertheless, we can look to many of its achievements in education, housing, childcare, and labor relations as evidence that society does not have to be organized around the interests of the wealthy and that the free market is not the only way to organize an economy. It is possible to ensure that everyone has a place to live, health care, enough food to eat, and access to education — something that no capitalist society can claim today.

It also reminds us that in the 172 years since Marx and Engels first published *The Communist Manifesto*, socialism has almost never come to power through the pure workers' revolution Marxists tend to envision, and there is little reason to believe that will change in the foreseeable future. To succeed, a socialist strategy requires an openness to new developments and a willingness to attempt what is possible in the given moment. More often than not, compromises will be necessary. The Berlin Wall and the failure of the state that built it shows us that those compromises can only go so far, lest they risk undermining socialism itself.

Loren Balhorn is a contributing editor at *Jacobin* and co-editor, together with Bhaskar Sunkara, of *Jacobin: Die Anthologie* (Suhrkamp, 2018).

[Click here](#) to subscribe to our weekly newsletters in English and or French. You will receive one email every Monday containing links to all articles published in the last 7 days.

P.S.

Jacobin Magazine

<https://www.jacobinmag.com/2020/10/east-germany-gdr-reunification>