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# CHIPPING AWAY AT THE STATE

## Workers' Resistance and the Demise of East Germany

By JEFFREY KOPSTEIN\*

### I. INTELLECTUALS AND WORKERS

IT has been but a few short years since the revolutions of 1989 and the collapse of communism in Eastern Europe, but already one finds an orthodoxy in historical interpretation. The standard story goes something like this: the key to understanding 1989 is political mobilization, first of the intellectuals and then of society at large. In the post-Stalin period, East European intellectuals gradually mobilized against the totalitarian state to reconstitute a civil society. When internal and external conditions permitted, the rest of society joined in and forced the communist parties from power.<sup>1</sup>

The standard story is essentially a whig history.<sup>2</sup> It is a comfortable one for intellectuals of all ideological positions, because whom does it

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<sup>1</sup> Daniel Chirot, "What Happened in Eastern Europe in 1989?" in Daniel Chirot, ed., *The End of Leninism and the Decline of the Left* (Seattle: University of Washington Press, 1991); Gale Stokes, *The Walls Came Tumbling Down* (Oxford: Oxford University Press, 1993); Timothy Garton Ash, *The Magic Lantern: The Revolution of 1989 Witnessed in Warsaw, Budapest, and Prague* (New York: Random House, 1990). This interpretation also implicitly informs most of the literature on democratization. See, for example, Michael Kennedy, "The Intelligentsia in the Constitution of Civil Societies in Post-Communist Regimes in Hungary and Poland," *Theory and Society* 21 (February 1992); Marcia Weigle and Jim Butterfield, "Civil Society in Reforming Communist Regimes: The Logic of Emergence," *Comparative Politics* 25 (July 1992); Tomasz Mastnak, "Civil Society in Slovenia: From Opposition to Power," *Studies in Comparative Communism* 23 (Autumn/Winter 1990); Paul Hirst, "The State, Civil Society and the Collapse of Soviet Communism," *Economy and Society* 20 (May 1991).

<sup>2</sup> The "Whig interpretation of history" was defined and criticized by Herbert Butterfield. It referred first of all to the historiography of England. It is a "tendency in many historians to write on the side of Protestants and Whigs, to praise revolutions provided they have been successful, to emphasize certain principles of progress in the past and to produce a story which is the ratification if not the glorification of the present." David Hackett Fisher, *Historians Fallacies* (New York: Harper Torch Books, 1970), 199. The term is also used as a generic synonym of "presentism," of which Whig history, in a narrow

cast as the heros? Who are the dramatis personae of history? The intellectuals. To students of East European politics, such an analysis should come as no surprise. Intellectuals have long been regarded as playing a far more important social and political role in Eastern Europe than in other regions. Given the absence or weakness of other modern social groups, so the argument runs, intellectuals have historically been the most genuine and consistent carriers of "modernity."<sup>3</sup> Classical liberals find the mobilizational model pleasing because they understand civil society to mean the diminution of state power and the reinstating of political and economic markets.<sup>4</sup> If the intellectuals lead the way, all the better. The standard story appeals equally to elements of the Habermasian left, who interpret East European intellectual mobilization as part of a larger social movement that has the potential to create an alternative, more genuine democracy. Civil society in such a democracy embodies not so much the political and economic market as a self-regulating public sphere—a reconstitution of the "life-world."<sup>5</sup> Rational choice models of 1989 also rely on intellectual mobilization. Since they consider popular dissatisfaction an insufficient condition for mass rebellion, the key players in rebellions are political entrepreneurs (intellectuals) who cleverly use selective incentives and break up the abstract goal of revolutionary overthrow into more palatable, concrete tasks of resistance to specific policies—thus overcoming the ubiquitous disincentives to collective action.<sup>6</sup>

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sense, is a particular species. "The past is evaluated in terms of the present, antecedent conditions in terms of the outcome." Stephen Cohen, "Bolshevism or Stalinism," in Robert C. Tucker, ed., *Stalinism: Essays in Historical Interpretation* (New York: Norton, 1977), 14. E. H. Carr also discusses the Whig history syndrome in *What Is History?* (New York: Knopf, 1962), 51.

<sup>3</sup> Zygmunt Bauman, "Intellectuals in East-Central Europe: Continuity and Change," *East European Politics and Societies* 1 (Spring 1987); Wolf Lepinies, "Fall und Aufstieg der Intellektuellen in Europa," *Neue Rundschau* 102, no. 1 (1990).

<sup>4</sup> Francis Fukuyama, *The End of History and the Last Man* (New York: Free Press, 1992).

<sup>5</sup> Jean Cohen and Andrew Arato, *Civil Society and Political Theory* (Cambridge: MIT Press, 1992); Andrew Arato, "Social Theory, Civil Society, and the Transformation of Authoritarian Socialism," in Ferenc Feher and Andrew Arato, eds., *Crisis and Reform in Eastern Europe* (New Brunswick, N.J.: Transaction Publishers, 1991).

<sup>6</sup> Rasma Karlkins, "Decision Calculus of Protesters and Regimes: Eastern Europe in 1989," *Journal of Politics* 55 (August 1993); Ronald A. Francisco, "Theories of Protest and the Revolutions of 1989," *American Journal of Political Science* 37 (August 1993); Karl-Dieter Opp, "Repression and Revolutionary Action: East Germany 1989," *Rationality and Society* 6 (January 1994), as well as the other articles in the same issue. Where the rational choice and civil-society models differ, of course, is in their interpretation of the intellectuals' motivation. Whereas the civil-society school accepts the independent motivational force of the ethical ideal of civil society in explaining the behavior of the intellectuals, rational choice theorists interpret their behavior as a form of political entrepreneurship. These people, the finest minds of Eastern Europe, could easily have adapted to the existing system—indeed, many had—but chose to play a riskier game, for higher stakes. The price for defeat was imprisonment or exile, but the potential gain was the capture of the state.

But is this how it really happened? Using materials from East German labor history, I argue here that the mobilizational model is at best incomplete, at worst a distortion. To be sure, political mobilization is part of the story; indeed, it may be the most dramatic part of the story. If scholarship of the past generation has taught us anything, however, it is that revolutions have causes rooted deeply in social and political structures.<sup>7</sup> Mobilization is but one stage in the revolutionary process, and one that appears relatively late in the game. What the standard story misses are the small-scale, largely nonpolitical acts of everyday resistance that chipped away at the long-term capacity of communist regimes to meet the demands of society at large. Instead of explaining how the East German regime was overthrown in a few months in 1989, I argue the case for how otherwise powerless workers could wear down a despotic state over four decades and thus make its overthrow an appealing strategy in the first place. One theoretical dividend of this essay, therefore, is a refinement of elite-centered explanations that have dominated studies of communism's demise.

In his study of everyday resistance among peasants, James Scott forcefully makes a point that could apply as well to East German workers:

Their individual acts of foot dragging and evasion, reinforced by a venerable popular culture of resistance and multiplied many thousand fold, may, in the end, make an utter shambles of the policies dreamed up by their would-be superiors in the capital. Everyday forms of resistance make no headlines. But just as millions of anthozoan polyps create, willy-nilly, a coral reef, so do the multiple acts of peasant insubordination and evasion create political and economic barrier reefs of their own. It is largely in this fashion that the peasantry makes its political presence felt. And whenever, to pursue the simile, the ship of state runs aground on such reefs, attention is usually directed to the shipwreck itself and not to the vast aggregation of petty acts that made it possible.<sup>8</sup>

Scott's analysis suggests that, rather than concentrate mobilization and collective action, we shift the focus back to the everyday sources of regime immobilism. Such a shift in emphasis should help us identify the long-term patterns of public policy and resistance, and help answer the question of why East European regimes could not devise and im-

<sup>7</sup> Barrington Moore, *Social Origins of Dictatorship and Democracy* (Boston: Beacon Press, 1967); Theda Skocpol, *States and Social Revolutions* (Cambridge: Cambridge University Press, 1979).

<sup>8</sup> James C. Scott, *Weapons of the Weak: Everyday Forms of Peasant Resistance* (New Haven: Yale University Press, 1985), xvii. Scott's book builds on and simultaneously takes issue with Eugene D. Genovese's work on "day to day resistance to slavery." Genovese, *Roll Jordan Roll: The World the Slaves Made* (New York: Pantheon, 1974).

plement effective economic policies that might have shored up their political legitimacy. Civil-society theorists are correct to criticize the totalitarian school for conflating communist attempts to gain total control over society with the reality of continuous engagement and compromise. Their one-sided concentration on people with the capacity to articulate their desires in print—the intellectuals—leads them, however, to misidentify the subject and nature of this long-term relationship between state and society. For all their vociferousness, intellectuals constituted a small part of East European society, and in most cases they were very well controlled and infiltrated by state security organs. For the better part of communist history, intellectuals did not resist in large numbers, though they now might like to suggest that they did.<sup>9</sup> Who did, then? Who resisted over the *longue durée* in Eastern Europe? In this paper, I argue that it was the workers, if not the working class. To be sure, with the notable exception of Poland, rarely did workers in Eastern Europe articulate their needs politically, but lack of voice should not be confused for absence of will or powerlessness.<sup>10</sup>

#### POWER AND THE POWERLESS: THE QUESTION OF MOTIVATION

Having set out the type of social action to be examined—the everyday resistance of East German workers—I have yet to identify the motivation that lay behind this social action. What motivates subalterns to resist? This question continues to be a subject of heated scholarly debate. Is resistance the product of some communal moral vision, or does it reflect individual calculation of utility?

The first view is that held by moral economists.<sup>11</sup> Moral economists posit the existence of a tacit social contract in almost every long-standing social formation in which subaltern groups tolerate their own exploitation.<sup>12</sup> This tolerance lasts so long as a certain minimum existence is left beyond the realm of buying and selling; it is decommodi-

<sup>9</sup> Christian Joppke, "Intellectuals, Nationalism, and the Exit from Communism: The Case of East Germany," *Comparative Studies in Society and History* 37 (April 1995).

<sup>10</sup> For an early attempt to make this point, see Jan F. Triska and Charles Gati, eds., *Blue Collar Workers in Eastern Europe* (London: Allen and Unwin, 1981).

<sup>11</sup> James Scott, *The Moral Economy of the Peasant: Rebellion and Subsistence in Southeast Asia* (New Haven: Yale University Press, 1976). Since Scott's book, moral economy studies have become a virtual subindustry of the social sciences. For a good discussion, see "Peasant Strategies in Asian Societies: Moral and Rational Economic Approaches—A Symposium," *Journal of Asian Studies* 42 (August 1983).

<sup>12</sup> Barrington Moore, *Injustice: The Social Basis of Obedience and Revolt* (Armonk, N.Y.: M. E. Sharpe, 1988).

fied. Violation of this prevailing norm, either by markets or states, invites resistance ranging from shirking, grumbling, foot dragging, false compliance, dissimulation, and other "weapons of the weak," to open strikes and other forms of collective action.<sup>13</sup> The ideal typical moral economy rebellion or strike is spontaneous, leaderless, and defensive. It occurs usually after a downturn or threatened downturn in some acceptable minimal standard of living.<sup>14</sup> Under most conditions, moral economists argue, exploited groups simply want to restore their previous living standards before the downturn. Rarely do they try to overthrow the existing order altogether.<sup>15</sup>

Scholars have demonstrated the existence of a tacit social contract and a moral economy in a number of industrial and proto-industrial settings.<sup>16</sup> Much more than the factory, however, peasant society has been the locus classicus of moral economy studies. Like workers, peasants are a subaltern, dependent political group. Their position as primary producers of the means of their own subsistence, however, makes their situation a special case of moral economy. In their respective studies of Vietnam and Russia, for example, both Scott and Shanin argue that the moral economy of peasants is essentially egalitarian and redistributionist.<sup>17</sup> Peasants conventionally develop institutions reflecting these ethical norms, the most important of which are encompassed in mutual assistance and in the redistribution of food among members of the community. Such ethics and their institutional expressions are rational strategies for spreading risk under conditions in which starvation is only one flood or famine away. Communal solidarity against the market and the state is not a matter of choice in the conventional sense, but rather a duty enforced by a rather strict moral code.<sup>18</sup> Recently scholars have applied many of these insights gleaned from agrarian social orders to the experience of workers on the shop floor.<sup>19</sup>

In their well-known attack, rational choice theorists note more than a trace of romantic antimarket sentiment among moral econo-

<sup>13</sup> Scott (fn. 8), xvi; Scott (fn. 11).

<sup>14</sup> Marsha Pripstein Posusney, "Irrational Workers: The Moral Economy of Labor Protest in Egypt," *World Politics* 46 (October 1993).

<sup>15</sup> Peter Swenson, *Fair Shares* (Ithaca, N.Y.: Cornell University Press, 1989).

<sup>16</sup> E. P. Thompson, "The Moral Economy of the English Crowd in the Eighteenth Century," *Past and Present* (February 1971); Charles Sabel, *Work and Politics: The Division of Labor in Industry* (New York: Cambridge University Press, 1982).

<sup>17</sup> Scott (fn. 11); Teodor Shanin, *The Awkward Class: Political Sociology of Peasantry in a Developing Society, Russia 1910-1925* (Oxford: Clarendon Press, 1972).

<sup>18</sup> Marcel Fauchamps, "Solidarity Networks in Pre-industrial Societies: Rational Peasants with a Moral Economy," *Economic Development and Cultural Change* 41 (October 1992).

<sup>19</sup> Moore (fn. 12); Posusney (fn. 14); Sabel (fn. 16).

mists.<sup>20</sup> They argue that subalterns are no less selfish than other members of any given society.<sup>21</sup> The institutions and practices of peasant or worker solidarity do not arise spontaneously but require selective incentives and political entrepreneurs to ensure their continued existence and efficacy.<sup>22</sup> Similarly, on questions of resistance and rebellion, they argue that deprivation is not a sufficient condition for rebellion, nor will workers or peasants resist spontaneously. The free-rider and collective-action problems are simply too formidable.<sup>23</sup> Resistance and rebellion have less to do with dissatisfaction than with the various conditions under which the collective-action problem can be overcome.<sup>24</sup> Rebellion, rational choice theorists maintain, is opportunistic rather than defensive behavior. It occurs when risks are lowest (during times of plenty or tight labor markets) and when political entrepreneurs are present to help reduce the risk by framing the rebellion in terms of concrete issues that subaltern groups find compelling.<sup>25</sup>

In what follows I contribute to this debate through a study of everyday resistance and rebellion among East German workers. After considering the resistance to three types of labor discipline policies, I evaluate the single instance of sustained collective rebellion in East German history before 1989, the mass strikes in late June 1953. The long-term impact of this early resistance and rebellion on the capacity of the regime to devise and implement effective economic policies is considered in the final section. While the evidence reveals elements of everyday resistance and rebellion based on rational/individualistic and moral/communal models, on the whole I find that the moral economy perspective offers a more compelling account. It not only explains better the motivations of workers during the June 1953 strikes but, more importantly from the standpoint of this paper, it also accounts for the myriad acts of everyday resistance that so wore down the capacity of the state.

<sup>20</sup> William James Booth, "A Note on the Idea of Moral Economy," *American Political Science Review* 87 (December 1993).

<sup>21</sup> Samuel Popkin, *The Rational Peasant: The Political Economy of Rural Society in Vietnam* (Berkeley: University of California Press, 1979).

<sup>22</sup> Mark Lichbach, "What Makes Rational Peasants Revolutionary? Dilemma, Paradox, and Irony in Peasant Collective Action," *World Politics* 46 (April 1994).

<sup>23</sup> Mancur Olson, *The Logic of Collective Action* (New York: Schocken Books, 1968).

<sup>24</sup> Edward Shorter and Charles Tilly, *Strikes in France, 1830-1968* (Cambridge: Cambridge University Press, 1974).

<sup>25</sup> On this point, Posusney (fn. 14) cites the following works: Andrew Weintraub, "Prosperity vs. Strikes: An Empirical Approach," *Industrial and Labor Relations Review* 19 (October 1965); Bruce E. Kaufman, "Bargaining Theory, Inflation, and Cyclical Strike Activity in Manufacturing," *Industrial and Labor Relations Review* 34 (April 1981).

## II. GERMAN WORKERS UNDER SOVIET RULE

## THE DILEMMA OF DISCIPLINE

Before moving to the case studies of everyday resistance, it is necessary briefly to lay out the circumstances in which East German workers found themselves in the postwar period. It is a commonly held belief that the GDR started with a natural advantage among Leninist regimes—a developed industrial infrastructure and a highly trained, disciplined German workforce. Nowhere was this image of the German working class more deeply rooted than in the Soviet Union itself, a country that had developed intensive industrial, military, and intellectual ties with Germany in the interwar period. Stalin himself may have harbored typically Leninist doubts about the fundamental commitment of German workers to socialism, but he too deeply admired their discipline and efficiency. He admitted as much during the final stage of the war when he told Yugoslav communist Milovan Djilas, “[Germany] is a highly developed industrial nation with an extremely well qualified and numerous working class and technical intelligentsia. Give them 12 to 15 years and they’ll be on their feet again.”<sup>26</sup>

But whatever the Soviet hopes for the traditional German virtues of hard work and discipline in their own zone of occupation, the orientations and behavior of East Germans quickly changed under the impact of the difficult postwar conditions and Soviet labor practices. The East German worker of the immediate postwar era was not unlike R. H. Tawney’s subsistence peasant, in water “up to the neck.”<sup>27</sup> In the newspapers of the day, one finds moving reports of severe malnourishment among young workers.<sup>28</sup> The line between survival and starvation was one easily crossed. The collapse of the financial system, coupled with shortages in every sector of the economy under the weight of reparations payments, rendered monetary wages a weak instrument for tying labor to the workplace. With almost nothing to buy, it made little sense to work for money. Where money did matter, if one had a lot of it, was

<sup>26</sup> Milovan Djilas, *Conversations with Stalin* (New York: Harcourt, Brace and World, 1962), 103.

<sup>27</sup> R. H. Tawney, *Land and Labor in China* (Boston: Beacon Press, 1966), 77, cited in Scott (fn. 11), 1.

<sup>28</sup> Dietrich Staritz cites an especially moving article that was published in *Tribüne*, March 3, 1947: “We demanded that the enterprises conduct a medical investigation of its younger workers. We came to the conclusion that the enterprise youth is not gaining but losing weight and that the overwhelming portion of youths are considerably underweight. One of the most blatant cases recently is that of the 16 1/2 year old Liselotte W. who works in Tempelhof. She is 1.5 meters tall and weighs 26 kilos. Another youth from the same district is 1.69 meters tall and weighs 40 kilos. A fifteen year old is 1.38 meters tall and weighs 32 kilos.” Staritz, *Die Gründung der DDR* (Munich: DTV, 1987), 206–7.



on the black market. Black marketeers were universally despised but few workers could avoid frequent contact with them. Most workers spent several hours per day in black markets and several days each month roaming the countryside in search of food.<sup>29</sup>

Initially it was a matter not so much of getting East German workers to work hard as of inducing them to show up for work at all. In the two years following the war, absenteeism remained high and labor discipline lax. Of necessity, the ethic on the shop floor was egalitarian, cooperative, defensive, and geared toward survival rather than maximization of gain. The institutional expressions of this ethic were the spontaneously formed enterprise councils which, with Soviet toleration, came into existence in the final days of the war and flourished for about two years. The councils were typical moral economy institutions in that they both coordinated production and distributed equally to their employees a portion of their production and what little food and consumer goods (for barter) they could find.<sup>30</sup>

Enterprise councils have a rich history in German industrial relations, extending back to the Weimar period and in some cases before. In the postwar years, East German enterprise councils took on two new roles. First, they helped identify and root out active Nazis in industry, although in the case of management, the Soviet record on removing these officials was mixed.<sup>31</sup> Second, with many managers having fled to the West, councils performed the valuable service of getting production up and running again. But composed as they were of social democratic and communist workers, enterprise councils could hardly have been expected to increase labor discipline with the traditional tools of differential reward and labor segmentation.

Part of the reason that the councils retained a good deal of power well into 1947 was that the Soviet military authorities initially neglected labor altogether, preferring to focus on political reordering and sending eastward, in the form of war reparations, as much equipment and running production from German industry as possible. As long as enterprise councils did not interfere with these tasks, they were left to

<sup>29</sup> Klaus Ewers, "Der Konflikt um Lohn und Leistung in den volkseigenen Betrieben der SBZ/DDR" (Doctoral diss., University of Osnabruck, 1985), 24; Waltraud Falk notes that in 1947 Saxony had an absentee rate of 19.3 percent. Falk, *Kleine Geschichte einer grossen Bewegung* (Berlin: Dietz, 1966), 46.

<sup>30</sup> Siegfried Suckut, *Die Betriebsrätebewegung in der Sowjetisch besetzten Zone Deutschlands (1945-1948)* (Frankfurt: Haag & Herchen Verlag, 1982); Dietrich Staritz, *Sozialismus in einem halben Lande* (Berlin: Verlag Klaus Wagenbach, 1978), 104-6.

<sup>31</sup> Wolfgang Zank, *Wirtschaft und Arbeit in Ostdeutschland 1945-1949* (Munich: R. Oldenbourg Verlag), 53-54.

run many enterprises as they saw fit. Two factors led the Soviets to begin to think systematically about labor discipline: (1) the disastrous winter of 1946–47, which led to widespread hunger and increased absenteeism, and (2) the onset of the cold war coupled with the recognition that the Soviet zone would remain part of the socialist camp for the foreseeable future. Responding to these social and political crises, the Soviet Military Administration in Germany (SMAD) called into existence a zonal economic authority, the *Deutsche Wirtschaftskommission* (DWK). But administrative centralization would not get to the heart of the problem—a demoralized and not very productive labor force. By the summer of 1947, East German labor productivity remained at less than half of its 1936 level. On October 13, 1947, therefore, the SMAD issued Order 234, what the East German trade unions subsequently called the *Aufbaubefehl* (construction order). Concomitant with the order, enterprise councils were disbanded or, when such action appeared to be too costly for the regime, subordinated directly to centrally directed trade unions.

In essence, Order 234 was a full-blown transfer of Soviet-style labor relations to East Germany, although initially it might not have appeared as such. The order called for a number of social measures to address the most urgent needs of workers: industrial safety, strict limits on the use of child labor, longer vacation time for workers involved in physically exhausting labor, polyclinics and nursing stations in the workplace, improved living conditions for workers, and increased wages for female workers. Most importantly, enterprises put on a “234 list” received special deliveries of food for the preparation of hot meals served in the works cafeteria and consignments of industrial consumer goods to be distributed directly at the workplace. Especially productive workers and those involved in hard physical labor received a type “A” meal. Those deemed less productive or performing less strenuous tasks received a less caloric and nutritious type “B” meal. This principle was to be used in the direct distribution of consumer goods at the workplace as well.

Order 234 also contained a number of measures to improve labor productivity. First and foremost came the fight against “slackers and corruption.” “People’s Control Committees” were set up in enterprises to stem the tide of shady dealings and petty pilfering that were bound to occur in a shortage economy. Absentee workers who could not produce a medical excuse could now have their ration cards taken away or, in extreme cases, be assigned to clear rubble from bomb sites which, along with construction, was among the most poorly paid work and

was almost never included on the "234 lists" of enterprises receiving extra food.<sup>32</sup> Finally, the order called for the reintroduction of piecework and other forms of productivity-based wages throughout industry. To assist management in raising productivity, Soviet-style "socialist competitions" were to be employed, and those individual workers who contributed most to raising productive norms were to be designated "activists" and receive financial and political rewards.

Thus began the process of "sovietization" of the East German labor force. Through a subtle combination of incentives and sanctions, the particular Soviet method of binding the worker to the factory, of re-fashioning the factory as a social and political, as opposed to a purely economic institution, had begun.<sup>33</sup> Much of this, of course, was not new to German workers or managers. Industrialists such as Siemens and Zeiss had long understood the benefits of a *Sozialpolitik* internal to the enterprise.<sup>34</sup> Yet, as socially oriented as many German workers and industrialists may have been, they operated in a political and economic environment far different from the one confronting workers and managers in Soviet-occupied Germany in 1947. For one thing, the presence of the Soviet military authorities precluded the formation of anything like the independent employer and employee organizations that had hammered out personnel and wage policy in the Weimar era. The absence of legitimate interest representation meant that any wage settlement would be viewed by workers as suspect, as an expression of state policy or, worse, of Russian policy, rather than as the result of wage negotiations between nominally independent parties.

Beyond the legitimacy question, which of course would persist, East German managers faced a far different set of incentives than that faced by their prewar counterparts. Prewar German industry, for all the excesses of a highly organized internal market, still faced a modicum of domestic competition and the discipline of a highly competitive external market. These conditions no longer obtained for East German industry. Unlike the prewar industrialists, East German managers rarely worried whether their products would be marketed properly and ultimately bought. Pervasive shortages and Soviet reparation policy all but guaranteed that the entire productive capacity of almost any given en-

<sup>32</sup> Stiftung Archiv Massen- und Parteiorganisationen, Bundesarchiv (SAMPO-BA), SED IV 2/602/85.

<sup>33</sup> For a theoretical treatment of this process, see Andrew Walder, *Communist Neo-Traditionalism* (Berkeley: University of California Press, 1986), chap. 2.

<sup>34</sup> Heidurn Homburg, "The 'Human Factor' and the Limits of Rationalization: Personnel-Management Strategies and the Rationalization Movement in German Industry between the Wars," in Steven Tolliday and Jonathan Zeitlin, eds., *The Power to Manage: Employers and Industrial Relations in Comparative Historical Perspective* (London: Routledge, 1992).

terprise could be sold. Rather than being determined by demand, the success of East German managers was a function of their ability to secure the necessary inputs of production, of which labor was among the most important.

#### EVERYDAY RESISTANCE: FOOD AND WAGES

The first signs of resistance from the shop floor reveal how easily the ethic of equality among workers could be violated by the most rudimentary tactics designed to segment the labor force. Although one million workers were receiving warm meals and extra consumer goods at their place of work within months after Order 234 was issued, differential access to food and consumer goods, on whatever basis, injured most workers' fundamental sense of justice. Essentially a crypto-marketization strategy to distribute rewards according to effort and political loyalty, the meal plan of the Sozialistische Einheitspartei Deutschlands (SED) invited wide-ranging acts of resistance. Segmenting the labor force and marketizing the reward structure made little sense to workers when, even with the supplementary meals, average daily caloric intake remained well below the daily minimum requirements. Not surprisingly, in April 1948, reports noted that workers continued to "eat from the same pot," and management still yielded to demands for the equal distribution of consumer goods despite the continued warnings from higher authorities.<sup>35</sup> Where management stiffened its resolve to increase wage and consumer goods differentials, workers often spontaneously evened out the differences by purchasing goods for each other.<sup>36</sup>

The nature and scope of the egalitarian impulse is best illustrated in the reaction to the reintroduction of piecework and other forms of productivity wages (*Leistungslohn*). Although the Nazis had left an unusually disorganized wage structure in industry, the tendency among enterprise councils was to level existing differences, not only among workers but between workers and technical experts. As part of the entire process of wage leveling, enterprise councils, almost without exception, opposed the reintroduction of wage practices common before 1945. Whereas before 1945, 80 percent of the workforce performed piecework and other types of *Akkordarbeit*, by April 1948 the proportion had fallen to 20 percent. Workers and enterprise councils spontaneously eliminated piecework and often removed time clocks at plant

<sup>35</sup> SAMPO-BA (fn. 32), SED IV 2/2027/22.

<sup>36</sup> State Department Decimal Files, XR862b.555/6-1053.

entrances as symbols of work speedups and other distasteful aspects of capitalist (and Nazi) industrial life.<sup>37</sup>

When finally introduced, resistance to piecework and productivity wages was so formidable that within months the SMAD and the SED worried that Order 234 had devolved into an *Essenbefehl*, a one-sided welfare measure to feed industrial workers at their enterprises.<sup>38</sup> Workers complained, staged slowdowns, sabotaged piecework equipment, and used every method imaginable—short of collective action—for resisting its imposition. When asked by communist functionaries, workers voiced three reasons for resisting piecework in addition to egalitarian sentiments. First, Order 234 came as a final blow to many workers who had seen a steady whittling away of the powers of enterprise councils and their subordination to the officially guided trade unions. The withering of the only truly representative working-class institution confirmed working-class fears that piecework, even if introduced by a nominally working-class party, was simply a familiar vehicle of increased exploitation. A clear indication of these fears was the revival in 1947 of the traditional German working-class dictum “*Akkord ist Mord*” (piecework is murder) on the shop floor.<sup>39</sup>

Second, many workers who were in principle favorably disposed to increasing industrial discipline argued, with some justification, that any increase in productivity would flow directly into reparations and, as one worker put it, “benefit only the Russians.”<sup>40</sup> While the total amount of reparations paid by East Germany to the Soviet Union remains a matter of scholarly dispute, the record is clear regarding the demoralizing effect reparations had on industrial workers. The head of the Soviet military authorities, Marshall Sokolovski, had guaranteed the SED leadership on January 11, 1947, that the dismantling of enterprises would be stopped. But a string of complaints from the SED and other evidence suggest that dismantling actually increased after this date.<sup>41</sup> Moreover, reparations from running production continued unabated. Officially, the SED claimed to have stemmed the tide of reparations, but as trade-

<sup>37</sup> SAMPO-BA (fn. 32), SED IV 2/2027/22; Suckut (fn. 30), 196.

<sup>38</sup> Ewers (fn. 29), 45.

<sup>39</sup> SAMPO-BA (fn. 32), SED IV 2/2027/22; see also Jörg Roesler, “Vom Akkordlohn zum Leistungslohn: Zu den Traditionen des Kampfes der deutschen Arbeiterklasse und zur Einföhrung des Leistungslohnes in der volkseigenen Wirtschaft der DDR 1948 bis 1950,” *Zeitschrift für Geschichte* 32 (1984), 778–95.

<sup>40</sup> SAMPO-BA (fn. 32), SED IV 2/2027/22.

<sup>41</sup> On Sokolovski’s promise, see Horst Barttel, *Zur Wirtschaftspolitik der SED*, vol. 1 (Berlin: Dietz, 1984), 27; On the complaint, see Rainer Karlsch, “‘Das Selbmann Memorandum’ vom Mai 1947: Fritz Selbmann und die Reparationslasten der sächsischen Industrie,” *Beiträge zur Geschichte der Arbeiterbewegung* 35 (1993), 88–125.

union chair Herbert Warnke noted in April 1948, such claims were contradicted in the eyes of the population by the fact that the Soviets continued to walk into enterprises unannounced and take much of the production.<sup>42</sup>

Yet, even those workers resigned to piecework as an inevitable part of modern industry and to reparations as the cost of military defeat still protested that it made little sense to work for anything but hourly wages. Shortages in the energy sector and irregular deliveries of other raw materials virtually guaranteed each week that "after three days the raw materials are used up and in the remaining three days of the week there is nothing left to do."<sup>43</sup> Although the macro- and microeconomic conditions of the East German economy had changed for good, ordinary workers could not yet have known this. To them, idle capacity was a sure sign of impending layoffs, a condition that in these circumstances meant starvation.

Naturally, given the presence of the Red Army, the forms of resistance to piecework remained largely amorphous and disorganized—shirking, grumbling, work-to-rule, and dissimulation. In the event, however, such weapons apparently proved to be quite effective. Six months after the proclamation of Order 234, the portion of the labor force receiving piecework and productivity wages had risen a mere 3 percent. According to SED reports from the shop floor, many foremen could not be stopped from putting all the piecework tickets into a common urn in order to ensure equality of reward.<sup>44</sup> Difficulty in introducing piecework is further indicated by SED's strategy for introducing it. Rather than begin in the traditional centers of working-class power where it was likely to encounter stiff resistance, the SED concentrated initially on the textile enterprises of the *Oberlausitz* region, which employed mostly women, relative newcomers to the field of working-class politics in Germany. Not surprisingly, then, by the end of 1947 twice as many female workers received piecework wages as male workers.<sup>45</sup>

#### EVERYDAY RESISTANCE: CORRUPTED TAYLORISM

However persistent and convincing working-class resistance to piecework may have been, the unrelenting pressure from the Soviet military authorities and the SED departments left management in all branches of industry little choice but to find a way to follow orders. East German

<sup>42</sup> SAMPO-BA (fn. 32), SED IV 2/602/85.

<sup>43</sup> Ibid., SED IV 2/2027/22.

<sup>44</sup> Ibid., SED IV 2/5/232.

<sup>45</sup> Ibid., SED IV 2/602/85; Ewers (fn. 29), 48.

management thus found itself in a no-win situation. Pressured on the one side by the Soviets and the SED to introduce piecework, and on the other side by the working class and its (increasingly powerless) enterprise councils to resist, management, in the end, did introduce piecework and productivity wages. In those cases where productivity wages were introduced honestly, wages immediately fell, and workers complained and often left for other enterprises. Fearing the loss of its workers, management responded by setting weak output norms that workers could easily meet and overshoot.<sup>46</sup>

The key to understanding management's behavior is the shortage economy. From the very outset of the Soviet occupation, managers were under pressure to produce as much as possible at whatever cost, a standard feature of Stalinist economic planning. Typical for the entire Soviet zone, in 1946 only 138 of the 465 state-run enterprises in Saxony operated at a profit.<sup>47</sup> Here we find the origins of the East German soft budget constraint. To be sure, even without the presence of the Red Army, the collapse of the German financial and transport systems at the end of the war rendered the hoarding of resources, especially labor, the sole rational economic strategy for producers of all kinds. But even after the East German currency reform in June 1948, which came as a response to the West German currency reform, the problem persisted. Hoarded labor became scarce labor, and scarce labor had more market power than if it were plentiful.<sup>48</sup>

Management's problem was to find a way to secure the necessary labor inputs to meet production plans. Whether the wage of a worker corresponded to his or her productive input was secondary. Under conditions of labor shortage and a soft budget constraint, then, management found it logical to regard the transition from time wages to piecework as a way to raise wages, through weak norms, and make their enterprises more appealing on the labor market. As such, rational managerial behavior transformed what was intended as an economic measure into a sociopolitical one.<sup>49</sup>

The SMAD and communist leadership responded with a redeployment of the prewar system of norm setting—using stopwatches, pro-

<sup>46</sup> *Arbeit und Sozialfürsorge*, no. 3 (1952), 494; SAMPO-BA (fn. 32), SED IV 2/602/85.

<sup>47</sup> Jörg Roesler, *Die Herausbildung der sozialistischen Industrie der DDR* (Berlin: Akademie Verlag, 1985), 82.

<sup>48</sup> As Zank (fn. 31) notes, labor was scarce, not because of any objective shortage, but because of other factors, such as poor bureaucratic deployment and other labor-market inefficiencies, as well as the expansion of uranium mining in Wismut.

<sup>49</sup> This source of managerial motivation became more pressing after 1948, when the numbers of people leaving the Soviet zone for the West shot up dramatically. Ewers (fn. 29), 75–77.

duction-line time and motion studies, and the other elements of German Taylorism.<sup>50</sup> Yet, as tempting as it might have been to rely on earlier German traditions of industrial authority and management, East German Taylorism was corrupted from the outset by the environment in which it functioned. Like their prewar counterparts, East German managers could use the technocratic solutions of Taylorism neither to solve the problem of labor shortage nor to harmonize relations on the shop floor. The SED felt constrained to issue assurances that the use of capitalist methods did not imply the reintroduction of capitalism; workers were not competing against each other for their share of an overall wage bill. In March 1948 the SED issued orders that those who transferred to piecework or other types of performance wages were to be guaranteed an income 15 percent higher than what they received previously.<sup>51</sup> Two months later, *Tribüne*, the official newspaper of the trade unions, demanded that "the calculative and rational nucleus of rationalization be used without the technical exaggerations and without the capitalist intensification of work."<sup>52</sup> Taken together, these provisos hollowed out the core of classical Taylorism and amounted to a retreat by the political authorities in the face of labor's continued resistance on the shop floor and its position on the market.

In itself, paying a premium for piecework might not necessarily have been counterproductive had work norms been more closely watched. But with weak norms, piecework inevitably led to skyrocketing wage bills. The situation worsened after February 1948 with the introduction of "progressive productivity wages," which paid a premium over the piece rate for marginally greater production.<sup>53</sup> Although economic planning called for productivity to rise twice as fast as wages, "labor power" ensured just the opposite: wages rose much faster than productivity. In the Bitterfeld Electrochemical Combine, for example, wages rose in 1948 four times faster than labor productivity.<sup>54</sup> In the Maximilian forge, 80 percent of the workers had been put on progressive productivity wages by the end of 1948, but productivity norms dropped below where they had been eighteen months before, and, compared to the previous year, wages had risen 60 percent while labor productivity had dropped by 24 percent. Similarly disappointing results were re-

<sup>50</sup> On German Taylorism, see Heidrun Homburg, "Anfänge des Taylorsystems in Deutschland vor dem Ersten Weltkrieg," *Geschichte und Gesellschaft* 4 (August 1974), 170–94.

<sup>51</sup> SAMPO-BA (fn. 32), SED IV 2/2027/27.

<sup>52</sup> *Tribüne*, May 8, 1948, quoted in Ewers (fn. 29), 52.

<sup>53</sup> Exactly who came up with this idea remains unclear. Some discussion of it occurred among experts in the DWK in early February 1948. SAMPO-BA (fn. 32), SED IV 2/602/85.

<sup>54</sup> Ewers (fn. 29), 64–65.



ported in the potash, iron, and coal-mining industries—as well as in other key sectors of the East German economy.<sup>55</sup>

In spring 1948, less than six months after the proclamation of Order 234, both the Soviets and the SED sounded the alarm on wages. In a letter to East German economics chief Heinrich Rau, a senior Soviet labor official warned that continued wage increases, “threaten the normal monetary circulation and the financial system of the [Soviet] Zone.”<sup>56</sup> On orders from the Soviet military’s labor department, the East Germans set to work on a new set of wage guidelines. These guidelines restricted the use of progressive productivity wages to essential industries and tightened norms in all branches.

#### EVERYDAY RESISTANCE: THE AKTIVIST MOVEMENT

Commitment to higher norms was one thing; implementing this in practice was something completely different. Unable or unwilling to use the threat of unemployment as a tool for increasing labor discipline, the Soviets fell back on their own particular experience of industrialization in the 1930s to demonstrate that with enough dedication, ingenuity, and effort, work norms could be raised dramatically. The “activist” and “competition” movements had been initiated under Order 234 with precisely this idea in mind, but one year later, reports from the industrial provinces revealed that these movements had made little headway. East German managers had never before used socialist competitions. Most had no idea where to begin or what the fundamental organizing principles were. In many enterprises, workers were not even aware of when or in what sorts of competitions they participated.<sup>57</sup>

The SMAD decided that the movement needed a new push. Much as the “hero of socialist labor” Alexei Stakhanov had done as a coal miner in the 1930s, Adolf Hennecke, a fifty-one-year-old coal miner from Zwickau, mined 387 percent of his normal quota of coal for his shift under specially prepared conditions on October 13, 1948, the first anniversary of Order 234. Run as a political campaign, the “Hennecke-activist movement” soon spread across East Germany into every sector of the economy.<sup>58</sup> It is no accident that the movement began in a coal mine. Not only was coal in short supply, but with a relatively unskilled labor force and a work process that was amenable to arithmetic ac-

<sup>55</sup> SAMPO-BA (fn. 32), SED IV 2/2027/27; SAMPO-BA (fn. 32), SED NL 192/922.

<sup>56</sup> *Ibid.*

<sup>57</sup> SAMPO-BA (fn. 32), SED IV 2/2027/22.

<sup>58</sup> By the end of 1948 there were four thousand Aktivists, by the end of October 1950, one hundred forty-six thousand. Roesler (fn. 47), 85. These inflated numbers strongly suggest the dilution of what it meant to be an Aktivist.

counting of individual work, methods of rate busting could be easily incorporated as political actions.

Hennecke's feat was supposed to inspire workers by demonstrating to the average person that it indeed was possible to do three and a half times the normal amount of work in a shift. Notwithstanding the spate of copycat record setting, however, one finds little evidence that the Hennecke movement actually increased labor productivity or that it convinced the working class of the need for higher norms. Most workers doubted the logic behind creating special conditions for one worker to produce faster than the norm for the simple reason that the normal work day simply did not function that way. One central committee instructor captured the attitude on the shop floor in his report of a visit to the Dresden Machine Building works during a "Hennecke Week" in December 1948:

I asked three skilled workers from the enterprise about their opinion of the Hennecke movement. . . . All three immediately agree that the Hennecke movement would never work and would be discredited if "Hennecke shifts" [as such record-breaking shifts were referred to] continued to be prepared days in advance so that two or three workers could start well prepared.<sup>59</sup>

In an interview with a retired steelworker, historian Lutz Niethammer confirms the general impressions one gets from the archival record. Hennecke shifts were always possible as onetime affairs, but only with a considerable loss of time for readying materials and machinery:

Only with such support was Hennecke the man. We had to clean everything in the morning and then they came in, and there stood the iron, impeccable, and they worked for eight hours, and they did something, didn't they? But it wasn't like that every day. That's not the way it's done. There is too much waste. It has to be cleaned up. You have to wash up this and that. The channels for the hot iron have to be built, don't they?<sup>60</sup>

The regime, moreover, could only partially use the activist and competition movements to raise norms. As Bendix notes, the activists and other rate busters tended to be despised and isolated by the rank-and-file employees of an enterprise.<sup>61</sup> Here we encounter, once again, widespread resistance to an obvious violation of working-class solidarity. The evidence on this point is overwhelming, not only from the testi-

<sup>59</sup> SAMPO-BA (fn. 32), SED NL 182/977.

<sup>60</sup> Lutz Niethammer, *Die Volkseigene Erfahrung*, (Berlin: Rowohlt-Berlin, 1991), 132.

<sup>61</sup> Reinhard Bendix, *Work and Authority in Industry: Ideologies of Management in the Course of Industrialization* (Berkeley: University of California Press, 1956), 331ff.

mony of Hennecke himself, but also from those who followed in his footsteps. Activists regularly suffered abuse at the hands of their fellow workers. Many were labeled bloodsuckers, while others were spit upon; some even faced physical danger. The noted East German playwright Heiner Müller brought these passions to dramatic form in his 1958 work *Der Lohndrucker*, following a long tradition of such plays in the GDR. The play's hero, the activist Balke, addresses a member of his brigade after beginning the reconstruction of a blast furnace while the furnace is still hot, so that his factory will not shut down and the plan can be met:

You've been blathering like mad about the rate busters. You don't want to understand what this is all about. You've thrown rocks at me [while I was in the furnace]. I used them for the wall. You beat me up, you and Zemke, as I came out of the oven.<sup>62</sup>

During the turbulent 1950s, the publication of works that had as their central theme the question of how otherwise recalcitrant workers could possibly be mobilized in support of socialist goals attests to a problem so large that it could not be ignored, even by a Stalinist cultural apparatus.

Given the frequency and intensity of resistance, in the end, Hennecke shifts and production records amounted to little more than political ritual. Control over this ritual, however, constituted an important arena of working-class politics and remained so for the next forty years. The attempt to create a Stalinist East German labor aristocracy failed in the face of a strong egalitarian working-class solidarity. But such evidence did not deter the continued use of Hennecke-like campaigns. On the contrary, within the SED bureaucracy there was some talk of appointing Hennecke and others like him as enterprise directors.<sup>63</sup> Hennecke himself even proposed the wholesale replacement of management in the mining industry with activists, once the latter had gone through special remedial courses in mathematics, science, and mining engineering.<sup>64</sup> While none of these plans came to fruition—indeed they were quickly

<sup>62</sup> Heiner Müller, "Der Lohndrucker," in *Geschichte aus der Produktion 1* (Berlin: Rotbuch Verlag, 1974), 43. The prototype of this hero appeared for the first time in Eduard Claudius's short story from 1950 "Vom schweren Anfang," which became the novel *Menschen an unserer Seite*. See the discussion in Peter Zimmermann, *Industrieliteratur der DDR: Vom Helden der Arbeit zum Planer und Leiter* (Stuttgart: J. B. Metzlersche Verlagsbuchhandlung, 1984), 83–87.

<sup>63</sup> SAMPO-BA (fn. 32), SED NL 182/977.

<sup>64</sup> Sobotka to Ulbricht, letter, April 19, 1949, SAMPO-BA (fn. 32), SED NL 182/977. The plan was withdrawn once the leadership understood that the remedial courses in mathematics and science would take three years to complete, followed by four years of course work in an area of specialization.

slapped down at higher political instances—the Aktivist movement continued to enjoy high-level SED support, perhaps because it remained the sole device for breaking the egalitarian consensus among industrial workers, or perhaps because it nourished the illusion that workers might voluntarily produce more for less.

The evidence from the shop floor, however, shows that the workers would not produce more for lower wages. In the four years following Hennecke's feat, the SED employed dozens of "methods" to toughen work norms and standardize wage scales. The structure of the economy, however, and the solidarity of the working class within this structure made rate busting an unusually trying task. For all the discussion of "technically grounded work norms" and the presence of standardization bureaus in enterprises, constant interruptions in production due to the everyday chaos of the command economy rendered nearly impossible any accurate calculation of the relationship between labor and productive output. At best, norms could be a compromise between conditions at the workplace and downtime because of supply bottlenecks. At worst, they were mere guesswork.<sup>65</sup>

Furthermore, as noted above, the shortage of qualified labor and the existence of open borders yielded to labor an "exit option" that it might not otherwise have enjoyed.<sup>66</sup> If pushed too far, the more talented could pick up and leave for the West. During the economic upswing in the West following the West German currency reform in June 1948 and the concurrent economic downswing in East Germany because of its separation from the West, the problem of migration worsened.<sup>67</sup> Not surprisingly, every time the center attempted to reform the wage system, management catered to the egalitarian impulse of its employees and continued to even out wage differentials with funds supposedly set up for production bonuses.<sup>68</sup> Well into the early 1950s, despite

<sup>65</sup> By the end of 1951, only 10% of norms could be classified as "technically grounded." Ewers (fn. 29), 119. The sensitivity of workers to the rationalization bureaus is indicated in a report from September 1950. A rationalization official arrived at an enterprise and two days later offended workers and management by starting time and motion studies "with watch in hand" before consulting Brigade leaders. SAMPO-BA (fn. 32), SED IV 2/5/232.

<sup>66</sup> The fact that the tight labor market gave workers the power to resist appears to support the strand of the rational choice argument which holds that resistance is most likely to occur when risk to workers is lowest. Everyday resistance, however, did not subside after the construction of the Berlin Wall in 1961. In fact, it increased. Moreover, the reason for resistance, the pseudomarketization of production relations under conditions of shortage, remained unchanged.

<sup>67</sup> The population of the Soviet zone reached its height of 19.1 million in 1947. Thereafter it declined. Between September and December 1949, 129,000 people left; in 1950 198,000; in 1951 166,000; in 1952 over 182,000. Thomas Ammer, "Stichwort: Flucht aus der DDR," *Deutschland Archiv* 29 (1989), 1207.

<sup>68</sup> According to Roesler, in 1949, 59.4 percent of the director's bonus funds were used for direct payments to employees. Only 11% was used for production bonuses. Roesler (fn. 47), 70.

their best efforts, the SED had still not gained control over the shop floor.

How do the moral economy and rational choice models of social action stack up against the record of everyday resistance? Although the evidence is far from one-sided, I tend to favor the moral economy model. For one thing, moral economy appears to predict the conditions under which resistance was initiated. It began in 1947 after the violation by the Soviets and the SED of a communal norm (decommodified egalitarian redistributionism) among workers and the emasculation of the institutions for implementing this norm (workers councils), both of which had flourished in an environment of dire scarcity at the end of the Second World War. The moral economy model also accounts for the dynamics of resistance; workers sustained and even intensified their strategies of everyday resistance when Stalinist repression was reaching its apogee in 1952. Rationally one would have expected increased repression to have stemmed the tide of everyday resistance, but the opposite occurred. Finally, moral economy is able to accommodate the fact that everyday resistance was largely leaderless, spontaneous, and undertaken without the use of selective incentives.

On the other hand, the evidence on resistance to piecework assembled here does not constitute a decisive refutation of rational choice models. One could easily reconstruct the elements of a rational choice story with the given evidence. Labor shortages and the exit option through open borders gave workers a power to resist, even in the face of formidable repression, that they might not have otherwise had. Both these conditions, coupled with managerial acquiescence, certainly lowered the costs and risks of everyday resistance. Furthermore, resistance was not as spontaneous as moral economy models might lead us to expect. Those who resisted did in fact employ selective incentives—incentives, to be sure, of a negative sort—against collaborators and those who refused to resist; witness the gradations of attacks against the Hennecke activists.

The presence of both communal and individual motivating factors in the above narrative suggests that extreme care must be taken in constructing a convincing test of moral economy and rational choice models of social order on the basis of everyday resistance. Motivations are not easily gleaned or isolated by the outside observer. Such difficulties arise not only because motivations are always mixed, but more importantly because everyday resistance is not designed to provoke a crisis in the short run. The barriers to its initiation and continuity are very low, especially when one compares it to the sort of sustained collective ac-

tion that openly threatens the political order. For this reason, social scientists usually try to isolate motivating factors based on evidence from more dramatic, visible, and organized forms of resistance: strikes, rebellions, and other forms of collective action. Fortunately, East German history provides us with one very important instance of collective action, the countrywide strikes of June 1953. This event, to which I turn next, the first of its kind in communist Eastern Europe, provides us with critical evidence on the mind-set and motivations of German workers under communism.

#### FROM EVERYDAY RESISTANCE TO COLLECTIVE ACTION

The cat-and-mouse game between state and class that evolved after 1947 might have carried on undisturbed had the cold war not taken a new turn. After the rejection of the second Soviet "Germany Note" by West Germany, followed by Adenauer's signature to the European Defense Community Treaty in May 1952, Stalin decided on the full integration of the GDR into the Eastern Bloc. Under Soviet orders, the East Germans committed themselves to building up their armed forces and defense industry at a cost of 1.5 billion marks, to be financed from reductions in social spending coupled with higher taxation.

In July 1952, the SED quickly convened a party conference where it announced the "planned construction of socialism in the GDR." Apart from the ideological bluster, in the economy the shift amounted to a new emphasis on investment in heavy industry, forced collectivization of agriculture, and discriminatory taxation against the remaining private industrial enterprises. As a result of the collectivization campaign, 40 percent of the wealthier farmers in the GDR had fled to the West, leaving over seven hundred fifty thousand hectares of otherwise productive land lying fallow.<sup>69</sup> Already in November 1952, West German newspapers reported sporadic food riots and industrial unrest in the major industrial centers of the GDR, including Leipzig, Dresden, Halle, and Suhl. By spring 1953, severe food shortages hit the cities and, as punitive taxation on the private sector effectively shut down crucial suppliers of the state sector, consumer goods began to disappear from the shelves too.<sup>70</sup>

<sup>69</sup> SAMPO-BA (fn. 32) SED NL 182/1077.

<sup>70</sup> News release of November 17, 1952, from the Agency Inter-Continent Correspondence, noted in Department of State file 762b.00/11-2452, November 24, 1952. In January 1953, Stefan Thomas, chief of the West German SPD Eastern Affairs Bureau told State Department officials, "At present the unrest has reached the degree where uprisings would break out if called for by the West. The unpopularity of the regime is especially evident now owing to the food shortages and to agricultural collectivization measures." *Ibid.*

Faced with the inflationary pressures of increased defense spending and declining agricultural and industrial output, the SED leadership had little choice but to attack industrial wage inflation. In May 1953, the SED announced an across-the-board norm increase of 10 percent, set according to strict technical standards. Such an increase might once again have been undermined at the enterprise level and gone unnoticed had it not been accompanied by other unprecedented measures: increases in prices for food, health care, and public transportation. Taken together, the norm and price increases amounted to a 33 percent monthly wage cut. Despite the confusion in the leadership following Stalin's death in March, the Soviet leadership retained enough internal cohesion to respond to the numerous SMAD reports that pointed to the strain these policies had put on East German society. In a series of meetings with the SED leadership, the Soviets "suggested" a number of steps for the GDR's economic recovery. The SED followed most of the Soviet recommendations, but, curiously, did not rescind the industrial-norm increases.<sup>71</sup>

On June 16, workers at several Berlin construction sites walked off the job, demanding a reinstatement of the old norms. On the next day, June 17, approximately five hundred thousand blue-collar workers went on strike and four hundred thousand East Germans demonstrated in 272 cities and towns throughout the GDR.<sup>72</sup> Public authority quickly broke down. Wage demands quickly turned into political demands for free elections and unification with the West. In the end, SED rule could only be preserved with the help of Soviet tanks.

Seen in retrospect, the June events were typical moral economy protests. First, workers moved from everyday resistance to collective action only when they perceived a true threat to their communal standard of living. Had they been purely selfish and individualist actors,<sup>73</sup> groups

<sup>71</sup> Nadija Stultz-Herrnstadt, *Das Herrnstadt Dokument* (Hamburg: Rowohlt, 1990), 82–84. As an indication of the continued hard line on wages, a *Neues Deutschland* article appearing at the end of May 1953 made the argument that even though increased labor productivity lowered production costs, this did not mean that workers should receive higher wages, at least for the foreseeable future. It concluded by pleading with workers to discard old norms so that productivity could rise more rapidly than wages. Only after this had been achieved, so the argument went, could the standard of living could be raised. Department of State, East Germany, file 762b.00/5-1953 XR 962a.61 The resolution introducing the new course was published on June 11, 1953.

<sup>72</sup> Wolfgang Eckelmann, Hans Hermann Hertle, and Rainer Weinert, *FDGB Intern: Innenansichten einer Massenorganisation der SED* (Berlin: Treptower Verlagshaus, 1990), 22.

<sup>73</sup> The conception of social action as aggregated individual behavior based on the maximization of expected utility is a staple of rational choice theory. Mark Lichbach, *The Rebel's Dilemma* (Ann Arbor: University of Michigan Press, 1995). Selfishness, or at least an absence of altruism in the formation of preferences, is also usually implied, although some scholars qualify their notion of rationality to include nonmaterial rewards and preferences for community. See Russell Hardin, *Collective Action* (Baltimore: Johns Hopkins University Press, 1982).

of workers who might have benefited from stricter piece rates and output norms and who had much better working conditions, such as those working in Soviet-owned enterprises, should have been less willing to strike. Research shows, however, that "Soviet" Germans were at least as active as their counterparts in East German state-owned enterprises.<sup>74</sup> This suggests that sentiments of solidarity outweighed any selective incentives employed by the Soviet military authorities to ensure loyalty. In fact, the workers least likely to strike appear to have been employed in the remaining private enterprises.<sup>75</sup>

Second, workers did not wait until their living conditions improved or appeared more secure, as rational choice theory would lead us to expect, nor did they wait until the risk of retribution was low. Given Stalin's death in March 1953, it might appear as if protests did indeed occur when the risks decreased. But East German workers could not have known two months after Stalin's death whether the Soviet leadership had made a decision to rein in the Stalinist police apparatus. Such considerations remained, at best, speculations in the West, and internally were regarded as closely guarded state secrets, the documentation for which has only recently been discovered. Protesting in June 1953 remained a high-risk activity, an "irrational" act.<sup>76</sup>

Third, the protests were primarily restorative as opposed to opportunistic.<sup>77</sup> Workers demanded primarily a restoration of preexisting wage levels and output expectations.<sup>78</sup> It is true that wage demands quickly accelerated to political demands for free elections and unification, but it is also true that most workers quickly returned to work after the regime guaranteed that output norms would be restored to their previous level. As Arnulf Baring notes in his still classic study of the June 17 protest, the backbone of the strike movement had been broken by regime concessions well before the Soviets marched in, despite the fact that scattered strikes continued well into the next month.<sup>79</sup>

Fourth, and most importantly, one finds a notable absence of political entrepreneurs using selective incentives among the strikers. Intellectuals remained passive and largely proregime.<sup>80</sup> During the strikes

<sup>74</sup> "Die SAG-Betriebe und der 17. Juni 1953," *Deutschland Archiv* 29 (1992), 531-36.

<sup>75</sup> Bundesarchiv Abteilungen Potsdam (BAP), 13/33.

<sup>76</sup> For a detailed discussion of this point, see Jeffrey Kopstein, *The Politics of Economic Decline in East Germany, 1945-1989* (Chapel Hill: University of North Carolina Press, forthcoming), chap. 2.

<sup>77</sup> Posusney (fn. 14) identifies this trait as constitutive of moral economy protests.

<sup>78</sup> Torsten Diedrich, *Der 17. Juni 1953 in der DDR* (Berlin: Dietz Verlag, 1991), 72-76.

<sup>79</sup> Arnulf Baring, *Der 17. Juni* (Cologne: Kiepenhauer and Witsch, 1956), 89.

<sup>80</sup> Nikola Knoth, "Loyale Intelligenz? Vorschläge und Forderungen 1953," in Jochen Cerny, ed., *Brüche, Krisen, Wendepunkte* (Leipzig: Urania-Verlag, 1990), 149-56; Anke Huschner, "Der 17. Juni an Universitäten und Hochschulen der DDR," *Beiträge zur Geschichte der Arbeiterbewegung* 33, no. 5



and afterward, the Soviets and the SED argued that the whole affair was led by former Nazis within the GDR and from abroad. Although a disproportionate number of political undesirables and former Nazis worked in the construction sector, where the strikes began, SED attempts to identify ringleaders and a core leadership of the strikes among this group have not held up under scrutiny, nor have their accusations that the leadership came from the West fared any better.<sup>81</sup>

The archives demonstrate quite clearly that the strikes were leaderless, unplanned, and unexpected.<sup>82</sup> They began in construction because, as the most poorly paid labor, construction workers were especially sensitive to changes in output norms and consumer prices.<sup>83</sup> Furthermore, however many provocateurs may have come from the West, the simple fact is that the protests started and spread too quickly for any leadership to have taken control and provided direction.<sup>84</sup> The absence of leaders rendered the strikers and demonstrators rather aimless in their demands and tactics; at times it was unclear whether the workers' demands were economic or political in nature, as they did not speak with a single voice. But the absence of political entrepreneurs did not prevent the initiation of collective action that threatened to bring down the regime.

### III. RESISTANCE AND REBELLION: THE LONG-TERM IMPACT

#### THE LABOR PACT

Whatever the ultimate motivation for working-class resistance and revolt, even more important than the immediate shock were the long-term effects of the strikes on the East German political economy. One month after the June uprising, a report to the general secretary of the Christian Democratic Union, the most important of the SED-aligned

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(1991); Heinrich Mohr, "Die 17. Juni als Thema der Literatur in der DDR," in I. Spittmann and K.W. Fricke, eds., *17. Juni 1953* (Cologne: Edition Deutschland Archiv, 1982).

<sup>81</sup> Gerhard Beier, *Wir wollen freie Menschen sein. Der 17. Juni 1953, Bauleute gingen voran* (Cologne: Bund, 1993); Rainer Gries, "Westliche Markenprodukte waren die schlimmsten Provokateure: Versorgung und Propaganda in der DDR am Vorabend des 17. Juni 1953," *Das Parlament* 42, nos. 25–26 (1992).

<sup>82</sup> This is the main conclusion of Diedrich's archival work, Diedrich (fn. 78). See also Armin Mitter, "Die Ereignisse im Juni und Juli 1953 in der DDR: Aus den Akten des MfS," *Das Parlament* 41, no. 5 (1991); Heidi Roth, "Der 17. Juni im damaligen Bezirk Leipzig: Aus den Akten des PDS-Archivs Leipzig," *Deutschland Archiv* 24 (June 1991).

<sup>83</sup> In Gera, Magdeburg, Rostock, and Dresden, the strikes began not in construction but in steel and metalworking. Eckelmann, Hertle, and Weinert (fn. 72), 28.

<sup>84</sup> Diedrich (fn. 78), 156; Roth (fn. 82), 575.

bloc parties, warned that "under a seemingly calm surface [lay] dangerous seeds of discontent," and concluded "that an external calm exists in the population and in reality the mood has in no way improved since June 17, 1953."<sup>85</sup> The SED could hardly have been less affected by the mood of the population than its sister party, since most public anger was directed at Ulbricht, Pieck, Grotewohl and other leading communist luminaries. In fact, from the testimony of his colleagues, we know that throughout the 1950s, SED leader Walter Ulbricht feared, more than anything else, a repetition of the events of June 17.<sup>86</sup>

Politically charged industrial unrest had almost cost Ulbricht his job and, given the clear connection between unrest and wage/price policy, Ulbricht had good reason to avoid making this mistake again. It appears certain that Ulbricht feared his own working class. Not surprisingly, then, the uprising in June effectively crippled the regime on the shop floor. Output norms and prices quickly returned to the status quo ante. In order to buy labor quiescence, the SED continued to corrupt the entire Taylorist apparatus set up for measuring old norms and implementing new ones. Taylorism's corruption in the East German context did not decrease the allure of the pseudoscientific and technocratic language so present in the various charts, graphs, and equations that litter the regime's labor studies of the 1950s.<sup>87</sup> Gradually, however, the outlines of an implicit agreement between the workers' state and the working class began to take shape: production could rise so long as norms remained low and wages high, relative to productivity. Industrial unrest did reappear sporadically throughout the 1950s, as the regime tried time and again to manipulate wages and norms. But enterprise party organizations and management had little interest in creating unnecessary industrial conflict and, in the few cases of conflict that have been studied thoroughly, both tended to acquiesce to whatever industrial demands workers might make.<sup>88</sup>

Throughout the 1950s wages rose faster than productivity in every sector of industry, a problem that Soviet advisers and the East German leadership would repeatedly attempt to rectify, albeit with little suc-

<sup>85</sup> Archiv für Christlich-Demokratische Politik, VII-011-1743. Reprinted in Udo Wengst, "Der Aufstand am 17. Juni 1953 in der DDR: Aus den Stimmungsberichten der Kreis- und Bezirksverbände der Ost-CDU im Juni und Juli 1953," *Vierteljahrhefte für Zeitgeschichte* (1993), 277-321.

<sup>86</sup> Ernst Wollweber, "Aus Erinnerungen: Ein Porträt Walter Ulbrichts," *Beiträge zur Geschichte der Arbeiterbewegung*, no. 3 (1990), 350-78.

<sup>87</sup> Werner Mühlhausen and Richard Schmidt, *Arbeitsanalyse und Arbeitsnormung: Ein Kernstück des praktischen Unterrichts in der sozialistischen Produktion* (Berlin: Volk und Wissen Volkseigener Verlag, 1959).

<sup>88</sup> Peter Hübner, "Balance des Ungleichgewichtes: Zum Verhältnis von Arbeiterinteressen und SED-Herrschaft," *Geschichte und Gesellschaft* 19 (1993), 26.

cess.<sup>89</sup> Twelve years after the June events, for example, when the management of the Oberspree Cable Works tried to adjust piece rates in the first half of 1961, a report of the Committee for Labor and Wages lamented that “the workers declared that if new piece rates were introduced, they would take up work in another enterprise. Five workers took the discussion about the use of new rates, which would not have led to any wage reductions, as cause to quit.”<sup>90</sup> In the same year, a member of the economic council of Rostock could characterize only 15 percent of the wages in his province as subject to any kind of rigorous standardized output norms.<sup>91</sup>

Even though industrial relations could be stabilized on the basis of high wages and low productivity, this arrangement did not in any way relieve the pressure on the regime to improve economic performance. It merely restricted one path of capital accumulation—through wage suppression—and rendered economic competition with the West that much more difficult. Wage egalitarianism remained a constant of East German industry; in fact, over the years it gradually became a social norm.

As an older generation of East Germans resumed its place and a new generation entered the workforce after 1945, both developed habits, interests, and expectations that were different from those of the working class of prewar Germany. The work ethic and culture of the East German working class had been completely refashioned. In the absence of a capitalist labor market, the egalitarian impulse developed in the early postwar years could not be broken, as it was in the West. As wages lost their disciplinary and stimulative functions, however, other traditional German working-class virtues fell by the wayside. Thus, by 1960, East Germany had a higher rate of absenteeism among industrial workers due to “illness” (shirking, one of the weapons of the weak) than any other country in Soviet-controlled Eastern Europe.<sup>92</sup> East German labor had become as much a constraint as a productive resource, and this constraint in no small way helped to restrict the scope of plausible economic reforms.

<sup>89</sup> Andre Steiner, “Sowjetische Berater in den zentralen wirtschaftsleitenden Instanzen der DDR in der zweiten Hälfte der fünfziger Jahre,” *Jahrbuch für Historische Kommunismusforschung* (June 1993), 100–117.

<sup>90</sup> Quoted in Jörg Roesler, “Wende in der Wirtschaftsstrategie: Krisensituation und Krisenmanagement 1960–62,” in Jochen Cerny, ed., *Brüche, Krisen, Wendepunkte* (Leipzig: Urania Verlag, 1990).

<sup>91</sup> Alf Lüdtke, “Helden der Arbeit—Mühen beim Arbeiten: Zur missmutigen Loyalität von Industriearbeitern in der DDR,” in Hartmut Kaelble, Jürgen Kocka, and Hartmut Zwahr, eds., *Sozialgeschichte der DDR* (Stuttgart: Klett Cotta, 1994), 211.

<sup>92</sup> Hübner (fn. 88), 26.

## THE ABORTED REFORM

In the long run, the labor pact of the 1950s weakened the regime by eliminating the possibility of meaningful economic reform. Such reforms were universally regarded as necessary if the East was to compete effectively with the West. Yet by 1974, when confronted with the facts of his country's faltering economic performance and of the need to place the burden of adjustment to a rapidly changing international economic environment on the working class, the East German leader, Erich Honecker, could only respond by admonishing his Politburo colleagues: "In that case we can all resign immediately, and that naturally is something we don't want to do."<sup>93</sup>

Honecker spoke from experience, for he had been second in command to Walter Ulbricht during the GDR's only serious attempt to restructure its economy. Between 1962 and 1970 the SED undertook a rather ambitious "in-system" economic reform. The essence of East Germany's economic reform, known as the New Economic System (NES), was similar to other reforms undertaken within the former Soviet bloc. In one way or another, all the reforms were designed to address the critique first put forward by von Mises and Hayek: in complex economies planners face an almost insurmountable task of obtaining accurate information from producers and consumers. With this in mind, East German planners sought to improve their knowledge of enterprise performance and induce the production units under their command to utilize resources more efficiently through a price reform, a capital charge, and an evaluation of enterprise performance based on profit rather than physical output. Planners understood that capital productivity would remain lower in the East than in the West for some time to come, but they hoped that rising rates of capital accumulation and continued high rates of investment would gradually push East Germany past the West in a number of industries.<sup>94</sup>

Social scientists have offered a simple and elegant explanation for why communist reforms fail. Notwithstanding some good intentions, reforms ultimately founder, so the argument goes, because marketization threatens the benefits accrued to rent-seeking bureaucrats who, in a market economy, will no longer be the administrators of shortage.<sup>95</sup>

<sup>93</sup> BAP (fn. 75), SPK E-1 56167.

<sup>94</sup> Jeffrey Kopstein, "Ulbricht Embattled: The Quest for Socialist Modernity in the Light of New Sources," *Europe-Asia Studies* 46 (June 1994).

<sup>95</sup> This literature is nicely summarized in Jan Winiecki, *The Distorted World of Soviet-Type Economies* (Pittsburgh: University of Pittsburgh Press, 1988).

Given a choice between efficiency or power, communist bureaucrats choose power every time. How does the theory hold up when confronted with the evidence? The archival evidence on the rise and demise of the East German economic reforms during the 1960s reveals motivations of a more complex nature. Middle- and upper-level officials who opposed the reforms did so not because they were afraid of losing power, but because regulating a reforming economy was so much more complicated and difficult than administering a Stalinist economy.<sup>96</sup> Their private correspondence portrays men concerned more with a poorly functioning, half-reformed, Gorbachev-style economy, than with their diminished power in the face of decentralization.<sup>97</sup>

What the evidence supports much less ambiguously is the power of the working class to restrict the range of reforms. Having started with an alteration of industrial prices, by 1965 the entire price system, especially consumer prices, had to be changed if the NES was to have any chance of success. Most of the economic elite agreed with the head of the state bank, Gretta Wittkowski, who asserted quite bluntly in July 1965, "We have to get rid of the idea that consumer goods prices will stay unchanged." The head of the state planning commission, Erich Apel, agreed with her. Although he foresaw a solution to the problem only in the future, he predicted that many consumer prices would have to change quickly if the price reform was to provide useful information to the planners.<sup>98</sup>

The issue of consumer goods prices did not disappear. But Ulbricht, committed as he was to the NES, refused to act. In February 1966, Chairman of the Council of Ministers Willi Stoph informed Ulbricht that it would soon be necessary to start thinking about making "corrections" in consumer prices because of the impact of the industrial price reform.<sup>99</sup> Ulbricht, however, did not yet feel confident enough to broach the question of consumer prices in public. He personally oversaw several drafts of the official *Argumentation* for the third and final stage of the industrial-price reform, making sure that it was clear that consumer prices would not be affected.<sup>100</sup> Of course, Ulbricht was not alone. In both the party and the state bureaucracies, many felt that for political reasons the burden of reform could not yet politically be

<sup>96</sup> Kiren Aziz Chaudhry argues that, more than ideology, this logic shaped the original decision to move to a command economy in the Soviet Union in 1928. Chaudhry, "The Myths of the Market and the Common History of Late Developers," *Politics and Society* 21 (September 1993).

<sup>97</sup> Kopstein (fn. 94).

<sup>98</sup> BAP (fn. 75), SPK E-1 51770.

<sup>99</sup> SAMPO-BA (fn. 32), SED NL 182/973.

<sup>100</sup> Ibid.

shouldered by the public. The memories of June 1953 were still too fresh.

Beyond consumer prices, industrial relations remained off-limits as well. Investing according to profitability ultimately meant closing down or scaling back unprofitable enterprises. Such a radical departure would entail, at a minimum, tens of thousands of "socialist transfers"—retraining and relocating workers, if not outright unemployment. In 1966–67 when this process was due to begin, the response was a typical moral economy "entitlement protest."<sup>101</sup> Steady, lifetime employment at one enterprise (unless voluntarily given up by a worker) was considered an essential part of the social contract, and its violation constituted in the minds of many a surrogate form of unemployment. Those threatened with transfers to new work put up stiff resistance. Coal miners and their managers in Zwickau, for example, brought the situation to the edge of revolt. In the face of these prospects, plans to close down certain parts of the coal mine were quickly dropped. Budgets remained soft, therefore, not only because rent-seeking communist officials wanted them to but also because the regime had little choice in the face of workers' resistance.<sup>102</sup>

In addition to job security, the issue of piece rates, output norms, and wage levels continued to plague SED labor specialists. Despite the relative peace on the shop floor in the years after 1953, in 1960 the central trade union still recorded 166 work stoppages or strikes mostly because of administrative adjustments in wages or piece rates.<sup>103</sup> Although the construction of the Berlin Wall seemed to offer the SED the opportunity finally to address the problem of wages outpacing productivity, such confidence proved illusory. The SED leadership considered it safe to raise piece rates and exert downward pressure on wages through an imposed *Produktionsaufgebot* (production levy) after the construction of the wall in August 1961. Thanks to this, as well as to a series of policies designed to absorb excess earnings, the relationship between labor productivity and wages improved temporarily.<sup>104</sup> But even with the closure of the West German labor market, labor protests did not subside. In fact, they increased in the year after the construction of the wall. Trade union reports of 135 strikes in 1961 and 144 strikes in 1962 dashed any

<sup>101</sup> Posusney (fn. 14).

<sup>102</sup> On the Zwickau unrest, see Werner Obst, *DDR Wirtschaft: Modell und Wirklichkeit* (Hamburg: Hoffmann und Campe, 1973), 91. Many officials opposed the closing of the enterprises because they considered it unjust to disrupt the "brigade" and "enterprise" life of the workers, suggesting that a moral economy existed not only among workers, but among management as well.

<sup>103</sup> SAMPO-BA (fn. 32), SED IV 2/611/66.

<sup>104</sup> BAP (fn. 75), SPK E-1 51770.

possible hopes among the SED labor specialists that the wall would decisively alter industrial relations or working-class attitudes.<sup>105</sup> These strikes remained disjointed and amorphous affairs. In no instance did they directly threaten to upset political authority. In almost every case they involved piece-rate or output-norm issues and could easily be resolved by managerial retreat. Nonetheless, within several years, all ground gained had been lost. By April 1966 wage increases once again outpaced productivity gains in seven of eight mining trusts, in three of five trusts in metallurgy, and in nine of fourteen trusts in machine building.<sup>106</sup> In late 1965 and early 1966, consideration by the Council of Ministers of instituting a five-day workweek, every other week, would have simply been a ratification of concurrent practices in many enterprises and suggests that labor continued to represent as much of a constraint as a resource.<sup>107</sup>

The capacity of workers to undermine pseudomarketization of both the internal and the external capital and labor markets explains to a large extent why such reforms were never undertaken again. Yet without significant change, the East German economy was doomed to fall farther behind its West German counterpart with each passing year—a primary, if not exclusive, reason for communism's collapse in 1989. Whether genuine economic reform might have saved East Germany remains unclear. It may not have been a sufficient condition, but it certainly was a necessary one. Even where they disagree on the modalities of the transition, social scientists do agree that marketization of some sort is a precondition for improving the long-run performance of Soviet-type economies.<sup>108</sup> If it could have been carried out successfully—that is, if the soft budget constraint could have been diminished—there is no reason to believe that the reforms prevented by the workers would not have improved economic performance and shored up the regime's legitimacy.<sup>109</sup> Notwithstanding the number of recent studies on democ-

<sup>105</sup> Andre Steiner, "Ökonomische und soziale Effekte von Mechanisierung und Automatisierung in der Metallverarbeitenden Industrie der DDR von den fünfziger bis in die siebziger Jahre," *Deutsche Studien* 115 (1990), 305.

<sup>106</sup> BAP (fn. 75), SPK E-1 56087.

<sup>107</sup> Ibid.

<sup>108</sup> On this common prescription from two politically very different points of view, see Adam Przeworski, *Democracy and the Market* (Cambridge: Cambridge University Press, 1991); also Oliver Jean Blanchard, Kenneth A. Froot, and Jeffrey D. Sachs, eds., *The Transition in Eastern Europe* (Chicago: University of Chicago Press, 1994).

<sup>109</sup> During the initial years of the reform in the 1960s, the GDR's economic performance improved significantly. Gert Leptin and Manfred Melzer, *Economic Reform in East German Industry* (Cambridge: Cambridge University Press, 1978). The upswing stalled as soon as working-class resistance impeded the broadening and deepening of the reforms. Put differently, if by 1989 East Germany's economy had been performing near the level of the West, the regime might have allowed its people to travel, secure

ratization, one finds very little solid evidence that dictatorships cannot be rendered legitimate for long periods of time by elites who have sufficient room for maneuver. East German workers, conditioned by their historical relationship with the Communist Party, ensured that the elite did not enjoy this luxury.

#### IV. CONCLUSION

In his classic study of the nascent English working class, E. P. Thompson argued that the moral economy of the crowd in the eighteenth century effectively restricted the capacity of the state to introduce procapitalist policies.<sup>110</sup> Only during the next century, the nineteenth, could the traditional Tory socialist coalition of elite and mass be broken. An analogous, if not identical, situation can be said to have existed in postwar Eastern Europe. Western experts have argued that during the 1970s and 1980s, that is, in the later years of communist rule in the Soviet Union and Eastern Europe, an implicit social contract between state and society effectively restricted the room for maneuver enjoyed by these regimes.<sup>111</sup> The historical evidence presented in this article, however, suggests that this confining condition was encountered much earlier than previously thought, almost from the very outset of rule. Despite the imposing presence of the Soviet occupation regime and the growing power of the SED, the East German working class retained an amorphous, disorganized power that, even with a good dose of Stalinist terror, could not easily be diminished. The power of the totalitarian state to shape a new moral economy, to create a new structure of consent among the working class, was extremely limited. Along with job security, East German workers had the power to demand a rough-and-ready sort of wage egalitarianism and consumer prices that remained low relative to wages. The contradiction of the communist social contract was that, despite persistent egalitarianism, East German workers expected a standard of living on a par with that of their counterparts in the West and reserved the right to feel a sense of injustice when this relationship went too far askew. From the standpoint of the country's

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that they would return. To extend the counterfactual, if reasonable economic parity could have been achieved, how many ordinary East Germans would have joined the pampered intellectual counterelite and risked their lives and futures by demonstrating against the regime, all in the name of an abstract political freedom that would not have altered their life chances by very much? I suspect depressingly few.

<sup>110</sup> Thompson (fn. 16).

<sup>111</sup> For a good summary and evaluation of this literature, see Linda Cook, *The Soviet Social Contract and Why It Failed: Welfare Policy and Workers' Politics from Brezhnev to Yeltsin* (Cambridge: Harvard University Press, 1993).



leaders, little could be done to change economic structures or industrial relations without the risk of open rebellion. For this reason, despite its formidable coercive capacities and unsurpassed surveillance apparatus, the GDR was a classically weak state.

Does the East German case discussed here offer a good basis to refute what I have called the "Whig" explanation of 1989? Partially, but not entirely. After all, everyday resistance did not and indeed was never intended to make the situation "go critical," which lends indirect credibility to the argument that political entrepreneurship is necessary for everyday resistance to be transformed into collective action. My evaluation of what were potentially regime-destroying strikes and protests in June 1953, however, suggests that political entrepreneurship is not always necessary for collective action in communist contexts. We should, therefore, not feel compelled to play up its role in 1989. Naturally, a host of other, historically more proximate factors must also be considered in order to explain why people mobilized the way they did in the fall of 1989. Any explanation of 1989, however, must account not only for mobilization in the final days, but also for the policy standoffs and state failures that made mobilization seem the sensible thing to do.

The approach taken here does not so much invalidate the civil society and mobilizational models, as it accounts for history that these models leave out—the long-term creeping immobilization of regime capacity to formulate and implement effective economic policies as a consequence of nonpolitical everyday forms of resistance by working people.<sup>112</sup> To be sure, the rise of articulate counterelites, Gorbachev's signaling from Moscow, and the decrease in the risk of intervention from abroad cannot be left out of any serious account of 1989. The Monday demonstrations in Leipzig, the mass rallies in Berlin, and the images of Christa Wolf, Stephan Heym, and other intellectuals addressing their fellow citizens all deserve a place in the historiography of the period.<sup>113</sup> Whether one wishes, however, to write the history of 1989 as *essentially* the culmination of overt dissidence and mass mobilization, and then search the historical record for antecedents supporting this interpretation, is another question. The approach offered here

<sup>112</sup> Tim Mason makes a similar argument for Nazi Germany. By 1939 the working class had the Nazi regime so paralyzed that the only way to break the back of everyday resistance and thus reimpose labor discipline was to go to war. Mason, *Social Policy in the Third Reich* (Providence, R.I.: Berg, 1993), 275–331. Extrapolating Mason's analysis to the Soviet empire in Eastern Europe (and the Soviet Union itself), one might argue that the only possible route to imperial salvation would have been a military adventure of some sort in Western Europe or China.

<sup>113</sup> Susanne Lohmann, "Dynamics of Informational Cascades: The Monday Demonstrations in Leipzig, East Germany, 1989–91," *World Politics* 47 (October 1994).

suggests that we shift our attention away from the more obvious dramatis personae of history and back to the less obvious, away from the powerful and back to the powerless, and, finally, away from the drama of political development and back to the everyday acts of resistance that immobilized the regime.

Such a shift may be helpful not only to explain the long-term sources of communist political instability but also to account for the dynamics of politics after 1989, such as the renewed strength of communist parties throughout Eastern Europe. Rather than explaining the return of the communists and difficulties in the transition as a by-product of civil society's weakness, five years after claiming that communism fell because of the same civil society's strength, an alternative analysis would point to the moral shock of confronting for the first time the genuine commodification of such realms as housing, basic necessities, health care and the like, as well as early capitalist patterns of social stratification. As the above pages indicate, moral economies change very slowly, often lasting far longer than the antecedent conditions that produce them in the first place. Egalitarian sentiments persisted in East Germany, and indeed were catered to by the regime, long after the dire conditions that produced them in the immediate aftermath of the Second World War. Communist parties may not have succeeded in decreasing the historical disparity in income between Eastern and Western Europe, but they did succeed in radically altering the social structures and attitudes of the people in the countries where they ruled. It is these social structures and sentiments that the liberal states of Eastern Europe must confront today.<sup>114</sup>

<sup>114</sup> Survey evidence, for example, suggests that East Europeans continue to be more egalitarian than their Western counterparts and expect a larger role for the state in the economy. James P. McGregor, "Value Structures in a Developed Socialist System: The Case of Czechoslovakia," *Comparative Politics* 23 (June 1991), 181-99; Robert Rohrshneider, "Report from the Laboratory: The Influence of Institutions on Political Elites' Democratic Values in Germany," *American Political Science Review* 88 (March 1994), 927-41.