FORGOTTEN HISTORIES: WORKERS AND THE NEW CAPITALISM IN EAST GERMANY AND HUNGARY*

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Abstract

By drawing on Kideckel (2002) and Todorova and Gille (2010), this article seeks to (1) explore forms of workers’ new subalternity in the new capitalist regimes in East Germany and Hungary, and (2) argue that nostalgia for the socialist regimes functions as a means and claim of the “little man” to express social criticism. Under state socialism, workers constituted the emblematic class of the regime. After the collapse of the socialist regimes in Eastern Europe, workers faced the double challenge of the decline of the political weight and significance of the working class and the devaluation of production work in a postindustrial society.

The essay analyzes the postsocialist experience of East German and Hungarian workers in three main dimensions: (1) the experience of post-Fordist development in the factory, (2) the subjective evaluation of the standard of living, and (3) interpersonal relations. Lastly, I examine the social and political attitudes of the workers in the mirror of their postsocialist experience.

I argue that Hungarians had a more direct experience of peripheral development than East Germans. While East Germany’s more successful integration into the capitalist world economy was accompanied by a change of mentality and the

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appearance of post-materialistic values, in Hungary nationalism seemed to be the only alternative to capitalism, which had disappointed and effectively impoverished many people. This explains the ambiguous evaluation of the socialist Kádár regime, as the vision of greater social and material equality came to be confused with a longing for a strong state, order, and an autocratic government.

New Capitalism and the Socialist Working Class

David Kideckel recalled his first trip to the Jiu Valley mining town in Romania with the observation that people to whom he told of his interest in labor, miner working conditions and the impact of unemployment, would ask him in return whether he was a Communist (Kideckel 2002). Later he went on to argue that the region’s problematic is not too slow a movement to capitalism (as “transition” would have it) but too fast; not too little capitalism but too much. Rather than postsocialist, it is better understood as “neo-capitalist,” a social system that reworks basic capitalist principles in new, even more inegalitarian ways than the Western model from which it derives. . . . There have been some exceptions. Some joint ventures with enterprises of the developed capitalist world have given workers reasonable wages and job security. The dominant trends, however, have been to sanctify individualized ownership at the expense of social equity, to pursue inappropriate loan policies, and to facilitate a corrupt bargain between owning and political classes at the expense of labor. Industrial workers have fallen to near the bottom of the economic and social scale, there is still no effective middle class, and class boundaries are further solidified. (Kideckel 2002, 115)

These observations show a remarkable similarity to the arguments of left-wing intellectuals in Hungary. Erzsébet Szalai, for instance, also prefers to call postsocialist societies “neocapitalist regimes,” while Nigel Swain, who conducted fieldwork in Hungary in the 1970s and wrote a book about the socialist system as it existed after the economic reforms (Swain 1992), speaks of postsocialist capitalism (Swain 2011). The reason why I cited Kideckel at length is twofold. First, he offers an explanation for the “blank spot” in the Hungarian (and, 1 This criticism is shared by Gowan (1995); Watson (1993); Amsden et al. (1994); Slomczynski and Shabad (1997); Wedel (1998). From the Hungarian literature see also Huszár (2012; 2013).

2 Szalai (2001; 2004a). On the unmaking of the Hungarian working class, see Szalai 2004b, although it should be noted that she does not consider the working class to be a class under socialism (Szalai 1986).
indeed, in general in the East-Central European) literature covering working-
class life under postsocialism. Secondly, while Kideckel is critical of transition
theory\(^3\) (as is clear from the citation), he indeed argues that anthropology can
offer a panacea for the shortcomings of the great paradigms and the dominant
(legitimating) narratives as constructed by the new capitalist elites of the region.

As is well known, the “working class” throughout the Soviet bloc was
closely linked with the Marxist-Leninist legitimating ideology of the state so-
cialist regimes. This ideology proclaimed the working class to be the ruling class,
in whose name the Communist Parties of the region governed the working
people, the party serving as the vanguard of the working class.\(^4\) The eventual
and rapid collapse of Communist regimes across the region in 1989 discredited
the legitimizing narratives of official working-class histories; the events of the
year disproved notions of a simple equivalence between class position and class
consciousness characterized by dominant trends in Marxist thought. In 1989
many Western left-wing intellectuals hoped that the socialist working classes,
after getting rid of the tutelage of the Communist parties, would be mobilized
against the restoration of capitalism and establish a democratic socialism based
on workers’ councils and self-governance.\(^5\) Of course, this expectation proved
to be wrong, and there was little effective working-class resistance to the in-
troduction of a capitalist economy.\(^6\) There was no country in Eastern Europe
where workers supported any kind of democratic socialist alternative to the
existing system. Nor was the East European political and intellectual climate
favorable for revisiting working-class histories after the change of regimes: all
forms of class theory were regarded as utterly discredited, and the working
class was often uncritically associated with the state socialist past, as intellectual
elites invested in a future based on “embourgeoisement,” which downplayed
the social and political roles of industrial workers (Burawoy 1992).

Indeed, after the change of regimes anthropologists argued that the
working class became the new subaltern class (Kideckel 2002; 2008; Bu-
chowski 2001; Kalb 2009; Kalb and Halmai 2011). While subalternity was
used by Rudolph Bahro (1977) to explain workers’ location at the bottom

\(^3\) For a discussion of the terminology, see Verdery (1996); Snyder and Vachudova (1997);
Hann (2002); Humphrey (2002); Verdery (2002); Bartha (2010).

\(^4\) For a review of the Western left-wing critical discourses of the Soviet Union, see Linden (2007).

\(^5\) Burawoy, for instance, expressed this hope of the Western left-wingers in Burawoy (1985).
Burawoy and Lukács (1992) rethink the potential of a socialist turn in the region.

\(^6\) In Hungary the organization of workers’ councils was a short-lived experiment. See Szalai
(1994); Nagy (2012). After the political failure of this project, the Eszmélet-kör and the jour-
nal *Eszmélet* sought to preserve this intellectual tradition, which goes back to thinkers such as
György Lukács and István Mészáros.
of a knowledge-based division of labor in socialism, the transformation of socialist political economies has deepened the subalternization of labor. Kideckel (2002) identifies eight key factors, which explain renewed and reinvigorated worker subalternity and its social decline, out of which this article mainly builds on two: (1) the devaluation of industrial work and loss of symbolic capital due to the expansion of the information society and globalized culture, and (2) the general dissolution of working-class social networks, encouraging their loss of energy and physical incapacity.

The loss of symbolic capital coincides with the economic processes of “transition.” Even though the working class was nowhere a ruling class, the Communist parties held the large industrial working class to be their main social base and centered their social policy on this group. I argued elsewhere (Bartha 2013) that the standard-of-living policy implemented in Honecker’s GDR and Kádár’s Hungary did, in fact, orient working-class consciousness towards consumerism, which the socialist economies could not satisfy, and they had to finance their policies increasingly from loans (Steiner 2004; Földes 1995). Politically, however, the parties could not afford to reduce their outdated heavy industries because it would have destroyed the very basis of their social support.

After the change of regimes, the new elites constructed a legitimating narrative in which workers had no place other than as people who are “lazy,” “unfit for a modern, capitalist society,” “lacking the entrepreneurial spirit and initiative to set up their own business,” and who “expect the state to support them.” These stereotypes are by far not limited to Hungary. Dominic Boyer (2006) reports that in East Germany several journalists told him that speaking critically of unified German society was something they were loath to do because such criticism was immediately taken by their Western colleagues as a lack of commitment to democracy and a yearning for a return of the GDR. To illustrate the point of the essentially different rights of talking about the future as compared to the totality of a society, he cites a journalist who complained that while it was natural of the West Germans to ask their “Ossi” counterparts how they could have lived in such a totalitarian regime, they would not understand the reverse question: how can one live in a society where so many people are unemployed or threatened with unemployment (Boyer 2006, 374) or where—as in the case of Hungary—sociologists showed the existence of a large underclass? (Ladányi 2012; Ferge 2012). Or take the example of Poland, where Michal Buchowski writes: “The voice of the powerless and the poor passes virtually unheard. They have to resort to radical methods if they want to articulate their interests. Then, however, they are described as uncouth and ignorant about the new deal. They are simply created as ‘new others’ of transitions” (Buchowski 2001; 15).

See also Konrád and Szelényi (1979). For a discussion of the internal stratification of labor under socialism, see Kemény (1990); Héthy and Makó (1975).
While it counts as a truism that the workers’ state—as it was understood from a left-wing, socialist perspective—was not realized anywhere in Eastern Europe, it is worth asking the reverse question: what actually has been realized? The clarification of this question would help us revisit the nostalgia for the Kádár regime in Hungary: we should not explain everything through comments such as “the workers are nostalgic for a regime where they did not have to work so hard” or where “they had a better position,” nor with statements that nostalgia serves as a means through which the losers of the change of regimes seek to upgrade their self-esteem. Eastern European nostalgia (Ostalgie) has been a topic of recent discussions in order to explain the eventual disappointment of Eastern European citizens with the newly established, capitalist regimes. It cannot be the intention here to give a review of this literature; I just want to clarify my own position in the debate. I argue that the validity of the memories of the socialist past should not be dismissed as a mere nostalgia for a lost youth or for a time when workers were ranked higher in society than today. I cite here Frances Pine: “When people evoked the ‘good’ socialist past, they were not denying the corruption, the shortages, the queues and the endless intrusions and infringements of the state; rather, they were choosing to emphasize other aspects: economic security, full employment, universal healthcare and education” (Pine 2002, 111). Working-class community life was recalled with a sense of loss in both the German and Hungarian interviews. While in East Germany we cannot, of course, observe the growth of an underclass, the Hartz legislation introduced between 2003 and 2005 rendered the situation of the unemployed more difficult, and one can, indeed, observe the “ghettoization” of the formerly privileged Neubau (blocks of flats), where only the unemployed, the poor, and immigrants live today. Ostalgie can thus be understood as a conscious comparison between a however malfunctioning socialism and the hard, everyday life reality of neoliberal capitalism (Boyer 2010). I therefore underline that Ostalgie is not a discourse constructed by the losers of the change of regime; it is, essentially a way and claim to express social criticism.

The Data

I examine workers’ everyday life experience and collective memory of the change of regimes in East Germany and Hungary through life-history interviews that I collected in both countries between 2002 and 2004. I focus on the group that was supposed to be the main beneficiary of the party’s policy towards labor in both countries: the large skilled and urban industrial working class. I collected forty life-history interviews in both Carl Zeiss Jena and

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8 See, e.g., Todorova and Gille (2010). See also Todorova’s introduction (Todorova 2010).
9 Pittaway (2011; 2012) and Földes (1989) argue that the support of the large, skilled, urban industrial working class was crucial for Hungary’s Communist Parties.
Rába in Győr, the two large factories whose state socialist pasts I examined in the light of archival sources. There were an equal number of men and women among my interview partners, and also of workers who could keep their jobs after the change of regimes (both factories survived the change with radically reduced personnel) and those who were dismissed/retired. The majority of the interview partners were 38–60 years old at the time of interviewing; namely, I looked for workers who had work experience under both regimes. The majority of them were skilled workers; however, I also interviewed foremen, white-collar workers, and the retrained employees of the new service sector (mainly in the East German case). In some stories we can observe an upward social mobility: among the pensioners there were skilled workers, who were educated under state socialism and promoted to be engineers, production managers, or economists; they, however, continued to have a working-class identity or they preserved their ties to the working class (therefore they wanted to be interviewed). In quoting the interviews, I sought to preserve the individual language use of the speakers, which I tried to give back in translation (although the majority of the German workers made a conscious effort to use “standard” German). In addition, I used forty other interviews conducted in 2010 with Hungarian workers of the catering sector and the building industry,\textsuperscript{10} and ten interviews that I conducted in Halle with workers and foremen in 2014.

“This market economy knocked us out”

The immediate experience of the change of regimes was different in the two countries. In East Germany mass demonstrations indicated the collapse of the legitimation of the Honecker regime, while in Hungary the ruling Communist Party MSZMP (Magyar Szocialista Munkáspárt, Hungarian Socialist Workers’ Party) agreed with the opposition about holding democratic elections.\textsuperscript{11} To contrast these two essentially different experiences of the change of regimes (in the GDR people participated, whereas in Hungary they felt that the negotiations were a “business” of the new elite), it is worth citing from an interview I conducted in an unusual “terrain” in East Germany with a Zeiss worker (Zeissianer) who had been imprisoned in the Honecker era for his oppositionist political activity. In the summer of 1989, he left the GDR

\textsuperscript{10} The interviews were used with the permission of András Tóth.
\textsuperscript{11} The change of regime in Hungary has been referred to as “negotiated revolution” or “constitutional revolution.” On the political history of the roundtable discussions (the negotiations among MSZMP and the new parties), see Bozóki (2000). For a study of the historical roots of the peaceful transition, see Tokés (1996). For the GDR, see Maier (1997).
and he found new employment in München as a transport worker. After suffering an injury, he lost his job and he failed to find a new one. At the time of interviewing, he lived in a hostel for homeless people. This is how he recalled the socialist past in the light of his experience in the new, capitalist society:

We were fifty people in the [oppositionist] group. We did not do big things: we published some posters and a journal in which we wrote that there is political repression in the GDR. In 1982 they [the Party] took the case very seriously. I was arrested and I spent six months in prison. When I was released, the organization had already been dissolved. There was no point to continue. I did not have any problem in the factory, I earned good money. What I did not like was that I could not have my own opinion. You could not say openly what you thought because there was constant spying on you, even in the pub or within the factory.

They [the Party] declared everything to be anti-state activity and subversion. “You [the Party] made a mistake”—this was impossible to say. “The Party decides everything, without the Party the grass does not grow and people can't breathe”—this was the general attitude. People wanted to think for themselves, make suggestions, better things—no one listened. The Party is always right, you should not think, you should just do your work. They wanted to deprive people of their ability to think. People should just do their work and leave the serious things to the leadership. I don’t see a change in this. Those who are at the top don’t want people to think. Today I don’t see a really big difference between the two systems, socialism and capitalism.  

Jan’s life history is not a typical East German working-class career. The citation, however, reflects a crucial difference between the subjective evaluations of the two welfare dictatorships. In East Germany, no one, including Jan, who lost his job and his home in the new regime, wanted Honecker’s state back. In the Hungarian interviews we meet a more ambiguous picture: the desire for greater social and material equality triggers a longing for a strong state, order, and an autocratic government, which is expected to restore national pride, protect Hungarian industry, and increase the standard of living.

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12 Citation from an interview conducted with Jan (52), an East German male production worker, in a hostel for homeless people in Jena in 2004. He was a skilled worker in Zeiss until 1989; at the time of the interview he was unemployed.
of the working people—the latter being the most attractive “catchword” of the Kádár regime.¹³

On the basis of the interviews, I distinguished between three dimensions of postsocialist experience: (1) the world of labor, (2) subjective evaluation of the standard of living and the level of integration into consumer society, and (3) interpersonal relations. The first dimension is divided into two different types of experience: half of the interviewees in both groups experienced transition in the factory, while the other half lost their jobs or were sent to early retirement. The transition to post-Fordism was an essentially different experience in the two countries.¹⁴ The Rába workers unanimously constructed “narratives of decline” about the postsocialist history of their factory: the managers decreased production, the new proprietors refused to invest in innovation and the technical development of the factory, and they profited by selling the valuable estates of Rába and laying off workers who had worked there for many years, since the plants had been built by the legendary Communist manager Ede Horváth. Many workers argued that the proprietors intentionally destroyed production in order to make a profit from the sale of the estates. Workers’ grievances were frequently translated into full-fledged conspiracy theories, as we see below:

Because you can see that in the West, the state protects the national enterprises. But look at the Wagon Factory.¹⁵ It was a profitable enterprise, and now I think that there is a will to destroy it so that it can’t be a competitor. I can see through these practices. Győr had famous textile factories. All of them were sold to the competitor [Western] firms, and they were all closed or destroyed otherwise.¹⁶

The above citation nicely illustrates how the workers’ grievances are translated into an ethnic–populist discourse, in which the “multinational” (Western) capital identified with the “traitor” domestic elite destroys Hungarian industry, thereby becoming responsible for the misery of the workers, who lose the secure existence guaranteed under the Kádár regime. To stress the decline, many workers explicitly contrasted the glorious era of Rába under Ede

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¹³ See also Bartha (2011).
¹⁴ For a criticism of post-Fordism, see Boltanski and Chiapello (2005).
¹⁵ The local name of Rába.
¹⁶ Citation from an interview conducted with Péter (49), a Hungarian male production worker, in Rába in 2002. He was a skilled worker and a shop steward.
Horváth, when Rába exported its products to the COMECON–countries and the United States and enjoyed wide press and media coverage as a successful socialist company, with the “lean years” of the 1990s:

In the old times it was an honor to work in the Wagon Factory. I was so proud when my father first took me here at the age of eighteen, and that I am going to work in the famous Wagon Factory . . . and now here I am [sigh]. And if they give me notice, I don’t know what I will do. Distributing newspapers, cleaning offices or flats . . . sadly, there is nothing else. And this is so frightening! In addition, I married late: my daughter has just started secondary school and my son will go to university next year. If we were only the two of us, my husband and me, it would not be so bad. But I have to support them, and both of them are excellent students, which is my biggest problem because both will go to university because I cannot let them go to work after secondary school.17

The Hungarian workers unanimously argued that the history of their factory was that of a history of decline after 1989, which they blamed on management at the local level and on the multinational companies and the state’s failure to protect successful enterprises at the national level. Post-Fordist innovation and development was represented by Audi, which they experienced as the humiliation of their company: Audi, in fact, bought the giant hall, which Ede Horváth built with the purpose of bringing the production of motor cars back to Győr. Rába workers recalled bitterly that under Ede Horváth, Rába was the main sponsor of the town: it built a stadium, and it could boast about a football team, a house of culture, a well-equipped library, an orchestra, a choir, and a dance group. After the change of regimes, Audi became the main sponsor of Győr, which Rába workers held to be the unjust consequence of tax exemption (which they blamed on the government).

The Zeiss experience differed from the “narratives of decline” characteristic of the Rába workers. The company implemented massive lay-offs: the chairman of the enterprise council (Betriebsrat) estimated that around 16,000 people lost their jobs in the first few years after the Wende. The company mainly lost the young work force because young skilled workers were expected

17 Citation from an interview conducted with Judit (50), a Hungarian female production worker, in Rába in 2002. She was a skilled worker who finished secondary school.
to find new jobs in West Germany more easily than middle-aged family men. In 1995 a further 600 workers had to be given notice. The Zeiss picture was, however, more ambiguous than the Hungarian experience. Workers in fact had positive experiences with the post-Fordist model of production because the new proprietor, the West German Zeiss, modernized the plants, bought new machines and technology and made significant investments in the town of Jena. Workers reported improving working conditions (competitive salaries, the installation of air conditioning, new bathrooms and canteens, flexible working hours). They noted, however, that they had to work under greater stress and tension than in the old production regime.

“Narratives of decline” are essentially missing from the East German interviews. Unlike the Hungarians, the East German workers, including a former party secretary who told me that he continued to hold himself to be a Communist, did not mention such cases of corruption and the deception of the people in relation to privatization. Instead, the East Germans explained the massive layoffs through the collapse of the COMECON-market and the rise in the price of production.

Unemployment was unmistakably the most negative experience that the East German interviewees had to face after the change of regimes. In contrast, this was a far less palpable fear and experience in Győr. The Hungarian interviewees thought that whoever wanted to work could find “something” in Győr; indeed, anti-Roma attitudes were often justified with the reasoning that Roma people who lived from social security and child-care allowances could find employment if they really wanted to work. For the East German workers privatization was not associated with corruption, the decline of the company, and the rise of a rival Western firm such as Audi in Győr. Unemployment was, however, a constant source of tension and fear, which all interviewees had to face either personally or through the fate of their relatives/partners/children. Long-term unemployment meant not only exclusion from the respected world of labor but also social isolation, which often led to severe psychological problems. Some interviewees even spoke of the clinical treatment and eventual suicide of their male partners, who were long-term unemployed.

18 Information from an interview conducted with Thorsten (52), the chairperson of the enterprise council in Zeiss in 2003. He was a production worker before 1989, and a member of the Church opposition. He received a religious education, for which he was discriminated against at school and was rejected admission to an art school he had wanted to attend. One of his sisters immigrated to West Germany, which rendered him even more suspicious in the eyes of the authorities. After the Wende he became actively involved in the reorganization of the trade union.

19 Official unemployment was less than 5% in Győr at the time of the interviews, while it was twice as high in Jena.
The worst aspect of unemployment was not the material decline (although this, too, was mentioned) but the loss of face in front of other people, which had very negative psychological consequences. The interviewees who were affected by long-term unemployment would often mention that their working relatives/friends/acquaintances refused to believe that they couldn’t find work, and some even held them to be lazy people, who lived on social benefits. Many voluntarily chose to lock themselves up in order to avoid the regrettable comments. Those who agreed to give me an interview all said that they made a conscious effort not to fall into this trap: they used existing networks that were formed in the GDR or joined other communities (e.g., one female production worker did voluntary work for the trade union) and self-help groups. (The son of one of the interviewees, who found no regular employment for many years, joined a group of unemployed people who exchanged services).

In the second dimension—a subjective evaluation of the standard of living—we can also observe striking differences between the two groups. The overwhelming majority of the German interviewees reported improvement in their material conditions: those who had work spoke of material prosperity, which allowed them to build family houses, buy new cars, and spend their vacations in exotic foreign countries, while the unemployed positively mentioned the improvement of services and the supply of consumer goods. The Hungarian interviewees, on the contrary, held their material situation to be the continuation of their “narratives of decline”: they all reported stagnation or the decline of their standard of living, which they considered to be the most painful experience of the change of regimes. The Kádár regime was calculable: even though the urban skilled workers admitted that the regime could not fulfill great material aspirations, they held realistic goals for themselves: an urban flat or a family house in the country, a car, a weekend plot, and regular holidays. The new regime offered them no such possibilities; even those who said they could maintain their former standard of living claimed they no longer had to support their children, but if they had to, they would have to content themselves with a poorer quality of life. Those who had school-age children bitterly spoke of the rise of the new material inequalities:

My children are not demanding and they fully understand that we can’t afford as much as others. But I really feel guilty because they are left out of so many things . . . When there is a school excursion and we pick up my son, I always tell my husband: “Leave the car at the back of the parking lot so that the other children won’t see that we have such an old car.”

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20 Citation from an interview conducted with Judit (50), a Hungarian female production worker, in Rába in 2002.
In the research, the overwhelming majority of the workers reported that they lived worse now than they had in the past. In order to make ends meet, many interviewees had to renounce such “luxuries” as traveling, eating out in restaurants (let alone cheap ones), and maintaining a car. People who lived in single-income households were in a particularly bad financial situation. They reported having experienced the most radical decline. I interviewed a female skilled worker who was divorced, and she provided for her three children from one wage in the Kádár regime until she met her second husband. At the time of the interview, she lived on a disability pension. Her second husband was a technician in Rába, and they raised one common child. After her illness, the family sold their urban flat, and they moved to a nearby village in the hope that life would be cheaper there:

In Győr we lived in a block of flats, heating was very expensive, and we thought that it would be cheaper to live in the country. We spent all our savings, and now we literally live from one wage to the next, believe it or not. We support only one child, we spend only on the basic necessities, and here we are, because the wage is so low. My husband earns 100,000 HUF, but after taxation he brings 70,000 home, including the child-care allowance. And he is a leading technician. In the 1980s we lived much better, and we had to support four children back then. We fed them, they went to school, and we could still maintain a car, buy a TV, video, other things. But now we can buy nothing. I think that the Kádár regime was much better for us than this system.21 Because it also gave something to the poor. There were not so great differences between people. Today, one to one-and-a-half million people live in real misery in Hungary.22

While the Hungarian interviewees unanimously held the working class to be the main loser of the change of regimes, the East Germans preferred to criticize the crystallization of social hierarchies in the new regime. The unemployed mentioned that they were “second-class” consumers in the German society because they could afford considerably less than their acquaintances with a job. However, while in Hungary many workers continued to measure the success of the government against the standard of living, the East Germans expressed no wish for the return of the Honecker regime. Not even Jan, who

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21 Emphasis is mine.
22 Citation from an interview conducted with Éva (54), a Hungarian skilled female production worker, in her house in 2004.
lost his job and his home in the new regime, considered “the workers’ state” a viable alternative. In the East German case, we can observe a gradual shift towards post-materialistic values: the unemployed Dora could have found a job in Hamburg, but she decided to live in Jena because of the proximity of her friends; many workers called attention to the new, environmentally friendly technologies, which cleared the air of the town; many explicitly criticized consumption for consumption’s sake; and some participated in self-help groups or did some other form of voluntary work. In Hungary, the workers explicitly complained of the loss of existing networks; no one mentioned voluntary work; and many Hungarian rural female workers expressed an explicit wish for the return of the Kádár regime, when their families had a safer and often better life.\textsuperscript{23} In the Hungarian case, material values continued to dominate political thinking. Since they saw no alternative value system to consumerism, the feelings of deprivation and frustration were prevalent among the interviewees.

The perceived lack of social integration takes us to the third dimension: interpersonal relations. Here we can find a common criticism of capitalist society, which can be explained through the shared experience in a system that advocated more egalitarianism. Interviewees in both groups reported negative changes in interpersonal relations: working-class communities were destroyed as a result of layoffs and a fierce competition for jobs, people at the workplace are individualized and atomized, solidarity has declined and everybody is focused only on himself/herself. People consciously reduce private contacts because they are afraid to open up and display their weaknesses, which the others can use against them. German interviewees used military terms to express the intensification of competition: they spoke of lonely fighters (\textit{Einzelkämpfer}), two-thirds society (\textit{Zwei-Drittel Gesellschaft}),\textsuperscript{24} and racing society (\textit{Ellbogengesellschaft}). Interviewees in both groups recalled the collegiality and intensive community life under socialism with a sense of loss:

There was a great collegiality, which we could all feel at the festive occasions. On such occasions we all had to listen to the official political talks, but then we drank together, danced—I

\textsuperscript{23} Unemployment can, of course, redefine gender relations within a family (see, e.g., Pine 2002; Rudd 2006).

\textsuperscript{24} The two-thirds society refers to a society wherein two-thirds of the population belongs to the middle or upper classes. In Germany it was argued that the two-thirds would mean the employed, while one-third is condemned to live from social and unemployment benefits and/or “black work.” In Hungary the interviewees did not use this term; however, the citations suggest that they would have agreed with the concept of the reverse two-thirds society developed for postsocialist Eastern Europe: that two-thirds of society fell out of the middle class.
actually played Western music and all the comrades were dancing and no one cared who is party member and who is not. This collegiality does not exist anymore. Today I would rather speak of the freedom of race in society. Everybody pursues only his or her goals, and there is no solidarity. This was the advantage of the socialist system, and that’s why—you see, I am interested in politics—what the leftists say, finds resonance in the GDR. We are responsive because what they say corresponds to the values according to which we were socialized. Perhaps we are also corrupted. [He laughs.]25

Alex was a retired entrepreneur, who worked as a production manager until the Wende; then he founded his own firm, which was successful for ten years. Then, however, his firm, which was engaged in gardening and planting trees, won an order for the parking of a huge area of land:

. . . and then all of a sudden, the chief entrepreneur who contracted us went bankrupt. That was pure capitalism as we learnt it at school. Marx… I am a kind of social democrat . . . that was pure capitalism. So, we went bankrupt. My wife earned well. She was a physiotherapist—she was also retrained—and this is how we survived.

Alex was later employed as a trainer for gardeners, and then he went into early retirement. In spite of his bad experience with capitalism, he did not want back the Honecker regime, but he remained critical of unified Germany:

We became die neue Bundesländer—the Sicily of Italy. The poorhouse of West Germany. Unemployment, no money, social problems that we did not have under the GDR . . . you don’t know the expression: the stupid who stayed? This is how the West Germans ridicule the East Germans. We don’t want the GDR back, but we want them [the West Germans] to recognize our histories, our lives, our professions, our families, and our values. But the West refuses to do that.

Dominic Boyer depicts a similar picture of West Germany denying that the time of the socialist other is synchronous with their own time.26 Hence, Boyer

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25 Citation from an interview conducted with Alex (65) in his home in 2014.
26 See also Hann (2013).
argues, the whole concept of Ostalgie is a symptom less of East German nostalgia than of West German utopianism. Alex’s criticism of “the stupid other” was developed along the same lines as Boyer’s argument that future-orientedness is “reserved” for West Germans; East Germans are put in their place with the charge of being “corrupted” by a totalitarian regime or even contemptuously labeled as “homo Sovieticus.”

But far from wishing Honecker’s regime back, Alex later recalled his encounters with the Stasi with the observation that had the regime survived, he would have lost his position as a production manager because he was reported even on the eve of collapse to be critical of the GDR. (He had asked at a production conference how to explain the mass escape of East German citizens that occurred with the opening of the Hungarian borders). He, however, argued—alongside nearly all my German interview partners—that Nazism could not be compared to “actually existing” socialism because the original ideas that lay behind them were not comparable.

As is clear from Alex’s story, he tried to preserve East German community values and was also socially engaged in the Church and in a music group. He admitted that as a capitalist, he was a failure (“I don’t have a family house because I cannot afford it”), but he declared himself to be satisfied with his life.

While the Hungarians typically argued that their deteriorating material situation forced them to reduce social contacts (they could no longer afford restaurants, parties, and common holidays), the East Germans like Alex explained the disintegration of the old communities through the fierce competition characteristic of the new regime. They argued that technological development renders part of society redundant, which creates a sharper competition for jobs than what they experienced in the old regime. This has resulted in an extensive individualization in society, the loss of the old collegial, communitarian spirit and more intensive fighting against rivals at the workplace, the reduction of private contacts among colleagues, secrecy (to prevent others benefitting from individual knowledge), and atomization. Workers in both groups stressed that under the socialist regime people related differently to each other: communities were stronger, and interpersonal relations were less directed towards profit-making, social advancement, and material interest. More people were willing to work voluntarily and free for the community than under the new regime. The disintegration of workplace

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27 Utasi conducted a nationwide survey in Hungary, from which she concluded that the poorer classes can only count on their immediate families and that social trust is very low in Hungary. See Utasi (2008).
communities was thus an equally negative experience for both groups—it is not accidental that this was the dimension triggering the most similar criticism of the new regime.

As the above comparison shows, the structural differences between the two countries essentially shaped the everyday experience of postsocialist change. The peripheral experience of post-Fordism in Hungary was reflected in the workers’ construction of the “narratives of decline,” which blame the failure of catching-up development on external factors, and frequently follow the logic of conspiracy theories. The essentially similar critique of the new regime developed in the third dimension, however, suggests that the workers had a shared human experience under socialism, which they recalled with a sense of loss. This experience was voiced similarly by the workers of the two groups although their fears differed: Hungarians were mainly afraid of the material decline, while the East Germans’ greatest fear was unemployment. This experience, however, did not discredit the new regime in the eyes of the East German workers as much as was the case in Hungary. Hungarian interviewees had no direct experience of the change of the political regime: none participated in demonstrations, and many maintained a distance from 1989: “It was not important for me to have a say in politics. I don’t want to embellish the truth, but for me this [free elections] was not so important. If I want to be honest, I had my secure existence: I lived my life and we raised our children. I achieved everything possible at my level.” For me it was not the most important thing in what kind of issues I should have a say. I worked 12 hours a day. I also worked during the weekends. This is my honest answer to you.”

While the East Germans identified themselves with the Wende (either because they did not like Honecker’s dictatorship, or because they supported German unification, or both) the Hungarians did not feel that it was their change of regimes. For the majority, it was the “business” of the elite; and, as disappointment grew with the worsening of their material situation, so did people lose trust in the democratic institutions, which were believed to breed corruption, the rule of the rich over the poor, and dishonest and deceitful practices, which everybody associated with privatization:

I don’t know what people profited from 1989. I had a more relaxed life under socialism, and I think that the majority of Hungarian people lived better under the Kádár regime [than they live today]. When this democracy came in, they sold

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28 Emphasis is mine.
29 Citation from an interview conducted with Péter (49), a Hungarian male production worker, in Rába in 2002.
everything that was movable in this country. I think that it is a horrible sin to privatize hospitals, the electronic and gas industries, the ambulance, because the new proprietors will rob the working people of all their savings and property. We learnt this in the Party school, and it is true. Today’s Hungary is ruled by plundering capitalism. There are no regulations, no law, and no respect for morality. Everybody steals as much as he can.30

Those who harbored left-wing sympathies were strongly opposed to privatization. However, those who declared themselves to be “committed” anti-Communists had an equally negative opinion of privatization and the working of capitalism—the only exception being that they blamed the malfunctioning of Hungarian capitalism on the Communist functionaries, who in their opinion continued to govern the country:

It was the dream of my youth to be self-employed, in today’s term: an entrepreneur. But I hate this new term because it can be applied for practically anything today. No one respects individual skills or good craftsmanship. If I have money, I can open a restaurant, a beauty salon or a pharmacy. But it does not mean that I know something of the trade or the profession. If you have money, you don’t need to know anything and you just employ people who know the business. But I would never equate this with the entrepreneurs of the past, who mastered their profession. I think that entrepreneurship underwent a huge dilution. Those who work hard are downgraded in this system. The only thing that matters is how you can sell things—no one is interested in the quality. It is a very superficial system, with very superficial values; this is my opinion.31

30 Citation from an interview conducted with Tibor (67), a retired male manager, in his house in 2004. He started his career as a skilled worker in Rába, and he obtained his degree in adult education.

31 Citation from an interview conducted with Miklós (51), a male self-employed plumber, in his house in 2004. He started his career as a skilled worker in Rába, and he also spent two years in the Soviet Union as a guest worker, which was a good “business” because the workers earned very well. As he proudly said, he could credit this only to his good work because he was never a member of the Party, and he disliked communists. (His father was a peasant whose land was nationalized, and he never forgave the communists.) Miklós became self-employed in 1981; in the 1990s he expanded his business, but he could not bear the stress, and after an operation he gave up his business, and he accepted a job as a maintenance man. He also worked “off the books” to secure a “normal” income.
Based on his ethnographic research conducted with artists and Orthodox Christians in contemporary Moscow, Zigon (2009) observed that hope can function as a temporal orientation of intentional ethical action in moments of what he calls a moral breakdown. I argue that in these moments people can choose to build their own dignity based on a moral superiority which they consciously contrast with the elite-propagated system of values they perceive to be superficial or outright lies. The calculable and socially secure socialist past was frequently contrasted with today’s “plundering capitalism.” Workers drew a sharp line between those who shared the old values of the significance and prestige of physical work and those, who rejected these values and benefited from the new regime, often through dishonest means:

Plundering capitalism . . . the Communist gang, which was close to the fire, gained fortunes after the change of regimes. Everybody knows this, and it is a different question that the newspaper Kisalföld is silent on these issues. He [the manager] bought two dredgers, which the factory bought for 100,000 HUF, but he could buy them for 5,000 HUF when the unit was privatized. Nine out of ten enterprises were created this way in this country. I ask you: what is the difference between socialism and today’s system? What was advocated after 1945—that everything belongs to the working people . . . now I ask you where is that property? Either it was sold to foreigners, or it went to the bank account of such Hungarian businessmen. I mean also the management of this factory, who are stealing the last pennies from the workers—here is the property!32

We can observe in these interviews that Hungarian workers frequently constructed moral boundaries to separate the dishonest, exploitive “them” from “us.” Privatization was perceived as the means of dispossession of the working people, who had spent their whole lives in the factory. The devaluation of their work and symbolic capital in the new, capitalist regime was connected with this feeling of dispossession and deprivation; their way of resistance was the assertion of a moral superiority, which functioned as a means of constructing an alternative discourse where the disturbed moral order would be restored.33 This explains the apparent paradox that while there was a widespread nostalgia for the social security under the Kádár regime, the post-Communist elite was

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32 Interview with Miklós (51), a Hungarian male building entrepreneur, in his house in 2003.
33 See also Bartha (2004).
held to be “inherently” corrupt and immoral. Political catchwords, such as the restoration of a moral order, would therefore find resonance among my interview partners.

Conclusion

Ost (2005) develops the argument that in Poland the liberal intellectuals betrayed the alliance with the working class, which had been formed in the Solidarity movement, and in response the disappointed workers chose to vote for the right or the extreme right, which promised them the restoration of national pride and the protection of the interests of the “little man.” In the Hungarian case we can’t speak of an alliance between the workers and the intellectuals after 1956. My research concludes that workers were not familiar with the concepts of self-governance and self-management developed by left-wing intellectuals, who were critical of state socialism; and many interviewees did not consider free parliamentary elections as something that was very important for their life or their identity. The corruption they directly experienced with privatization greatly undermined the credibility of democratic institutions and a market economy, which instead of the promised and expected prosperity only gave them a stagnating or outright declining standard of living and the experience of a sharpening material inequality between the workers and the new bourgeois classes (managers, bankers, lawyers, doctors, and businessmen; in other words, those who could be seen as the winners of the change of regimes). Like their Polish counterparts, many Hungarian workers were susceptible to nationalistic, populist “catchwords,” which operated with a concrete enemy picture: “foreign,” exploitive capital, multinational enterprises, which take the profit out of the country, etc. The feeling of resentment was intensified by the “conspicuous consumption” of the new elite, which rendered their own impoverishment all the more visible. The reasoning that this was possible because of the weakness of the state found many receptive ears: workers argued that a strong government was needed to take a firm stance against global capital.

It can’t be said that the East Germans were not critical of the new democracy. They, however, made no distinction (as did the Hungarians) between Western capitalism, globalization, and “national” capitalism. Neither did they hold the uniformly rejected Honecker regime to be a special East German path towards modernity. They counted such institutions and social practices as the positive heritage of the GDR, which could be easily incorporated into the new left-wing ideologies: socially responsible thinking, the strengthening of communities, more social solidarity, and the increase of reciprocity in social life. This East German “identity”—if we understand it as open towards com-
munitarian values and less consumption-oriented than the more materialistic West, and which is best described in Alex’s story—can be easily reconciled with a post-materialistic value system, which stands in direct opposition to the materialistic Honecker regime. Therefore many interviewees declared themselves to “be in agreement” (einverstanden) with such political “catchwords” as environmental consciousness, sustainable development, and greater social responsibility. The East Germans did not criticize globalization; on the contrary, many workers thought that the multinational companies established new jobs, and they brought capital and innovation to Jena. They had a positive attitude towards the multiculturalism of university life, and they positively spoke of the appearance of foreign students in Jena;\textsuperscript{34} some criticized only the Deutschrussen (ethnic Germans who lived in the former Soviet Union and were given German citizenship).\textsuperscript{35} Anti-Fascist education played an important role in the political and social thinking of this age group: they all argued that war is the most horrible experience possible and that humankind should avoid it at any price (the overwhelming majority were born after the Second World War), and even the committed anti-Communists refused to compare the Nazi dictatorship with the Honecker regime because the former was held to be a lot more monstrous.

Opinions of West Germany varied across the interviewed group, but in general, the East Germans were more conscious of the nature of peripheral capitalism than the Hungarians. Many admitted that before the Wende they felt inferior to West Germans because they were strongly influenced by the stereotypical representation of capitalism; namely, Western workers are more educated, more creative, more diligent, and more motivated than the Eastern workers of the state-owned enterprises, who were held in the West to be less disciplined and “brainwashed.”\textsuperscript{36} The postsocialist years modified these stereotypes as East Germans grew more critical of capitalism: they said that albeit their technology was not as advanced as the West German, their skills were

\textsuperscript{34} Jena has a famous university, Friedrich-Schiller-Universität, which accepted many ERASMUS-exchange students and other students from all over the world.

\textsuperscript{35} The East German interview partners all knew prior to the interview that they would talk to a Hungarian citizen. Therefore, those who held strongly nationalistic views were unlikely to have participated in the research.

\textsuperscript{36} Concerning this topic, some interview partners explicitly told me that they would not give an interview to a West German researcher because of the mutual stereotypes. In this respect, it was an advantage that I also came from a socialist country; further, Hungary was held to be a “friendly” and politically “liberal” country where East Germans could meet their West German relatives. The “liberalism” of the Hungarian Communist Party was observed by the SED functionaries as well.
comparable, and in fact they had to be more creative than the West Germans because of the technological deficiencies. (One example that they mentioned: if a machine went wrong, they had to be able to fix it, while the West Germans called a maintenance man). The majority were skeptical of the prospects of catching up with West Germany: they estimated that leveling would take at least 20–30 years. While they were familiar with the terms Wessi/Ossi, they argued that this distinction would disappear in their children’s generation.

While the East Germans could reconcile the socialist values “they learnt at school” with the values propagated by the left-wing parties, in the Hungarian case, workers could only construct moral boundaries between the corrupt, immoral, exploiting “them” and “us,” which proved to be attractive catchwords for the emerging nationalistic, populist discourse. The results help us to explain the ambiguous evaluation of the Kádár regime. The vision of greater social and material equality is confused with a longing for a strong state, order, and an autocratic government, which we can observe in many interviews. While the German interviewees identified with the Wende (if not all of them with the German unification), and not even the unemployed wanted Honecker’s state back, few Hungarians thought they had profited from the change of regimes and the newly established democracy. Thanks to their negative experiences, which triggered the above described “narratives of decline,” the majority were opposed to “Western” capitalism, and they thought that a stronger state and a distinctive Hungarian path towards modernity would offer a panacea for the sores of peripheral development. While East Germany’s greater success with integration into the capitalist world economy was accompanied by a change of mentality and the appearance of post-materialistic values, in Hungary nationalism seemed to be the only alternative to capitalism, which disappointed and effectively impoverished many people.

Since this is qualitative research, I have to be very careful with my conclusions since I don’t have enough dependent variables. However, as I tried to show on the basis of this small sample, working-class subalternity and the effective devaluation of workers’ symbolic capital can channel working-class anger and frustration into a nationalistic, populist discourse that operates with catchphrases such as “moral” and “Christian superiority,” “freedom fight against the EU and IMF,” “strong state” and “the punishment of the corrupt ex-Communist elite.” In East Germany, there was a strong perception among the interviewees that the observed anomalies of capitalism could be explained through structural reasoning. “This is the system” was frequently concluded during the interviews. While Hungarian workers also expressed strong doubts

37 Pejorative distinction between the West and East Germans.
about the change of regimes, these doubts failed to translate into a criticism of capitalism. Instead, workers spoke of a “plundering” capitalism (capitalism distorted by the expansion of global capital or by a corrupt and trustworthy [post-)Communist elite), and they typically expected the State to act as a mediator between the interests of multinational and domestic companies and between the interests of the workers and capitalists.

I have argued that nostalgia for the socialist regimes can be understood as a means and, indeed, claim of the working people to express their social criticism. In the absence of an alternative (class-based) ideology, this criticism, as we have seen, could easily be channeled into a nationalistic, populist discourse. It would, however, be utterly wrong to disregard working-class opinions and narratives as the manifestations of a “Soviet habitus.” One can, indeed, rather ask a different question: instead of blaming the workers, should not we blame rather the very intellectual and cultural context which renders it impossible for them to otherwise express any criticism? In East Germany, the political left has a much more powerful public presence and media coverage than in Hungary, which can be one explanation for the different outcomes in the two countries. Workers have a claim for the revaluation of their symbolic capital; if working-class histories are to be altogether forgotten as relics of a failed regime, one may not wonder that the outcome will be the rise of (new) ethnic communities.

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appearance of post-materialistic values, in Hungary nationalism seemed to be the only alternative to capitalism, which had disappointed and effectively impoverished many people. This explains the ambiguous evaluation of the socialist Kádár regime, as the vision of greater social and material equality came to be confused with a longing for a strong state, order, and an autocratic government. While East Germany’s more successful integration into the capitalist world economy was accompanied by a change of mentality and the

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