

MAX PLANCK INSTITUTE FOR
SOCIAL ANTHROPOLOGY
WORKING PAPERS



MAX-PLANCK-GESELLSCHAFT

WORKING PAPER No. 198

KATERINA IVANOVA

“I HAVE NEVER
BEEN UNEMPLOYED”:
NARRATIVES OF
WORK, WORTH
AND WORTHLESSNESS
IN AN EAST GERMAN
TOWN

Halle/Saale 2019
ISSN 1615-4568

Max Planck Institute for Social Anthropology, PO Box 110351,
06017 Halle/Saale, Phone: +49 (0)345 2927-0, Fax: +49 (0)345 2927-402,
<http://www.eth.mpg.de>, e-mail: workingpaper@eth.mpg.de

“I have never been unemployed”: narratives of work, worth and worthlessness in an East German town¹

Katerina Ivanova²

Abstract

This paper discusses the narratives regarding (un)employment which emerged before, during and after German reunification in the East German town of Zwickau. Previous research in the anthropology of postsocialism has argued that the experience of work in socialism provided a foundation for East Germans to contest the viability of modern capitalism. However, I argue that such a “social” alternative has been to a large extent defeated by neoliberal hegemonic discourse. I do so by focusing on the narratives of worth and worthlessness in relation to employment, as well as the processes that shaped these narratives. First, I briefly present my field site and elaborate on the methods of my field research on the automotive industry in Zwickau. Second, using the life story of one of my informants, I show the disparity between personal experiences of dispossession and individual moral economic dispositions. Finally, I discuss the heightened moral and social importance of work in postsocialist former East Germany, the turbulence of its labour market since 1989, the process of welfare state retrenchment, and the narrative of labour shortage as factors which paved the way for the establishment of neoliberal hegemony. These developments, I argue, also contributed to framing issues of employment in individual rather than structural terms.

¹ I would like to thank Don Kalb and John Eidson for their comments on my paper. I also thank my colleagues at the Max Planck Institute for Social Anthropology for their suggestions during and after the writing-up seminar, especially Lale Yalçın-Heckmann, Ceren Deniz, and Nicholas Lackenby, for their helpful remarks and language corrections. I am grateful to my supervisor Chris Hann for his valuable feedback. I also thank all my research participants.

² Katerina Ivanova, PhD candidate at the Max Planck Institute for Social Anthropology; e-mail: ivanova@eth.mpg.de.

Introduction: doing fieldwork in Zwickau

This paper originated from a PhD thesis focused on industrial transformations in former East Germany and their role in restructuring the social and political relations in the region. The data were gathered over the course of one year of ethnographic fieldwork in Zwickau, a town located in western Saxony on the river Mulde at the foot of Erzgebirge (Ore Mountains). The population of the town is 88,972 (as of June 2019). As in many other East German towns, the population of Zwickau has been shrinking and ageing rapidly since the end of the socialist state (a period known as the *Wende*) in 1990.³ Such “shrinking cities” have proven to be fruitful sites for anthropological inquiry on postsocialism and postindustrialism. Ringel’s (2018) research in Hoyerswerda, to name one, focuses on how members of this urban community deal with the “loss of the future”. However, unlike Hoyerswerda, Zwickau can hardly be described as “postindustrial”.

The economy of the Zwickau region was decisively shaped by coal mining and the textile, automotive, and electronics industries. After an almost 800-year history of coal extraction, mining activities ceased in 1977 due to exhaustion of the coal deposits. Many of the former miners took new jobs in the automotive industry, despite the common stereotype among the “native” automotive-industry workers that miners lacked the skills needed for the more sophisticated and often delicate work with the car components. The textile industry did not survive the *Wende*, resulting in abandoned industrial districts not only in Zwickau but also in the neighbouring towns of Werdau, Crimmitschau, Glauchau, and Meerane. The collapse of the textile industry, which was mainly female-dominated, contributed to the differing unemployment levels of men and women in Zwickau. The automotive industry in the region proved to be the most resilient. This industry has been a key source of livelihood for the people in the region since its beginning in 1904, when August Horch opened his first automobile factory in town. Later he left the enterprise, but due to a legal fight with the investors, he lost the rights to the original name “Horch” and had to come up with a new name “Audi” (the Latin translation of his name). From then on there were two car factories in Zwickau and two groups of car workers – “Horcher” and “Audianer”. Some of my older informants had learned their profession and worked at one of these enterprises. In 1958 the former Horch and Audi plants were united under the name of VEB⁴ Sachsenring Automobilwerke Zwickau. Sachsenring became famous for its iconic Trabant car, which was produced up until the 1990s with only slight changes and improvements.

Even before the *Wende*, the company Volkswagen, led by Carl Hahn,⁵ saw an opportunity in the region. In 1988, the four-stroke engines for the VW Polo, which were also installed in the Trabant 1.1, were produced in the Barkas-Werke in Chemnitz. After German reunification in 1990, the fate of Sachsenring was in the hands of the Treuhandanstalt,⁶ which divided it into 26 enterprises, closed down most of them, and privatized the rest. The direct successor of Sachsenring was bought

³ The *Wende* (“turning point” or “transition”) was the process of socio-political change in 1989–1990 that led to the end of the socialist regime and establishment of parliamentary democracy as well as to the reunification of East and West Germany.

⁴ The VEB (*Volkseigener Betrieb*), or state-owned enterprise, was the main form of ownership of industrial enterprises in the socialist East German state.

⁵ Prof. Dr. Carl Hahn is a key figure for VW’s initial investment in Zwickau. An important factor in his interest in the region was the fact that he was born in Chemnitz, although he had spent most of his life in West Germany. His personal connection with the region has also been emphasized in his memoirs, *Meine Jahre mit Volkswagen* (“My Years with Volkswagen”), and in the media.

⁶ The Treuhandanstalt (often referred to simply as the Treuhand) was a government agency established in 1990 that served as trustee of the East German state-owned enterprises (VEBs) and was tasked with managing the privatization process.

in 1993 by the Rittinghaus brothers, who planned to turn it into an automotive supplier under the name Sachsenring Automobiltechnik GmbH. The enterprise went bankrupt in 2002, and charges were raised against the Rittinghaus brothers for falsification and deliberate bankruptcy. Since then the enterprise has passed from owner to owner and gone through a series of bankruptcies, in the course of which most workers lost their jobs.

Volkswagen took over a small plant in Mosel (a suburb of Zwickau), where the Trabant 1.1 was produced, and built an enormous new plant right next to it. Many former Sachsenring workers found new jobs there. In contrast to the Sachsenring successor, Volkswagen remained a fairly stable employer and its workers gradually became the local aristocracy of labourers, despite persistent differences between the East and the West in working hours.⁷ Today, Volkswagen employs 8,000 people in Zwickau and supports approximately 30,000 additional jobs in the automotive supplier industry in Saxony.⁸ In the midst of the region's deindustrialization, the investment was framed by VW as paternalistic philanthropy and an act of salvation for East Germans, and most of my informants would agree that "without VW, the region would not survive". However, significant challenges still lie ahead of the automotive industry in Zwickau since VW's decision in 2017 to rebuild the plant entirely for the production of electric cars.

Given its rich history and its crucial role for the development of the region, the automotive industry in the Zwickau area presents an exceptional case for anthropological research into the social implications of industrial transformation. Moreover, shifting the focus from the more familiar postindustrial East German settings to highly industrialized Zwickau allows us to go beyond the narrative of "losers of the transition" and see the complex relationship between the industrial transformations under modern capitalism and the local cultural and historical context. In particular, I focus on subjective experiences of inequality, power relations, and how they play out at the local level while simultaneously translating into larger-scale frustrations and political outcomes. With these social struggles in mind, during my fieldwork in Zwickau I focused on the development of the automotive industry throughout its postsocialist transformation and on the lives of former and current automotive-industry workers.

In my fieldwork I opted against shop-floor ethnography and decided to conduct my research mostly outside the factory walls. The reason for that lies in my research question, which implies a focus not only on the implications of industrial transformations for those directly employed at the factory but also on the social and political development of the whole town. In addition, conducting my research outside the factory allowed me to preserve full control over my data and prevent workers from becoming suspicious and withholding information because of the official access granted to me by plant management. During my fieldwork, I also found out that not being tied down to one place allowed for a broader view of the whole context – the various relations between institutions and groups of workers, as well as their connection to the rest of the town's population. Moreover, it allowed for a deeper embeddedness in the town life of Zwickau itself. Nevertheless, choosing this approach over, perhaps, a more structured shop-floor ethnography came with some

⁷ The collective wage agreement (*Tarifvertrag*) for Volkswagen workers in Saxony stipulates a 38-hour work week, whereas the work week is only 35 hours for their Western colleagues. See: Statistisches Bundesamt (Destatis). 2018. Tarifinformationen zur Metall- und Elektroindustrie. Available at https://www.destatis.de/DE/Themen/Arbeit/Verdienste/Tarifverdienste-Tarifbindung/Publikationen/Downloads-Tarifverdienste-Tarifbindung/tarifinformationen-metall-pdf-0160012.pdf?__blob=publicationFile.

⁸ Press release, Volkswagen Sachsen GmbH: Zahlen und Fakten: https://www.volkswagen-sachsen.de/content/dam/companies/de_vw_sachsen/dokumente/pressemitteilungen/Zahlen%20und%20Fakten%202019.pdf, updated January 2019.

challenges. Because my informants were not all located in one place and did not constitute a closed group, I needed to be creative with my fieldwork techniques and methods.

In the first weeks of my fieldwork, I established contact with the friends of the museum association (*Förderverein*) of the August Horch Museum dedicated to the history of the automotive industry in Zwickau; these volunteer supporters mostly consisted of former Sachsenring engineers. Thanks to this, I came in contact with additional former Sachsenring employees and was able to work in the museum's archive. In addition, I found it helpful to immerse myself in town life and participate in various public events, which helped me build personal networks and find more informants through them using the snowball method. I would always explain that I was interested in the lives of automotive-industry workers in Zwickau, and my interlocutors would often offer a few names and contacts of the people I should talk to.

During my fieldwork, I also participated in various political and public discussions, roundtables, and public events; many of these were held in connection with the municipal, state parliament (*Landtag*), and EU elections in 2019. Listening to the questions that people posed to their local politicians and public figures gave me insight into the local "hot topics". I would often approach people after the event and start a conversation, especially if their questions were connected to my research topic, and some of those people later became my informants. Through these events, I established contacts with local politicians and conducted interviews with some of them. Extensive help with finding informants and also with providing valuable local knowledge came from the Zwickau division of IG Metall, the metalworkers' union.⁹ Several of my informants who were active in the trade union also helped me get permission to visit VW and a couple of VW supplier factories and gave me a tour.

In Zwickau, I lived in a multigenerational house (*Mehrgenerationenhaus*), where students and the elderly live under one roof (but on different floors), and the common spaces are used by both younger and older tenants. There I joined a project that encouraged the younger tenants of the building to help the elderly in a variety of everyday tasks such as grocery shopping and going on walks, as well as providing foreign language and computer skills lessons. I also posted a notice on the bulletin board in my building, introducing my research and encouraging the people who used to work in or were connected to the automotive industry to reach out to me. Through these activities, I connected with the inhabitants of my building and found some informants. With some of them I carried out formal interviews as well as informal chats while having a coffee in a café downstairs or their apartments.

I also met many of my informants by merely living in Zwickau, sometimes in some rather surprising settings. For example, I joined a group that gathered once a week for practising dancing. This was initially meant to be a purely recreational activity, but after a few sessions I discovered that about a half of the men there were Volkswagen shop-floor workers, some of whom used to work in Sachsenring. The group would often meet outside the dance hall, and after a while, we became friends and also had a few formal interview sessions and visited each other's homes. Building up these social networks took some time but proved to be crucial for my fieldwork, even though the practical relevance of these contacts for my research was not always immediately obvious.

⁹ IG Metall, the German metalworkers' union, is part of the German Trade Union Confederation (Deutscher Gewerkschaftsbund, or DGB). Most of the automobile-production workers and the automotive-supplier workers are represented by this union.

Lastly, I established contact with a local journalist and managed to publish a short article about my research in both online and printed versions of the regional newspaper *Freie Presse*. As a result of this article, I was contacted by a few people who turned out to be great informants and whose experiences were very different from the people I had met previously. Discussions with my previous informants about the published article also encouraged some of them to share more of their stories. My methods of finding and contacting research participants might be best described as “parachuting” into different groups, settings or institutions and then finding connections between them. Most of the steps I took were highly situational and determined by the context I was in, but they all provided me with essential pieces of the puzzle.

Between Winning and Losing: Mr Baumann’s story

“I wasn’t one of those disappointed [*die Enttäuschten*] during the *Wende*”, emphasizes Mr Baumann¹⁰ as we talk about unemployment, sitting in a common room of the multigenerational house where we both lived. “I didn’t fall into a hole, like many other people, most of the people. You know, when they don’t tell you what to do every day, and you don’t know where to go and what to do.” He then used another example (which was supposed to be “closer to home” for me as a Bulgarian citizen) and described his trip to postsocialist Bulgaria and how he would see the farmers smoking and chatting instead of working on the fields. “They couldn’t deal with this freedom! They needed to be told every day what to do”, he said. Unlike these farmers, Mr Baumann thinks of himself as having been well-prepared for the transition – he had received higher education in East Germany, and he had read Marx and knew that capitalism has its price. He seemed to take pride in his adaptability during the transition as he contrasted himself to those who were too lazy, lacking initiative and flexibility:

“And then came the *Wende* and everyone said that we get the freedom now, and we get this and that. And now they were all suddenly unemployed. Yeah, the ‘shitty West’... You said the ‘shitty East’, and you took to the streets, now you are saying ‘shitty West’. What do you want then? You want only the best from both systems. But you don’t want to work. When they were told that they had to sweep the streets, because of the high unemployment, do you know how many of them declined those jobs? Why is such a man sent home and gets his money anyway? That’s unfair.”

Listening to Mr Baumann, I found it fascinating how he managed to combine citing Marx and blaming the workers for their misfortunes in the capitalist system in one monologue. But what I found even more confusing was how Mr Baumann’s own work history suggested a completely different attitude to unemployment and the unemployed, as he himself had experienced a sudden and unfair fall into unemployment on the new labour market.

Mr Baumann was born in 1943 in a family of bakers in a rural area of the Erzgebirge not far from Zwickau. During the socialist period, he received higher education and worked for a distributor of East German cars – VEB IFA-Vertrieb, part of the Industrieverband Fahrzeugbau (“Industrial Association for Vehicle Construction”, or IFA). In the early 90s, a Western investor came to the region to build car dealerships, and Mr Baumann got a job as a local manager. For

¹⁰ Pseudonyms are used throughout. All quotations from interviews and discussions have been translated from German by the author.

years, he worked on establishing contacts and opening new branches of the company in the area. He especially emphasized the respect and status he enjoyed: “They didn’t buy from this Wessi asshole, they bought from Baumann! I was their person of trust here at the company”.

One day in the early 2000s, Mr Baumann was travelling for work and suddenly had a heart attack while driving his car. Fortunately, he had time to pull over, was transferred to a hospital quickly, and managed to survive the incident. However, 14 days into his rehabilitation, his work contract was terminated, and he was laid off. As his health slowly recovered, Mr Baumann turned to a labour court to file a claim about the unjustified termination of his contract, which brought him nothing, as the judge decided that no violation had occurred. In our conversations, he stressed a few times that his employer, the labour court judge, and his lawyer were all “Wessis” (a colloquial and sometimes disparaging term for West Germans). Mr Baumann also insisted that his story was not that unusual at that time. His early retirement at 58 had a detrimental effect on his physical and psychological health as he went through long periods in which he did little but sit at home and had trouble communicating even with his family. “Can you imagine something like that? From a speed of 180 to zero? I couldn’t sleep at night when I came back home [from rehabilitation]”, he said emotionally.

As Mr Baumann found various social, cultural, and volunteer activities to keep him busy again, he gradually started to feel better, and today he leads a very active social life. When we arranged our meetings, he would often stress how busy his calendar was. Mr Baumann was 76 at the time of our conversation, and he lives together with his wife in a small two-room apartment in a retirement home. He became relatively famous and respected in town for his work in the archives and dedication to studying the town’s history. He sings in a choir, plays several musical instruments and actively participates in almost all of the events happening at the retirement home.

While telling me his story, Mr Baumann took pains not to sound as if he wanted to complain: “Do I sound like I’m complaining? I don’t want to, because I’m doing fine.” In 2017, before the beginning of my fieldwork, he had attended a public discussion with a politician and a member of the Saxony parliament and shared the same story there. “She didn’t believe me at first, you know! But there were my former colleagues there who supported me and said: ‘Mr Baumann is telling the truth’,” he remembered. Shortly after, his story was featured in a newspaper article about the event. He showed me the article, in which he had crossed out with a black pen all the information that he found inaccurate. One quote from Mr Baumann, regarding the unfairness of how he was treated by the court, included a warning to others to “stay alert”, not trust anyone and not to wait for “presents” from above. He thought these words were taken out of context, and the article made him look like he was whining (*meckern*) and blaming the system. “I felt so embarrassed when I saw the article!” he exclaimed.

In her ethnography of a postsocialist East German enterprise, Müller (2007) discusses and contrasts the careers of two managers, Oswald and Wolpert, in the market economy. Wolpert fully complied with the company’s code and adapted to the market economy’s ethics of efficiency, whereas Oswald stuck to the norms and values of the planned economy. Wolpert’s adaptation and Oswald’s refusal to adapt to the new market-driven ideology resulted in two different outcomes: Wolpert was respected by his bosses from the West and managed to have a successful career, whereas Oswald was asked to resign before his retirement. In this example, Müller showed how compliance with the new rules of the game meant success, whereas resistance brought failure. My own ethnographic data show a slightly different picture. The willingness to accept the ideals of an

“enterprising self” (Makovicky 2014) did not always reflect the personal experiences of my interlocutors. On the contrary, as Mr Baumann’s case shows, education, adaptability, and moral values did not prevent him from experiencing unemployment and falling into the same situation as the “lazy, sluggish” workers whom he condemned. Yet this experience did not change his very negative attitudes towards the unemployed, as he believes that the reasons for their misfortunes are very different.

In this paper, I look at the narratives and experiences that contributed to silencing the dissatisfaction with neoliberalization in East Germany. In particular, I focus on the questions of worth and worthlessness, as they “serve to both obscure and reveal the relational mechanisms of alienation, dispossession, and de-valuation of labour upon which capitalist valorisation is based” (Kalb 2013: 14). I argue that the postsocialist transformation in East Germany has become an ultimate test of worth, which has divided people into “winners” and “losers” – those who have succeeded in the new system and those who have failed to adapt. I see this division as emic rather than etic; it is subjective but nonetheless important. “I have never been unemployed” was the proud phrase I often heard from my informants. Among my informants in Zwickau, the ability to maintain one’s status and avoid gaps in employment became a marker of self-worth, and the story of the postsocialist transformation was often reduced to a matter of personal strength of character. This can also be explained by the unwillingness of even the victims of neoliberalism to be associated with an ultimate “loser of the transition” – the postsocialist working class, often depicted as demoralized, lazy and unadaptable.

The concept of internal orientalism, as discussed by Buchowski (2006), may be useful in this regard. According to Buchowski (2006: 465), postsocialist workers and peasants have been orientalized as the “losers of the transition” as opposed to the civilized “(post)modern Western liberals”. In the context of Germany, we can speak about the need to subject the allegedly unfree, authority-seeking Easterners to a process of “normalization” that makes them more like the free, democratic Westerners. This dominant discourse of an enterprising self transforms the workers into “orientalized Others” who supposedly lack the courage, creativity, and determination to become entrepreneurs and were spoiled by the poor work discipline under socialism (Kideckel 2002).

Contrary to this orientaling discourse, in her ethnography of a Polish factory after privatization, Dunn (2004: 7) argues that the historical experience of socialism and its cultural system allowed the workers in Poland to contest, modify, and reinterpret many initiatives of multinational corporations. In other words, they were able to be more critical towards capitalist production thanks to their experience of socialist work. Similarly, in her comparative study of East German and Hungarian workers, Bartha (2014) argues that the East Germans were more likely to explain the anomalies of capitalism through structural reasoning, than the Hungarians. Nostalgia (or *Ostalgie*, nostalgia for the East), she concludes, became a means of legitimate social criticism of capitalism for the workers in Jena. By the same token, Dale (2006: 220) suggests that German reunification produced a revival of social movements, which “have placed debates over the viability and desirability of capitalism back onto the political agenda”. However, in my field site this observation was only true for the active trade union members or those with very strong leftist views. Therefore, drawing on my ethnographic data, I intend to call this thesis of the “East German alternative” into question. I do so by exploring neoliberal hegemonic narratives which emerged after the German reunification and resulted in a certain decrease in solidarity, as well as (self-)orientalization of East Germans.

The Meaning of Work in East Germany

The importance of work in the perceptions of personal worth and worthlessness is of particular interest in postsocialist contexts. In socialist East Germany, officially known as the German Democratic Republic (GDR), employment was guaranteed by the state. It was not only a constitutional right but also a duty (Jancius 2006; Rudd 2006). A significant part of socialist ideology revolved around work and its meaning for human life. It was shameful not to have work, but, thankfully, the system guaranteed employment. This guarantee provided a strong sense of security among the workers and placed a major part of the responsibility for the distribution of jobs on the state. With the introduction of a market economy, the circumstances changed, and the new state was unable to fulfil the promise of work that had existed in the GDR. However, the moral implications of (un)employment persisted. Globalization, the rise of precarious labour, and postindustrialism have transformed the workers' lives everywhere in the world. But because of the overwhelming centrality of work under socialism, shifts in the experience of work under modern capitalism have been even more marked in postsocialist contexts than they were in the West (Stenning, Smith, Rochovská, and Świątek, 2010: 81). As Bartha (2014: 309) puts it, the workers in postsocialist countries faced “the double challenge of the decline of the political weight and the significance of the working class and the devaluation of production work in a postindustrial society”.

In a conversation about how work had changed after the shift to a market economy, one former Sachsenring engineer drew my attention to the difference between the concepts “*Job*” and “*Arbeitsplatz*” (a word that can refer to both one's job or position as well as the physical workplace). A job for him was something temporary and alienating, whereas the *Arbeitsplatz* was associated with permanence and a deep sense of personal connection between the worker, his or her work, and the enterprise. For him, a job belonged to capitalism, whereas the *Arbeitsplatz* belonged to socialism. *Arbeitsplatz* was, perhaps, more embedded into social life, and the *Job* represented the disembeddedness of Western capitalism. The very precariousness of a job comes from disconnecting it from the person of the worker, who becomes disposable and interchangeable. The distinction between the disembedded and embedded labour was often mentioned by my older informants, who had spent a large part of their working lives in a socialist factory. Spittler (2009: 173) has argued that the dichotomy and distinction between “embedded” work in non-capitalist societies and “non-embedded” work in capitalist societies is far less clear than it is often suggested by the scholars. However, I would argue that for the automotive-industry workers in Zwickau the contrast was indeed very pronounced. For them, the sudden commodification of labour and its emergence as a “fictitious commodity” (Polanyi 2001) on a competitive market was felt very intensely.

In the GDR, work was central in all spheres of life, including the private sphere: health, leisure, and family life were all closely connected to the workplace. And the larger the enterprise, the more its influence extended beyond the tasks performed at the place of work. As Berdahl (2005: 241) observes, the workplace in the GDR was not only the centre of everyday sociality, but also a symbolic space of social membership and national belonging. “Our factory was our family”, many former Sachsenring workers say. Sachsenring employees, for example, enjoyed many advantages in that the enterprise had its own kindergarten, polyclinic, and sports teams and provided good holiday spots (*Ferienplätze*) on Lake Balaton or in the Erzgebirge. These advantages, which went

far beyond monetary compensation, constituted the so-called “*Zweite Lohntüte*”, or “social wage”, which made maintaining social relationships at work crucial for one’s quality of life. As Thelen (2005: 8) emphasizes, relationships to and in the workplaces became “multifunctional” as the redistributive power of the enterprises increased in the early 1970s.

In large enterprises like Sachsenring there was a constant shortage of skilled workers (*Fachkräftemangel*), which also made the workers feel important and needed. At Sachsenring the shortage of skilled workers and the high amount of fluctuation became especially problematic in the 1970s, when the production volumes of the Trabant were rapidly rising. The management tried to resolve this issue by attracting former coal miners, workers from the northern part of the GDR, and foreign workers from Vietnam. Reflecting this, one of the lectures delivered by a former Sachsenring engineer at the August Horch museum discussed structural labour migration within the GDR and was titled “Alles was jung ist und Hände hat nach Zwickau, an den Trabant” (“Everyone who is young and has two hands – off to Zwickau, to [work on] the Trabant”). However, the turnover meant that the new workers needed time to learn the skills, which had a negative effect on productivity (Friedreich 2008).

The shortage of skilled labour was not unique to Sachsenring, and finding a new job somewhere else did not take long for most workers. As one of the former shop-floor workers told me, he had to keep it a secret that he left his job with the railway in order to start working in automobile production, because it was frowned upon when the automotive industry “stole” workers from the railways. This competition among the enterprises for the workers contributed to their sense of self-worth and pride and gave them a sense of security, which made experiences of the shortage of jobs after 1989 especially painful. As an example, the dominant narrative regarding Volkswagen’s investment in the region in the postsocialist era is that of saving the workers and giving them hope amidst the dangers of unemployment. However, the workers themselves try to reclaim their agency by pointing out how well-educated and hard-working the former Sachsenring workers that VW re-employed were: “Imagine how much they saved on training costs!” one of the shop-floor workers told me.

The high symbolic status of the workers was also supported by the state ideology, even though it did not necessarily bring privileged status in terms of access to material goods or political power. As one study carried out in the 1970s shows, the status of a worker was so highly valued socially that almost everyone, from the shop-floor worker to the plant manager, was willing to identify themselves with the working class (Engler 1999). Because of this high status of the workers in the GDR, it has been called an “*arbeiterliche Gesellschaft*” (workers’ society) (Engler 1999), and the state called itself an “*Arbeiter-und-Bauern-Staat*” (workers’ and peasants’ state) – a phrase which many of my informants often used, not without a certain irony, to describe the advantageous position of the shop-floor workers compared to other employees. The actual experiences of the workers certainly varied depending on the industry and enterprise, and the reality of the “workers’ state” was hardly as harmonious as presented in the state propaganda. Nevertheless, my data suggest that the higher symbolic status of work, and especially of industrial labour, had a major impact on workers’ identities, self-image, and the feelings of self-worth, making the subsequent commodification of the labour market and the loss of workers’ bargaining power rather painful.

The Repercussions of 1989 for the East German Labour Market

By the end of 1994 the Treuhand had 12,354 VEBs in its portfolio, 3,718 of which were shut down. Some of my interlocutors in Zwickau maintained that many enterprises were prematurely closed down in order to either speed up the privatization process or to kill off the competition for Western companies. The textile industry in the Zwickau region was often mentioned as an example of such a sell-out. Some enterprises, like Sachsenring, went through a long cycle of new investments and bankruptcies. Enterprises which survived and were assessed as profitable were privatized by mostly Western investors. In some cases, the enterprises were sold for a symbolic value of one German mark. In the wake of such a shock therapy, more than 1 million people lost their jobs after reunification and the real unemployment rate has been estimated as reaching 40% in the early 1990s (Turner 1998). As Mau (2019: 151) put it, many of the *Werkstätige* (working people) turned into *Untätige* (idle people).

Unemployment did not affect all groups of society equally. The damage varied depending on qualifications, age, and gender (Trappe 2006). For example, more than one million of those who were between 50 and 65 at the time of the *Wende* were forced into early retirement (*Vorruhestand*) (Mau 2019: 155). Mau suggests that early retirement might have been a rather desirable middle-class aspiration in West Germany at the time, but in the East it was an involuntarily imposed measure that often led to material, social, and cultural dispossession. Due to the premature end of their working lives, the pensions of the early-retired were low, their social networks were torn apart, and their sense of self-worth was threatened. As a result, many of the early-retired see themselves as the actual losers of the transition (Mau 2019: 155).

It is also essential to consider the dimension of gender in connection with work in East Germany, especially as compared to pre-reunification West Germany. In 1989 the participation of women in the economy as a labour force in East Germany was extremely high (one of the highest in the world) – 89%, compared to 92% for men. In West Germany in the same year only 56% of women had jobs, compared to 83% for men (Rosenfeld, Trappe, and Gornick 2004). The difference can be explained in terms of both ideology and state policies. Post-reunification, women were affected by unemployment disproportionately more than men, which also resulted in changes in their position in the family and household duties (Rudd 2006).

In East Germany, women also had more options for combining family and childcare with work. For example, in Sachsenring plant, the kindergarten was located right next to the factory gate, and the workers' children were guaranteed a spot there. Most of my female interlocutors in Zwickau who had some experience of working in socialism were proud of their independent status compared to the West German women. The automotive industry has always been more male-dominated, especially when many of the processes were still done manually and required strength. Even so, at the end of the 1980s, about 30% of Sachsenring employees were women, whereas today women make up only about 11% of the workforce at Volkswagen Sachsen. None of my female informants who used to work in Sachsenring in traditionally “masculine professions”, such as machinist, welder, or locksmith, continued doing the same type of work after the *Wende*. Most of them went through temporary unemployment and then acquired new qualifications. One of them, for example, worked for a food delivery service and then became a physiotherapist.

Many were shocked to discover the degree to which the new society to which they now belonged “tolerated unemployment” (Rudd 2006). The state found itself unable to fulfil the

promise of “blooming landscapes” (*blühende Landschaften*)¹¹ as it became clear that the disparity between the East and the West would persist for many years to come. This failed promise, the sell-out (*Ausverkauf*) and closing of the enterprises, as well as the activities of the Treuhand in general, sparked protests and factory sit-ins all over East Germany (Böick 2012). Some of the protests took place symbolically on Mondays, continuing the tradition of “*Montagsdemos*” of the Peaceful Revolution in 1989–1990 in the months leading to German reunification. Even today, there is little mention of these post-reunification protests in the media and public discourse. Mr Baumann and some other people in Zwickau I spoke to were rather critical of these protests. They saw the workers who participated in the protests as lazy and naive people who expected to get Western salaries and consumer goods without risking their security on the labour market. As a former Sachsenring accountant described them:

“My husband was retired then, and I haven’t experienced unemployment either. But millions, millions were unemployed. And there were no jobs [*Arbeitsplätze*] anymore. But some also exploited the state in the GDR era. For example, with working time. We had punch cards [*Stechkarten*], and many of the workers punched their cards there where the time-keeping was. They should have worked until 4 p.m., but sometimes they stood there a quarter of an hour before. Many people didn’t really like to work. And such people, they thought when the West comes, and we will get Western money [*Westgeld*], and then the ‘fried ducks’ fly into our mouths without having to work for it. They didn’t expect that one has to really toil away [*rabotten*] so that he can live. And those people were the first on the street, unemployed. Some people were naive [*blauäugig*], they let themselves be dazzled, the main thing was – Western money. And then they were on the streets.”

This image of the bitter and disillusioned East Germans is also often employed to stress that, firstly, they were naive and not aware of how market economy works, and, secondly, that they had poor work ethics and self-discipline. This narrative also delegitimizes the protests of the early 90s, hinting that these people were always dissatisfied and that is just how they are. However, when I asked my informants about their expectations about the outcome of the Peaceful Revolution, most of them confessed that they had no idea what was coming, but they knew that politically it could not go on like that. They also did not admit to having had any illusions themselves about the perfect and shining West. It was always some “others” who got fooled. Nor did any of my interlocutors say that they were dazzled by the consumer choice they acquired: “Well, we didn’t have bananas, but we just ate apples then, so what? We were actually healthier back then because we would only eat the fruits and vegetables which were fresh in this season.” Many East Germans, in fact, preferred window-shopping to a frenzy of consumption and actually concentrated on saving, because of the uncertainty of their future (Dale 2006). It is also possible that some of my informants may downplayed the consumer boom as a technique for resisting the narrative of the “naive Easterners” who were dazzled by this influx of consumer goods.

¹¹ *Blühende Landschaften* was a phrase often used by Helmut Kohl, Chancellor of Germany during the *Wende* period, to describe his vision of how the new German states would develop in the first three to four years after reunification.

“Selling Oneself” on the Labour Market: the Saxony Development and Qualification Company

Apart from the unemployed, almost 2 million were put on “*Kurzarbeit*” (short-time working) with an average of a 50% reduction of working hours (Völkel 1997). *Kurzarbeit* is a social security measure that is meant to prevent lay-offs and allow companies keep their employees even in a difficult financial situation because the money for the missing working hours is paid by the Federal Employment Agency (Bundesagentur für Arbeit). However, in post-reunification East Germany, *Kurzarbeit* was hardly effective as a way of sustaining employment. Although intended as a temporary measure until the company could get back on its feet, it was very often followed by the bankruptcy of a company. It is especially true for those employees who were put on “*Kurzarbeit Null*”, which usually meant that an employee did not work at all and was sent to the *Transfergesellschaft* (transitional employment agency), which was intended to provide workers with training and qualification. For the workers, however, it mostly meant that they had some additional time to look for a new job, but the hope that they would be coming back to the same enterprise after *Kurzarbeit Null* was almost non-existent.

Employment at Sachsenring also dropped tremendously, from 11,500 people in 1989 to 6,500 in 1991 and 2,200 in 1992. As the anxieties concerning lay-offs grew, the workforce organized a protest in order to urge the Treuhand to set up an employment and training agency, or indeed to come up with any solution that would take care of the soon-to-be-laid-off workers. After a number of conflicts, strikes, and sit-ins and with the support of the then-Minister-President of Saxony, Kurt Biedenkopf, the Sächsische Aufbau- und Qualifizierungsgesellschaft (Saxony Development and Qualification Company, SAQ) was founded despite the Treuhand’s reluctance. For the Treuhand, it meant more spending, but for the workers, it was their first victory, and an important one. The plant occupation by over 1,000 workers in 1991 was a turning point for the establishment of SAQ (Turner 1998). Mr Baumann, however, thought that the real number of protesters was smaller and that it was just a few works council members with nothing but their own interests in mind. In its initial stage, SAQ took on 3,600 employees and 550 trainees and was considered a successor of Sachsenring’s works council and the local IG Metall office (Swain 2002). Legally, it was a wholly-owned subsidiary of Sachsenring.

SAQ provided re-training programmes for the workers and was supposed to help them find subsequent re-employment. Many of the training sessions concentrated on labour market skills, for example, writing a good resume or a job application; others prepared people for work in sales or marketing. Thus, it can be said that this training was mostly supposed to educate people about the market economy and what one should do to become successful in it. The teachers were mostly university professors or teachers “*von drüben*” (from “yonder”, i.e. West Germany). Parallels can be drawn with the post-reunification “consumer training” practices described in Berdahl’s (2005) research on consumption and citizenship and their importance in the context of belonging. Much like the seminars that were meant to teach East Germans how to consume (in Berdahl’s example, beauty products for women), SAQ and similar job training programmes offered workers instruction in selling their own “fictitious commodity” – labour. Berdahl’s observations regarding consumption and citizenship can be extended to labour-market behaviour as well. For the East Germans to become “deserving citizens”, they were required to accept the rules of the game and to learn how to “sell themselves” and to behave on the labour market in order to be successful.

The attitudes towards SAQ among the research participants in Zwickau were quite ambivalent. Active union members from IG Metall said that its role was crucial in terms of the mobilization of the workers and their re-employment. The managers and engineers mostly argued that it was a useless organization which reinforced workers' inactivity on the labour market, had a demoralizing influence on them, and did not really help them find new jobs. Some of my interlocutors even went so far as to say that SAQ was used as a scheme for subsidy fraud. Suspicion and mistrust were in general very prominent when people talked about the *Wende* era. And the mistrust was hardly groundless. For example, many of the former Sachsenring workers who stayed in the enterprise after privatization had to go through the scandal involving its new owners, the Rittinghaus brothers.

For the most part, the workers who went through training at SAQ neither praised nor condemned it. Elke, who had just finished her apprenticeship at Sachsenring in 1990 and ended up being employed at SAQ, saw it as a quite positive development. Not only did it help Elke practically, as her time at SAQ coincided with her pregnancy, but it also provided a sort of bridge, a safety net that gave her time to adapt. She explained that it was very important for her psychologically that she did not just start getting unemployment benefits but still felt that she was working and remained embedded in the social networks at work.

Almost all of my informants agreed that the trainings that SAQ provided were rather pointless in terms of employment and were mainly meant to keep the workers "off the streets". Keeping them off the streets basically meant preventing both unemployment and protests on the streets. "These training companies mushroomed all over and got a lot of funding, SAQ as well. And they offered pointless trainings, which mostly achieved nothing. The people didn't find jobs through that. Pointless, because there were no jobs here...All the enterprises were closed", said Mrs Schulze, a former accountant at Sachsenring. Mrs Schulze's life was closely entwined with Sachsenring, where she had worked for almost 20 years before the *Wende*. In addition to accounting, she led fitness courses at the enterprise, through which she also met her husband – an engineer who worked on the development of the Trabant. After the *Wende*, she had to go through a re-training programme because of the differences in tax law in the GDR and in unified Germany, but she did not receive training at SAQ. She then found a job as an accountant in a new office of a small West German company in Zwickau, where she worked until retirement.

Those who were not employed at SAQ tended to regard employment there as useless, a sort of mock-labour (Rajković 2017). Some sympathized with SAQ workers, but in general they saw association with SAQ as a sign of weakness and the inability to make it on one's own without external support or paternalistic measures. As Mrs Schulze told me:

"I have never been unemployed, but these people, many people, who were thrown around from one training scheme to another...These are the ones who don't even get the minimum pension. It is bad to be unemployed when you are young, but if you don't have enough money when you are older, you feel a certain shame or [wounded] pride in going to the unemployment office. I am glad I didn't have to go through that. I saw in 1990, in our company, in Sachsenring, how it was falling apart. And I quit on my own before I could be thrown out on the street. I made an effort to find a new job, and I found it. Of course, I spent three years on the school bench at the age of 45, I studied to be a tax specialist. They all could have been my children, my classmates...One has to be able to do such a thing. Not everybody can."

Mrs Schulze's career can be considered successful insofar as she managed to avoid unemployment up until her retirement; and her success definitely became a part of her personality, as she seemed to derive her sense of self-worth from it to a great extent. The ambivalent attitudes towards SAQ that I discussed in this part of the paper show how different groups of people, informed by their class positions, values and life experiences, choose to support or criticize a particular form of workers' mobilization. In line with Palomera and Vetta (2016), this case illustrates how moral reasoning can be explored not only in relation to leftist "countermovements" (Polanyi 2001), striving to re-embed the economy, but also to the lack or condemnation of such mobilizations.

Employment and Welfare State Retrenchment in East Germany

Economic growth and investment in East Germany increased rapidly after reunification, as many investors came there, first and foremost, to enjoy the benefits of its labour market, with its highly skilled workers ready to work for much less money than in the West. Many business people came looking for workers to take with them to work in the "old federal states".¹² Those who went complained that their West German and even their Turkish colleagues would often show hostility towards them because they felt that the cheap workforce from the East undermined their position on the labour market. As one of my informants, who commuted to work in Baden-Württemberg shortly after the *Wende*, remembered, "Back then we were third-class citizens, not even second-class. First came the Wessis, then the Turks, and then us". In the East, they could not find jobs, and in the West they experienced both the disruption of their family life (due to long commutes) and hostility from the local labourers. Some other automotive-industry workers I have met had to commute to Bavaria for two days a week, which means three hours of driving both ways. Under these conditions, many stayed in the West, but many others returned once the jobs slowly began to reappear in the East, even though the salaries were still low in comparison. The situation was also hardly stable, as unemployment was still high and every fluctuation on the labour market was always more visible in the East than it was elsewhere in Germany.

The next crisis after the *Wende* was caused by the reforms of Agenda 2010, which were connected with one of the most substantial cuts of the social security system in German history. Agenda 2010 was implemented starting in 2003 in response to the EU's Lisbon Strategy – a plan for making member states' economies more competitive and knowledge-based, as well as providing better jobs. Promoted by then-Chancellor Gerhard Schröder, the Agenda 2010 measures entailed substantial withdrawal of the state from the social security system and were, for the most part, received negatively, not only by the population but also by the members of Schröder's own Social Democratic Party (SPD). The reform included such neoliberal measures as the weakening of job protection and the reduction of social costs for the employer at the expense of the employees. As Schröder described the reform: "We will reduce the state benefits, promote individual responsibility, and require more personal contribution from each individual."¹³

The most hated parts of Agenda 2010 were the changes, known as the Harz IV reform, concerning unemployment and the corresponding benefits. The adoption of Hartz IV meant that the

¹² The "old federal states" (*alte Bundesländer*) refer the ten states which belonged to West Germany (formally the Federal Republic of Germany, or FRG) before reunification in 1990. The "new federal states" (*neue Bundesländer*), are the states of the former GDR.

¹³"Wir werden Leistungen des Staates kürzen, Eigenverantwortung fördern und mehr Eigenleistung von jedem Einzelnen abfordern müssen." (Deutscher Bundestag Sitzung 14.03.2003: Plenarprotokoll 15/32. Stenografischer Bericht).

benefits for long-term unemployed (*Arbeitslosenhilfe*) were significantly decreased and brought to the level of general welfare benefits (*Sozialhilfe*). The new unemployment benefits (*Arbeitslosengeld II*) amounted to around 300 euros per month. Hartz IV was seen as a betrayal by the SPD of its own voters, and the support for the SPD decreased dramatically thereafter. As one of my informants, 49-year-old trade union activist Stefan told me: “They lost people’s trust. I was an SPD voter, now I am not, now I vote for the Left, but many others have no idea who to vote for now. Once I came to work and asked my colleague, who he voted for. And he said FDP.¹⁴ FDP?! Can you imagine a shop-floor worker who votes for FDP?! That is how confused the people are.”

In 2004, the Hartz IV reform sparked protests against the cuts to social welfare (*Sozialabbau*) all over Germany. The protests were carried out on Mondays and had the name of *Montagsdemos*, which was criticized by the government as suggesting an inappropriate analogy with the demonstrations of the Peaceful Revolution. The demonstrations were initially organized by the MLPD (Marxist-Leninist Party of Germany, a marginal radical left party) but later lost their connection to any political party and were only directed against Hartz IV. The East was once again at the vanguard of the protests – a point that was often depicted in the media as an expression of the longing of the East Germans for a more paternalistic state. The negative discourse surrounding the Hartz IV protests reinforced the depiction of East Germans as lacking in initiative and independence. In contrast, many of my interlocutors in Zwickau thought that the East Germans, or sometimes specifically Saxonians, were politically more active and more sensitive to undesirable changes. Another explanation for this stronger response from the East is, of course, simply the much higher unemployment rate there (18.4% compared to 8.5% in the West in 2004).¹⁵

The Agenda 2010 is often called a success because unemployment in Germany did gradually fall from 10.5% to the average of 5% in 2019 and because the economy has grown steadily since then – although the causal link between the reform and subsequent developments has not been proven. The unemployment rate fell especially in the East, which could be partially explained by the fact that some of the long-term unemployed who had lost their jobs during the *Wende* reached retirement age. However, the reform is also criticized for having negative consequences such as growing inequality and poverty. It has led to a stronger stigmatization of the unemployed in public discourse and caused a boom in temporary employment agencies (*Leiharbeitsfirmen*). People preferred temporary employment, even with poor working conditions, to becoming a Hartz IV recipient, which was both morally and financially disastrous.

According to the study *Angst im Sozialstaat* (“Fear in the social state”) by Betzelt and Bode (2017), the liberalization of the social security system is to blame for today’s “social crisis” and political polarization in Germany. The authors argue that the retrenchment of the welfare state and the subsequent “re-commodification” of employment have led to feelings of fear and insecurity in the general population. This “spiral of fear” resulted in social and political tensions and growing support for the far right. Stigmatization and delegitimization of unemployment also increased precarity among the workers: precarious workers accept their position in order to avoid becoming a “*Hartzler*”, and members of the regular workforce are ready to subject themselves to more flexible conditions and more intense exploitation in order to secure their employment in the future. My ethnographic data also support this thesis. Bernd, a 51-year-old Volkswagen shop-floor worker,

¹⁴ The FDP (Freie Demokratische Partei), or liberal party, falls in the centre to centre-right of the political spectrum. In the latest state parliament elections in Saxony in 2019, the party did not manage to achieve the quota of 5% necessary for representation in the legislature.

¹⁵ Bundesagentur für Arbeit. Arbeitslosigkeit im Zeitverlauf 02/2014.

expresses this connection very clearly when he reflects on how he takes pride in his readiness to be more flexible than the others:

“It doesn’t matter what kind of luxury you have, at some point you are full and you want more. When you lose a relationship with reality... But when I look at someone who works in a small firm, all he has to do for half of the money I get here! Then I say it doesn’t matter for me if I have to work a bit faster, or if I have to do a bit more. But there are people who... Like I said, I have never been unemployed, but there are people who came to us from unemployment in 1997, in my team... And five years later they forgot, how it was [to be unemployed]!”

In my field site in Zwickau, the protests against Hartz IV were initially quite strong. They started in August 2004 and during some of the protests over 4,000¹⁶ people gathered on the main square. The protests continue even after 15 years, as the local MLPD leader stands every Monday at 5 p.m. together with about seven to ten people in front of the shopping mall Arcaden in downtown Zwickau. When I first encountered the protesters, they were holding a poster featuring the slogan, “Wir wollen Arbeit, von der wir leben können! Keine Almosen! Weg mit Hartz IV – das Volk sind wir!”¹⁷ Later their leader, a history professor who had migrated from West Germany, told me that they started the demonstrations together with the trade unions. However, the trade union almost immediately distanced itself from the MLPD, and thereafter there were two separate Monday demonstrations in Zwickau. In November 2004 the trade unions stopped organizing demonstrations under some pressure from the SPD. Thereafter, the MLPD demonstration continued with its few but persistent protesters. At the time of my fieldwork in 2018–2019, I witnessed a few of their demonstrations in town and asked some of my informants what they thought about it. The reaction was mostly indifferent or sarcastic, as they made fun of the protesters and their leader. This shift from a mainstream protest to a protest of a marginal group is representative of greater patterns in East Germany – left-leaning protest being undermined and pushed to the margins by neoliberal hegemony. Such an inability to mobilize against the neoliberal agenda has also been discussed in the context of the rise of right-wing populism (Kalb and Halmai 2011).

As a part of an election campaign in March 2019, a few leaders from the SPD, the party which was primarily responsible for Hartz IV, visited Zwickau to lead a town hall meeting-style event (called a *Küchentischgespräch*, or “kitchen-table talk”). The name of this event was “What comes after Hartz IV?”, and the clear proposal of the party was introducing “*Bürgergeld*”, or basic income. The format of this discussion allowed the public to sit at the “kitchen table” together with the politicians and ask them questions. Although this event took the form not of a discussion but of a series of monologues by politicians, some people managed to pose questions and share their concerns. One of them, a young woman in her late 30s, started her speech with a phrase “I am very nervous because I want to ‘out’ myself [*mich outen*] – I am a Hartz IV recipient”. She went on to talk about the stigmatization and the shame that she was subjected to. “We are not all lazy or incapable. There is a story behind each of us”, she said with her voice shaking.

¹⁶ Proteste verlieren an Kraft – Schröder sucht Verbündete. *Frankfurter Allgemeine Zeitung*, 6 September 2004.

<https://www.faz.net/aktuell/politik/hartz-iv-proteste-verlieren-an-kraft-schroeder-sucht-verbuendete-1176540.html>

¹⁷ “We want work that we can live on! Not charity! Away with Hartz IV – we are the people!”

Shortage of Skilled Labour

After peaking at 18.7% in 2005,¹⁸ the unemployment rate in East Germany has been steadily declining, generally echoing the trends in the West. As of October 2019, the unemployment rate in East Germany was 6.1%, compared to 4.6% in the West. Saxony's unemployment rate, 5.1%, falls in the very middle of the range across all German states.¹⁹ Therefore, unemployment is not framed by the media as being a central problem in Saxony anymore. Quite the opposite: the state of Saxony is on the verge of an extreme shortage of skilled labour, amounting to some 82,000 workers by 2025, according to estimates by the Leipzig Chamber of Industry and Commerce (Industrie- und Handelskammer, IHK).²⁰ The labour shortage has been widely instrumentalized in political discussions in Saxony in the last few years. It has also been used as a tool to promote neoliberal views regarding both the East-West divide and migration. Before the state parliament elections of 2019 the current leader of the liberal party, the FDP, Christian Lindner held a speech in downtown Zwickau, in which he emphasized the need for immigration in order to cover the growing need for workers. He was particularly in favour of accepting educated people from "Belarus or Bangladesh", whereas unskilled refugees whose lives are not in danger should be sent back to their homelands. Considering the low level of support for the party in Saxony, the turnout for his speech was quite impressive, probably first and foremost due to his reputation as a spectacular speaker. The reaction to his speech was quite mixed, but his take on migration and the shortage of labour managed to earn some enthusiastic applause from the audience.

Shortage of labour is also used to justify claims that the economy of former East Germany is booming and that the gap between the two parts of Germany is slowly disappearing. This celebratory discourse was also used by the head of an employment agency in Zwickau when he mentioned the decreasing number of unemployed "clients" as one of the reasons for moving the agency into a smaller building. However, the current and predicted future shortage of workers is caused not just by a booming industry, but also by the migration of educated professionals to the West and by the ageing population. It can also be explained by the low quality of the jobs on the market, which are characterized by low salaries and precarious status. Moreover, the shortage of qualified workers is felt mostly intensely in branches such as healthcare and eldercare. In other branches, the demand is mostly for highly educated engineers.

Another reason for the shortage of labour is that the companies in the East are often essentially "extended workbenches" (*verlängerte Werkbänke*); i.e., their activities are limited to production and manufacturing, with the research and management departments residing in the West. Industrial labour, as my informants made clear in their descriptions of their work, is difficult, monotonous and physically demanding, in addition to the negative aspects of shift work in general.²¹ One of the automotive supplier companies I visited was especially glad that the temporary employment agency had "sent" them a few refugee workers, despite the conflicts that it caused within the

¹⁸ Bundesagentur für Arbeit. Arbeitslosigkeit im Zeitverlauf 02/2014

¹⁹ Bundesagentur für Arbeit. Monatsbericht zum Arbeits- und Ausbildungsmarkt, October 2019.

²⁰ IHK zu Leipzig. IHK-Fachkräftemonitor: 2025 fehlen 82.000 qualifizierte Arbeitskräfte in Sachsen, 25 April 2019: <https://www.leipzig.ihk.de/ihre-ihk/aktuelles/archiv/details/artikel/ihk-fachkraeftemonitor-2025-fehlen-82000-qualifizierte-arbeitskraefte-in-sachsen-3597/> (accessed 19.12.2019).

²¹ The automotive industry in and around Zwickau is mostly organized to fit the rhythm of the Volkswagen plant in Mosel and it functions according to the principle of "just-in-time" production, which means that neither Volkswagen nor its suppliers use warehouses. The components are instead delivered right before they are used. Work is divided in three shifts: early, late, and night shift.

existing team. He complained that they could hardly find the workers locally to do this heavy work. “Young people don’t want to work on the conveyor belt”, said one of the shift managers as he showed me around. Nevertheless, the shortage of labour is used as a convenient argument to downplay unemployment in Saxony and to frame it as an individual rather than a structural problem. Such a framing weakens the legitimacy of workers’ claims and denies them their histories of struggle (Narotzky and Goddard 2017).

Conclusion

After starting this paper with the story of Mr Baumann, I would like to come back to it once again, before I summarize my conclusions. Mr Baumann’s opinions on unemployment seemed to me extremely disconnected from his own life story, which was torn between the feelings of shame and pride. For more than a decade he had worked 12 to 14 hours a day from Monday to Saturday, only to be thrown out by his boss when his health failed him. Knowing Mr Baumann’s story, it is hard to call him a “winner” of the transition, even though he takes pride in making the best of this situation. As he himself admits, despite his entrepreneurial qualities and willingness to work hard, he became unemployed early, before reaching retirement age. However, Mr Baumann desperately resists being lumped together with those “losers of the transition” who failed to adapt to the new system. He makes sure that he separates himself from them as he describes his independence, individualism, and diligence: “I did everything on my own. I felt like a businessman”, he says when he describes his work for the car dealership company. His internal conflict can be understood in terms of the sharp disparity between his aspirations and moral values of being an entrepreneurial type, a self-made man, and his inability to fulfil the expectations of such an ethical commitment – and in terms of the resulting demoralization (Rajković 2017: 65).

As previous research in the anthropology of postsocialism argues (Bartha 2013; Dunn 2004; Dale 2006), the lived experience of socialism has provided a foundation for people to question and contest the viability of modern capitalism. In this paper, I tried to explore the opposite process – the prevalence of neoliberal hegemony, which is scarcely contested even by those who might be expected to be critical of it. Following Kalb (2014: 198), I look at neoliberalism “not as a culture that produces a particular personhood but as a hegemony that exerts specific pressures and sets certain limits on the possible paths of personal becoming”. Hegemony is thus seen not as a cultural consensus but a field of social relations of dominance. Accordingly, I have tried to shed light on particular narratives and processes that contributed to the establishment of such a hegemony: the heightened moral and social importance of work in postsocialist societies, the turbulent labour market since 1989, welfare state retrenchment, and the narrative of skilled labour shortage.

References

- Bartha, E. 2014. Forgotten histories: workers and the new capitalism in East Germany and Hungary. In: J. W. Boyer and B. Molden (eds.), *EuroPEs: the paradox of European empire*. Chicago: University of Chicago Press, pp. 309–334.
- Bartha, E. 2013. *Alienating labour: workers on the road from socialism to capitalism in East Germany and Hungary*. New York: Berghahn.
- Berdahl, D. 2005. The spirit of capitalism and the boundaries of citizenship in post-Wall Germany. *Comparative Studies in Society and History* 47(2): 235–251.
- Betzelt, S., and I. Bode. 2017. Angst im Sozialstaat: Hintergründe und Konsequenzen. *WISO Direkt* (38), Friedrich-Ebert-Stiftung, Bonn.
- Böick, M. 2012. “Aufstand im Osten”? Sozialer und betrieblicher Protest gegen die Treuhandanstalt und Wirtschaftsumbau in den frühen 1990er-Jahren. In: Bingen, Dieter, Maria Jarosz, and Peter Loew (eds.): *Legitimation und Protest: Gesellschaftliche Unruhe in Polen, Ostdeutschland und anderen Transformationsländern nach 1989*. Wiesbaden, pp. 167–185.
- Buchowski, M. 2006. The specter of orientalism in Europe: from exotic Other to stigmatized brother. *Anthropological Quarterly* 79(3): 463–482.
- Dale, G. 2006. *The East German Revolution of 1989*. Manchester: Manchester University Press.
- Dunn, E. C. 2004. *Privatizing Poland: baby food, big business, and the remaking of labor*. Cornell University Press.
- Engler, W. 1999. *Die Ostdeutschen: Kunde von einem verlorenen Land*. Berlin: Aufbau-Verlag.
- Friedreich, S. 2008. *Autos bauen im Sozialismus: Arbeit und Organisationskultur in der Zwickauer Automobilindustrie nach 1945*. Leipzig: Leipziger Universitätsverlag.
- Jancius, A. 2006. Unemployment, deindustrialization, and “community economy” in eastern Germany. *Ethnos* 71(2): 213–232.
- Kalb, D., and G. Halmai. 2011. *Headlines of nations, subtexts of class: working-class populism and the return of the repressed in neoliberal Europe*. New York: Berghahn Books.
- Kalb, D. 2014. Afterword: Elias talks to Hayek (and learns from Marx and Foucault): reflections on neoliberalism, postsocialism and personhood. In: N. Makovicky (ed.), *Neoliberalism, personhood, and postsocialism: enterprising selves in changing economies*. Farnham: Ashgate, pp. 187–202.
- Kalb, D. 2013. Regimes of value and worthlessness: two stories I know, plus a Marxian reflection. *Max Planck Institute for Social Anthropology Working Papers*, 147.
- Kideckel, D. 2002. The unmaking of an East-Central European working class. In: C. M. Hann (ed.), *Postsocialism: ideas, ideologies and practices in Eurasia*. London: Routledge, pp. 114–132.
- Makovicky, N. 2014. *Neoliberalism, personhood, and postsocialism: enterprising selves in changing economies*. Farnham: Ashgate.
- Mau, S. 2019. *Lütten Klein: Leben in der ostdeutschen Transformationsgesellschaft*. Berlin: Suhrkamp.

- Müller, B. 2007. *Disenchantment with market economics: East Germans and Western capitalism*. New York: Berghahn.
- Narotzky, S., and V. Goddard. 2017. Introduction. In: S. Narotzky and V. Goddard (eds.), *Work and livelihoods: history, ethnography and models in times of crisis*. New York: Routledge, pp. 157–171.
- Palomera, J., and T. Vetta 2016. Moral economy: rethinking a radical concept. *Anthropological Theory* 16(4): 413–432.
- Polanyi, K. 2001. *The Great Transformation: the political and economic origins of our time*. 2nd edition. Boston: Beacon Press.
- Rajković, I. 2017. For an anthropology of the demoralized: state pay, mock-labour, and unfreedom in a Serbian firm. *Journal of the Royal Anthropological Institute* 24: 47–70.
- Ringel, F. 2018. *Back to the postindustrial future: an ethnography of Germany's fastest shrinking city*. New York: Berghahn.
- Rosenfeld, R. A., H. Trappe, and J. C. Gornick. 2004. Gender and work in Germany: before and after reunification. *Annual Review of Sociology* 30: 103–124.
- Rudd, E. 2006. Gendering unemployment in postsocialist Germany: 'What I do is work, even if it's not paid'. *Ethnos* 71(2): 191–212.
- Stenning, A., A. Smith, A. Rochovská, and D. Świątek. 2010. *Domesticating neo-liberalism: spaces of economic practice and social reproduction in post-socialist cities*. Oxford: Wiley-Blackwell.
- Spittler, G. 2009. Contesting "The Great Transformation": work in comparative perspective. In: C. Hann and K. Hart (eds.), *Market and society: "The Great Transformation" today*. Cambridge: Cambridge University Press.
- Swain, A. 2002. Broken networks and a tabula rasa? "Lean production", employment and the privatisation of the East German automobile industry. In A. Rainnie, A. Smith, and A. Swain (eds.), *Work, employment and transition: restructuring livelihoods in post-communism*. London: Routledge, pp. 74–96.
- Thelen, T. 2005. The loss of trust: changing social relations in the workplace in Eastern Germany. *Max Planck Institute for Social Anthropology Working Papers*, 78.
- Trappe, H. 2006. Lost in transformation? Disparities of gender and age. In: M. Diewald, A. Goedicke, and K. U. Mayer (eds.), *After the fall of the Wall: life courses in the transformation of East Germany*. Stanford: Stanford University Press, pp. 116–139.
- Turner, L. 1998. *Fighting for partnership: labor and politics in unified Germany*. Ithaca: Cornell University Press.
- Völkel, B. 1997. Kurzarbeit in den neuen Bundesländern. *Mitteilungen aus der Arbeitsmarkt- und Berufsforschung, Institut für Arbeitsmarkt- und Berufsforschung (IAB)* 30(1): 127–149.