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EAST GERMAN
VILLAGE, 1945-2000

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Collectivization, Privatization, Dispossession: Changing Property Relations in an East German Village, 1945-2000

*John Eidson*¹

Abstract:

In this paper, a village in the Southern Region of Leipzig in Northwest Saxony serves as the point of departure in a review of three aspects of changing property relations in rural East Germany, especially in the second half of the twentieth century: the collectivization of agricultural production in the German Democratic Republic; the privatization of the ownership and usufruct of agricultural land after German unification in 1990; and the forced sale of land due to the industrial policies of a series of political systems. The paper takes a middle path between generalizing about developments that were relevant for all of East Germany and describing examples of these developments under the particular local and regional conditions of the field site. Relying upon ethnographic materials has the advantage of showing how actors have responded to agricultural policies and how they have affected the way in which these policies have been realized. At the same time, the specificity of these materials raises questions about the representativeness of the case study. It is argued that it is more useful to assess the regional variation in changing rural property relations – especially with reference to the structure of property relations prior to collectivization and to the degree of industrial development in urban centers and their agricultural hinterlands – than to attempt to reduce them to a non-existent average. In conclusion, the paper is situated in the context of a larger project on variables and invariables in the development of rural property relations and agricultural production in the twentieth and early twenty-first centuries.

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An Ethnographic and Comparative Approach to Changing Property Relations in Rural East Germany²

Social anthropologists may be defined as those human scientists who seek to illuminate larger issues through case studies that are based largely on microscopic methods. In this paper, I take a single village as my point of departure in an effort to contribute to our understanding of the transformation of property relations, particularly the ownership and usufruct of agricultural land, in East Germany and, indeed, in the postsocialist countries of Eastern Europe and Central Asia.³ Of course, such aspirations immediately evoke the question of the representativeness of the data and the legitimacy of generalizing on the basis of what can only be described as a “biased sample.” My response is, in this first report on an ongoing research project, that my claims regarding the representativeness of the data from my field site are relatively modest. In fact, the original choice of the field site for this case study was not based on the assumption that it is typical and, therefore, representative. On the contrary, the village in question – Breunsdorf, in the *Südraum*, or Southern Region of Leipzig in northwest Saxony – was chosen because of its exceptional fate, that is, its evacuation and destruction in the wake of an expanding lignite mine.⁴ Nevertheless, for reasons which I shall address in the next paragraph, it may serve just as well as any other village as a point of departure in an ethnographically based overview of the development of property relations in rural East Germany.

There is, of course, no single “typical” village that may be deemed fully representative of East Germany as a whole. Rather, each village represents a variation on a set of general themes; though individual villages may usually be sorted into a smaller number of categories, depending upon a number of factors. One of my goals – which is reserved for a future paper – is to assess the range of local and regional variation with reference to the history of linkages to

² Thanks to Lale Yalcin-Heckmann, Robert Parkin, and Chris Hann for comments on an earlier draft of this paper.

³ In this paper, “East Germany” refers to the territory which used to constitute the German Democratic Republic (GDR) and which now includes the federal states of Mecklenburg-Vorpommern, Brandenburg, Berlin, Sachsen-Anhalt, Sachsen, and Thüringen. It is necessary to state this specifically, since the southern portion of the former GDR is often referred to as *Mitteldeutschland*, or Central Germany – as, for example, in the name of the regional radio and television network, *Mitteldeutscher Rundfunk*. At the same time, some Germans still reserve the term *Ostdeutschland* for the territories of East Prussia, Pomerania, and Silesia, which used to be part of the German Reich. Since the division of Germany following World War II, however, it has become common to refer, first, to the Soviet Zone (1945-1949), then, to the German Democratic Republic (1949-1990), and, finally, to the five *neue Bundesländer* as *Ostdeutschland*, or East Germany.

⁴ I began with research in my current field site in 1994 at the invitation of the *Sächsisches Landesamt für Archäologie*, that is, the Office of Public Archaeology in Saxony. The original intention of the head of this office was to use the destruction of the village (in 1995) as an opportunity to conduct an in-depth archaeological investigation of this site in conjunction with an interdisciplinary investigation of other aspects of local history (Huth, Oexle et al. 1994).

larger administrative systems and markets. Especially important are variations in the structure of rural property relations prior to the collectivization of agriculture and in the degree of industrial development in urban centers and their agricultural hinterlands. Once these kinds of variables are taken into account, it is possible to see how particular villages, set in particular regions, fit into a larger national or international pattern (cf. Greenwood 1980).

In this paper, I take a middle path between generalizing about changing property relations in East Germany and describing particular examples under specific local and regional conditions by combining data from the secondary literature and from my own field study. Two of the three aspects of changing property relations that I address correspond to the political developments of the socialist and postsocialist eras, respectively; and the third corresponds to long-term continuities in industrial policy, which have spanned one hundred years and six different political systems.⁵ These three aspects of changing property relations, which are alluded to in the title of the paper, include, first, land reform and the collectivization of agricultural production from 1945 to 1989, and, second, the privatization of agricultural production following the collapse of the socialist state in late 1989 and the incorporation of the newly constituted federal states of East Germany into the Federal Republic of Germany in 1990. The third aspect, which is designated in the title with the term “dispossession,” includes, especially, the forced sale of privately owned land to industrial concerns in the wake of industrial development – which, in my case study, takes the specific form of the surface mining of lignite coal. Since sales of this type are usually involuntary, it seems fair to refer to them generally as “dispossession,” though this term is, admittedly, most appropriate in those cases where land-owners have been dissatisfied with the monetary compensation that they received for the loss of their land.

In an investigation that is devoted, first and foremost, to the collectivization and privatization of rural property and agricultural production, the forced sale of land due to industrial development and lignite mining might seem to represent an exogenous factor and, in this sense, something of a distraction. Three considerations make this attitude seem unjustified. First, and most generally, the encroachment upon farmland and rural settlements in the course of industrial development and urban growth has been a fact of life since the late nineteenth century at the latest – though, admittedly, the implications for landowners have been quite variable. Second, and more specifically, two of the three lignite mining districts in

⁵ The development of the carbo-chemical industries, which have exerted a strong influence in the region in which my field site is located, has extended from the late nineteenth century until today and has been fostered by the industrial policies of the German Reich (1871-1918), the Weimar Republic (1918-1932), the National Socialist state (1933-1945), the Soviet occupational authorities (1945-1949), the German Democratic Republic (1949-1990), and the state of Saxony in the Federal Republic of Germany (1990-present).

all of Germany are located in East Germany, namely, the Central German mining district in the areas surrounding Bitterfeld, Halle, and Leipzig, and the Lausatian mining district in the area stretching between Cottbus and Hoyerswerda near the Polish border. Third, *Braunkohle*, or lignite, is the only significant energy resource that exists in East Germany.⁶ In the late nineteenth and early twentieth centuries, it was the basis of industrial development in the areas that are now known as Sachsen, Sachsen-Anhalt, Brandenburg, and parts of Thüringen; and, after World War II, the financially strapped socialist state exploited lignite reserves heavily, especially after oil and natural gas from the Soviet Union became more expensive in the 1970s. Taken together, the abundance of this resource and the socialist state's dependence upon it made lignite mining a central component of the political economy of the German Democratic Republic (GDR); and since 1990 it has been retained in the mixed energy policy of the new federal state of Saxony. Therefore, in the corresponding regions many locales and their residents have been affected by lignite mining and related industries; and many have suffered the same fate as Breunsdorf and its residents. Environmental pollution, the forced sale of land, and the resettlement of villages have often been important factors in changing property relations in parts of rural East Germany, especially, but not only, during the socialist era.

In my discussion of collectivization, privatization, and forced sales, emphasis falls on the consequences of state policies for various local residents, including landowners and others, and on the responses of local residents to these policies. In each case, state authorities or their proxies imposed these policies in accordance with the general orientation or the specific industrial policies of the various regimes; but the imposition of state policies occurred in active social fields in which persons with various interests, intentions, and strategies interacted and came into conflict with one another. Of course, the power relations among these actors were and still are quite unequal; nevertheless, collectivization, privatization, and forced sales were “collective” enterprises, in a broad sense of the term. Each has had unintended consequences which may be understood, at least in part, as the result of clashes among heterogeneous interest groups. Therefore, understanding who did what, when, where, how, why, and to what effect is only possible if one also employs data that have been gathered through fieldwork based on ethnographic methods and through ethnographically informed historical research. Of course, not all of these questions can be answered adequately, especially at this intermediary stage in my research; but, at the very least, an ethnographic

⁶ The relatively modest hard coal resources near Zwickau had been exhausted by the 1970s (Der Steinkohlenbergbau 2000).

approach may lead to discoveries that allow us to provide an appropriate structure for further investigation.

In order to present the viewpoint of some of the actors who were involved in collectivization, privatization, and forced sales, I shall quote occasionally from interviews that have been conducted with residents of Breunsdorf and neighboring communities, beginning in 1994.⁷ The core of each interview is the life history of the interview partner, but this general framework has also provided the opportunity for what are often lengthy expositions and commentaries on various aspects of local social and economic life.⁸ Each of the individuals whom I quote are or were involved with agriculture in one way or another; but they play or played different roles in the relevant developments and have been affected in different ways. This diversity of viewpoints should hold the biases that often inhere in interview materials in check, at least to some degree. Since, however, I shall quote only four of over 40 interview partners, the contents of their statements cannot be considered to be representative of the larger sample in a strict sense of the term. Nevertheless, the quotations have been chosen on the basis of familiarity with over 350 pages of interview protocols; and there is evidence from the secondary literature that they are at least indicative of views that were widely shared by some categories of persons in many parts of East Germany (cf. Bauerkämper 1994, 1997; Laschewski 1998: 85-100; Kipping 2000; and Küster 2001).

Quotations from the interviews are embedded in summaries of relevant aspects of changing property relations. These summaries include both a sketch of developments pertaining to East Germany in general and further specifications regarding the particular conditions in the locale and region in which the case study is set. Of course, the different aspects of property relations have been intertwined in very complex ways over the course of several decades. Moreover, each has a different relationship to time. Collectivization and privatization correspond to separate phases of the political history of East Germany, though the first phase was considerable longer than the second has been to date. The voluntary or involuntary sale of land or mining concessions to industrial enterprises has an even longer history, which

⁷ The interviews have been conducted in three phases, each of which had or has a different source of funding. In 1994 and 1995, Hans Ketzer, Jean de Lannoy, Caroline Auerbach, and I conducted a series of interviews with funding from the *Sächsisches Landesamt für Archäologie*, or State Office for Archaeology. On this early phase of the project, see Huth and Oexle et al. (1994) and Ketzer (1996, 1998). Then, from 1996 to 1998, I conducted further interviews in conjunction with archival research which was funded by the *Sächsisches Staatsministerium für Bildung und Kunst*, that is the Saxon Department of Education and the Arts. On this middle phase of the project, see Eidson (1998a, 1998b). Beginning in 2000, the interviews have been continued in the context of my project within the Division for Property Relations of the Max Planck Institute for Social Anthropology in Halle. Martina Streng has assisted with the transcription of the most recent interviews.

⁸ For further comments on the conditions, the methods, and the results of these interviews, see Eidson (1998b) and Ketzer (1996, 1998). For general statements on the methods of ethnographic, life history, and oral history interviewing, see Agar (1980), Langness and Frank (1981), and Niethammer (1985).

preceded, coincided with, and outlived the socialist state and its policies of collectivization. Nevertheless, for the purposes of my exposition, I shall treat these three aspects of property relations sequentially, noting interconnections at appropriate junctures. Within the spatial limits of this paper, it will only be possible to provide a brief sketch of each topic or aspect. By emphasizing the significance of each of these developments for landowners and, more generally, for changing property relations, and by providing illustrative quotations from the interviews, it should be possible, however, to throw new light on phenomena which are already well-known in their general outlines. The resulting picture corresponds neither to the official version of the socialist state nor to the conventional wisdom of liberal agricultural economists – with the notable exception of those who are more sociologically-minded (e.g., Laschewski 1998, 2000; Küster 2001).

The Field Site in Regional Perspective

Before turning to the three aspects of changing property relations, it is still necessary to provide background information about the field site. The village of Breunsdorf – or what remains of it – is located in the territories that used to be part of the GDR, and, in this sense, it belongs to the world of postsocialism, which is the focus of the larger project group within which this study is being conducted. Clearly, East Germany represents an important, though unique part of the postsocialist world; and, consequently, studies which are set within East Germany may contribute to our understanding of the transition from socialist to postsocialist societies.⁹ At the same time, however, the categories of the comparative study of postsocialism are not adequate, in and of themselves, for understanding current developments in East Germany, since socialism was only a forty-year phase in the modern history of this larger region. In East Germany, socialism was not coincident with industrialization, as it was with some other states; rather, the GDR inherited a fully industrialized society, which it proved incapable of managing in the long run. This means that the field site must be understood not only in terms of the dissolution of the Soviet bloc and the transition to a reunited Germany and European integration but also in terms of processes of industrialization and deindustrialization which, over the last 100 years or more, have developed in a way which was at least partially independent of changes in political systems.

⁹ I use the terms “transition” or “change of systems” for the German word, *Wende*, which refers to the wholesale political and economic reorientation of East German society after 1989 and 1990. I describe the East German version of postsocialism as unique because this is the only case in which a former socialist state was incorporated into another state which was wealthy enough to alleviate many of the negative effects of rapid economic transition. On this point, see especially Koester and Brooks (1997: 11).

The city of Leipzig has long been the commercial center of the territory that has been known, since the tenth century, as Meissen and, since the fifteenth century, as Sachsen, or Saxony. Then, in the late nineteenth century, Leipzig became one of the most important industrial centers in all of Germany, due to its commercial heritage, to its location on transportation networks, and to the rich deposits of lignite in the surrounding areas. Up to that point, the city's rural hinterland had been largely agricultural, with some processing industries that were based on agricultural products or available natural resources – breweries, flour mills, brickyards, and paper mills (Bramke et al. 1992; cf. Bramke 1998). The number and average size of farmsteads had already been established by the end of the old Reich, but rural property holdings were rationalized after the reform of pre-modern land tenure in the quasi-liberal state of the early and mid-nineteenth century (Gross 1968; Kiesewetter 1988).

In 1925, in the governmental district of Leipzig within the state of Saxony, the vast majority of agricultural enterprises had less than 100 hectares of land. About one third had between five and 20 hectares and one third between 20 and 100 hectares. In comparison to other parts of East Germany, and to many other regions in Germany as well, this part of Saxony was characterized by the predominance of small to medium-sized farms.¹⁰ The following table does not show what percentage of all agricultural land was cultivated by the farms in each category, but it does give some idea of the structure of land-ownership.¹¹

Table 1: The proportion of small, medium-sized, and large farms (measured in hectares of agricultural land) among all agricultural enterprises in the *Kreishauptmannschaft* (administrative district) of Leipzig in 1925 (Kretschmer 1998: 36)

Number of hectares per farm	Percentage of farms in the administrative district of Leipzig with the corresponding number of hectares
5 ha or less	8.6 %
5 to 20 ha	33 %
20 to 100 ha	36.8%
100 ha or more	20.8%

¹⁰ Up until the 1950s, when the policy of collectivization was initiated in East Germany, small to medium-sized farms dominated in Thüringen, parts of Sachsen, and parts of Sachsen-Anhalt. In the north, in Mecklenburg and Vorpommern, there were farms of all sizes, but the much larger estates were predominant. Brandenburg also had a disproportionately large number of larger agricultural enterprises but represented something of an exception, due to the prevalence of forestry (see Laschewski 1998: 117; cf. Jähnichen 1998: 4-5).

¹¹ According to Jähnichen (1998: 4), agricultural enterprises with over 100 hectares of land cultivated only 10% of all agricultural land in Saxony in 1928.

It is safe to assume that, in most cases, the agricultural enterprises of approximately 100 hectares or more were so-called *Rittergüter*, or noble estates. By the modern era, such noble estates were large farms that were owned by a resident or non-resident family – either aristocratic or bourgeois – and run by a professional manager. Agricultural enterprises with less than 100 hectares were usually *Bauernhöfe*, or family farms, though it was common to distinguish further among *Kleinbauern*, *Mittelbauern*, and *Großbauern*, that is, farmers with small, medium-sized, and large holdings.

In the *Amtshauptmannschaft* (county) of Borna, in which Breunsdorf is located and which corresponds more or less to the Southern Region of Leipzig, less than half of the villages had noble estates, and even these were often under 100 hectares in size. On the whole, the size of the farms was smaller than the average for the larger administrative district of which the county was a part. In the village of Großhermsdorf, for example, there was a noble estate with agricultural lands of approximately 150 hectares, along with several small to medium-sized family farms. In contrast, other villages in the immediate vicinity were, as the people in this area still say, *reine Bauerndörfer*, that is, “pure farming villages” – villages that had only small to medium-sized family farms, with, perhaps a few larger ones thrown in for good measure. The following chart shows that Breunsdorf was a good representative of this category. From the latter nineteenth century – by which time family farms had become established as small businesses under more or less liberal market conditions – up until the eve of collectivization in the 1950s, the number of farms and the size of the farms remained more or less constant. About half were between five and 10 hectares and half were between 10 and 30 hectares. Only a few had more than 30 hectares, and none had as many as 40 hectares.

Table 2: The size of farms in Breunsdorf (measured in hectares of agricultural land) in 1884 and 1952¹²

Number of hectares	Number of farms in Breunsdorf in 1884 (total of 34 farms)	Number of farms in Breunsdorf in 1952 (total of 30 farms)
5 to 10	16	10
11 to 20	8	11
21 to 30	7	7
30 or more	3 (largest = 39 ha)	2 (largest = 35 ha)

¹² Source: *Flurbücher* (maps of agricultural fields with corresponding data) for Breunsdorf from 1884 and 1952, *Staatliches Vermessungsamt Borna* (State Surveying Office in Borna).

This stability in the number and size of farms in Breunsdorf was fostered by a system of impartible inheritance, which corresponded to laws in the state of Saxony prohibiting or limiting the right of owners to split single land-holdings or fuse two or more land-holdings (Klingner 1969; cf. Kiesewetter 1988: 113-134; Kretschmer 1998: 151-156). Nevertheless, the continued existence of these farms up until the 1950s is some indication of their viability as business enterprises. The most influential farmers in Breunsdorf and, indeed, in many villages of the Southern Region of Leipzig were the owners of the middle-sized and larger farms (10 to 15 hectares or more). Together they constituted a self-conscious social class, which dominated local offices and, after the turn of the century, pursued their recreational and honorific activities in the typical *Vereine*, or voluntary associations, of those days (Eidson 1998a).

It had long been known that the remarkably flat landscape to the south of Leipzig, which is crisscrossed by streams and spotted by wetlands, lay atop rich deposits of lignite, or brown coal; but the relatively low quality and high moisture of this mineral discouraged its exploitation, at least initially. Then, shortly after the construction of the railroad, the development of new mining technologies and new processes of lignite dehydration and compression made possible the dramatic rise of the coal, energy, and chemical industries, which determined the fate of the region from the 1880s until 1990 and thereafter (Kretschmer 1998). With the advent of surface mining in the early twentieth century, the further modernization of the transportation infrastructure, and the construction of briquette factories, power plants, and carbo-chemical installations, the Southern Region of Leipzig was drastically and permanently transformed.

As early as the First World War, coal production was harnessed to the energy needs of the state, and in the Third Reich the demand for electric power, industrial products, and synthetic fuels intensified the political instrumentalization of the coal and chemical industries (Kretschmer 1998: 143-149). This required the recruitment of thousands of workers, who were brought into the region mostly from the Erzgebirge and the Vogtland – that is, from the mountainous areas in the southern part of Saxony (Höppner 1995; cf. Hofmann 1995). After World War II, refugees from the formerly German areas in Eastern Europe, especially Silesia, joined the workforce (Bischoff 1997). New housing was built for the workers in the carbo-chemical industry, and many villages acquired the character of industrial settlements within a short period of time.

Of course, the GDR was also dependent upon lignite, the one natural resource that it had in abundance; and this dependence increased in the 1970s with the rising prices of petroleum and

natural gas from the Soviet Union. Given the perpetual shortage of capital in the GDR, the industries of the Southern Region of Leipzig were forced to increase production without adequate modernization. This had a number of negative consequences, including the gradual alienation of the previously privileged workforce, environmental pollution, and the destruction of the landscape (Hofmann 1995). In this area, which is pitted with several large strip mines, nearly 70 villages have been destroyed in whole or in part since the late 1920s (Kabisch and Berkner 1996: 131).

After their robust development and gradual decline, the coal, energy, and chemical industries of the Southern Region of Leipzig experienced a sudden collapse with the opening of the GDR to the global economy in 1990. Of the 30,000 jobs that existed in these regional industries in the last years of the GDR, only 3,000 still existed in 1993 (Hofmann 1995). In order to protect existing jobs or to lessen further reductions, the Saxon government has guaranteed foreign investors access to coal fields, the resources of which should secure a return on investments within a stipulated time period (Bilkenroth and Snyder 1998). Furthermore, Saxony has encouraged and subsidized new investment in the regional energy and chemical industries.

Breunsdorf was the most recent victim in these political and economic calculations. The evacuation of the village began in 1988 under the socialist government but was not completed until 1995, under the new Saxon government. In that same year, the village was destroyed. The agricultural lands of the village were either sold to the coal mining company or integrated into a large cooperative farm, which has survived the change of systems after 1990. The people of Breunsdorfer have spread themselves among a number of neighboring communities or left the area entirely. One still works with the agricultural enterprise that succeeded the older collective farm after 1990.

Collectivization

The Land Reform of 1945

In 1945, the Soviet authorities imposed the *Bodenreform*, or land reform, on the occupied territories of East Germany. While not part of collectivization per se, the land reform helped to pave the way for collectivization by breaking up the largest agricultural enterprises and apportioning the land either to the state or to a number of small private holders (Bauerkämper 1994). The general rule was that all farm enterprises with 100 hectares or more were expropriated. The same fate struck some farms with under 100 hectares, if, for example, their

owners had fulfilled special functions within the National Socialist state or were charged with political crimes. In the Soviet Zone as a whole, the land reform of 1945 involved the expropriation of over three million hectares, that is, up to one third of all agricultural land in East Germany. Approximately two-thirds of the land that was expropriated was redistributed in small parcels of up to five hectares to so-called *Neubauern*, or new farmers, who were, typically, either agricultural laborers or refugees from the formerly German territories in Eastern Europe. The Soviet authorities retained possession of the remaining third, transferring it to the new German Democratic Republic in 1949. Later, this land became the basis for the founding of the so-called *Volkseigene Güter (VEG)*, or state farms (Bauerkämper 1994; cf. Jähnichen 1998: 5-7).

The regional effects of the land reform varied, depending upon the structure of property relations prior to 1945. On the eve of the land reform, approximately 50% of all farmland in Mecklenburg was in farms of over 100 hectares; whereas, in Saxony, only 10% of all farmland belonged to agricultural enterprises of that size. These percentages correspond roughly to the amount of land that was allotted to state farms in the first decade of the GDR (Jähnichen 1998: 4-5).

In the region in which my field site is located, only the relatively few *Rittergüter*, or noble estates, of over 100 hectares and a few farms of Nazi functionaries were expropriated (cf. Loest 1990: 105-106; Sommer 1998). In Breunsdorf, which lacked a noble estate, the land reform affected only 23 hectares of land, which farmers had leased from the energy concern *Deutsche Erdöl-Aktiengesellschaft*, or DEA.¹³ Thus, in this village with 700 residents, two refugee families and two agricultural laborers were given four and a half to five hectare plots; five industrial workers received half a hectare each; four further industrial workers received one quarter of a hectare each; and 15 parcels of 200 square meters were distributed as garden land (Bergholtz n.d.: 45-46). Otherwise, land ownership and usufruct were unaffected by the land reform.

The Formation of the First Collective Farms after 1952

The project of collectivization was announced at the Second Conference of the *Sozialistische Einheitspartei* (SED), or Socialist Unity Party, in 1952. Thereafter, so-called *Landwirtschaftliche Produktionsgenossenschaften* (LPG), literally, “agricultural productive

¹³ DEA was one of the investors in regional strip mining and in the energy and chemical complex in nearby Böhlen-Lippendorf (Kretschmer 1998; Bilkenroth and Snyder 1998).

cooperatives,” were founded in villages throughout the GDR.¹⁴ The new law allowed for the formation of three different kinds of LPG, which were called Type I, Type II, and Type III. In the LPG Type I, only arable land was worked collectively, while farm animals remained in the hands of the individual farmers. The LPG Type II was an intermediary form, which was quite rare and need not concern us further. In the LPG Type III, each farmer brought almost all of his or her land, animals, and farm equipment into the cooperative, which then gained full control over the use of these resources. The only exception was the portion of privately held animals and garden land that was allowed by law. In practical terms, it may be said that the goal of the socialist state was to establish the fully collectivized LPG Type III in every village. The LPG Type I served as a first stage of collectivization for those farmers who were reluctant to join the cooperative.

In the 1950s, however, most of the *Bauern* who were capable of maintaining their farm enterprise declined to enter the LPG, regardless of the type (cf. Bauerkämper 1997: 32-33; Eidson 1998b: 102; Laschewski 1998: 32-33). Rather, the private farmers retained their independence for as long as possible. Thus, in northwest Saxony and in many other parts of East Germany, it was typical that as of 1953 most LPG foundings involved the Type III collectives (cf. Bauerkämper 1997: 32). The members of the first Type III collective farms were usually a mixture of agricultural laborers, “new farmers,” and a few family farmers. Often, these LPG acquired their land from so-called *devastierte Höfe*, or abandoned farms, whose owners had fled to West Germany after being subject to political and economic pressures.¹⁵ Another source of land was the plots that had been redistributed in the land reform. The new farmers had received land free of debt but only on the condition that they use it for agricultural purposes; and, although they received certificates of ownership, they were not allowed to sell this land on the market. As it happened, the new farmers often lacked farming experience, and their farms proved to be unprofitable. In such cases, the land of the new farmers often ended up in the LPG, either because they themselves had joined or because they had abandoned agriculture altogether (Bauerkämper 1997). Finally, the few family farmers who entered the LPG in this initial phase were usually those who lacked the labor or other resources that were necessary for running their farms successfully (Eidson 1998b: 102-104).

¹⁴ In this paper, I shall use the designation “LPG” for both the singular and plural form of this term for East German collective farms.

¹⁵ Informants have said that those who fled were usually the owners of the largest farms who were under the most pressure to fill burdensome quotas. This seems to be the case in Breunsdorf, where an estimated six to eight owners of farms with 20 to 30 hectares of arable land went to West Germany. Cf. Eidson (1998a: 99-102).

The following quotations from my interview partners summarize these points and also serve to convey the attitudes of three LPG members – all of whom came from local farming families and only the first of whom was a socialist functionary.

Lothar Arnold:¹⁶ “In Breunsdorf, there were six to eight farms that had been abandoned by owners who had left for the West. And these were then gathered together in a local agricultural enterprise. That was the responsibility of the local government ... And in 1953 the LPG [Type III] *Florian Geyer* was founded from ‘devastated’ farms, as they used to be known ... At first, they had just 56 hectares.”¹⁷

Georg Preissler:¹⁸ “Well, there were a lot of agricultural laborers who were in the [first] LPG. It was made up of the big farms or the poor farms that just couldn’t survive, because the farmer was absent and the wife was on her own. Sure, there were *some* good farmers in the Type III, back then. But, from the beginning, they just didn’t have the level of production that they needed. And then there were the low wages. Nobody could imagine nowadays how anyone could live from what they earned back then.”

Josef Friedel:¹⁹ “They [the early members of the LPG Type III] were the ones who had to go in there first, economically or because of bad health [and the resulting lack of labor]. The Machine and Tractor Station had already been founded by then, so at least they could carry out the work in the fields²⁰ ... But it [the LPG] wasn’t worth much ... Nobody wanted to end up there. Everybody wanted to keep their cattle and to keep going for a little bit longer.”

¹⁶ When interview partners are quoted for the first time, I shall give a brief characterization in a footnote. The names have been changed to guarantee the right of all interview partners to anonymity. The first quotation is from Lothar Arnold (1932-2001), who was, initially, an independent farmer from a nearby village. When he lost his farmland to the strip mine, he worked at the local state farm, where he joined the SED. In 1969, he was transferred to the LPG Type III in Breunsdorf, where he first served as head of production and then as the head of the whole LPG.

¹⁷ Many LPG throughout the GDR were named after Florian Geyer, who was a leader of the Peasant Revolt in the sixteenth century Germany and a hero of the socialist state.

¹⁸ Georg Preissler (1951) is the son of an old farming family in Breunsdorf. His father, whose farm had 18 hectares, joined the LPG Type I *Einheit* in 1960, and remained with the LPG, once it was incorporated into the Type III in 1969/1970. Georg Preissler studied agronomy and then returned to the LPG in Breunsdorf in the mid-1970s. After 1990, he founded a meat wholesaling and retailing company, with buildings on the site of the LPG/agricultural cooperative in Großstolpen.

¹⁹ Josef Friedel (1922-1996) was the son of a Breunsdorfer farming family and the owner of a farmstead with circa 18 hectares. Friedel was an elder in the Protestant church and a founding member of the LPG Type I *Einheit* in 1960, in which he was the head of crop production. Once this cooperative was incorporated into the fully collectivized LPG Type III in 1969/1970, Friedel was the supervisor of the manual laborers in the expanded local collective farm.

²⁰ The *Maschinen-Traktoren-Stationen* (MTS) were central points from which area farmers and cooperatives could borrow equipment temporarily. On the prehistory and development of the MTS, see Bauerkämper (1944: 132-135) and Schulze (1995: 215-218).

Forced Collectivization in 1960

Most farmers in Breunsdorf and, indeed, in most villages with viable family farms chose to remain independent, but the state was able to exert pressure upon them and to induce them to join the LPG. At first, the two main methods were establishing high quotas for mandatory annual deliveries of agricultural products and limiting farmers' access to resources such as machinery, fertilizer, and feed. In addition, farm labor was, in the new economic system, in short supply. The next quotation provides some insight into the farmers' dilemma.

Georg Preissler: “As an independent farmer, there were no more options. They couldn't get any more fertilizer – it just wasn't sold to them. And without artificial fertilizer it wasn't really possible to make a living in agriculture, given the production quotas that already existed then. They had certain amounts of produce that had to be delivered per hectare at a low price. And what was on top of that were the *freien Spitzen* (literally, “free trimmings,” i.e., surplus produce). This surplus produce could be sold at more favorable prices. And everyone needed the *freien Spitzen* to survive. You just had to have them.”

Then, in 1959, the government began to exert further pressure on the farmers by sending numerous agitators into villages throughout the GDR, with the purpose of persuading or forcing the farmers to join the LPG. The goal was full collectivization by the summer of 1960, which was designated as the *vollgenossenschaftlichen Sommer*, or the summer of full collectivization, in the slogan of the SED (Bauernkämpfer 1997: 33-34; Schier 1997: 41-42; Eidson 1998b: 102; Kipping 2000: 98-101).

In Breunsdorf, the result was that some farmers joined the LPG Type III, while most took part in founding two further LPG Type I. This allowed them to pool their resources for crop production – for which many would have had to rely on seasonal labor anyway – while keeping their animals privately and, in this way, earning extra money on milk and meat.

Throughout the GDR, it was common in the early 1960s for a single village to have more than one LPG (Bauernkämpfer 1997: 34; Laschewski 1998: 85-100). Often, as in Breunsdorf, there was one LPG Type III and one or more LPG Type I. It also happened that a single village had no LPG Type III and several LPG Type I, all of which were founded in 1960. In some other cases, single villages had only one LPG Type III each. This latter variant was often found in those villages which had consisted of a number of larger farms, most or all of

which had been abandoned by so-called *Republikfluchtige*, or farmers who had illegally “fled the republic.”

In the case of Breunsdorf, it is evident that the distribution of the formerly independent farms in the two LPG Type I was not random: one consisted of farms with an average size of 20 hectares, and the other consisted of farms with an average size of 10 hectares. In response to queries about the reasons for this neat distribution, my interview partners sometimes cited personal sympathies and antipathies; but the main cause seems to have been concern over the fair rationing of fodder and other resources. Since individual fodder rations were calculated with reference to the number of units of labor time that were invested in the LPG, members with relatively small farms would have received relatively large portions of fodder and would, on this basis, have been able to earn more money by using the fodder to increase private milk and meat production. Since this hypothetical situation was perceived as unfair, the actors behaved in such a way as to avoid it (Eidson 1998b: 103).

The Fusion of Local Agricultural Cooperatives in the late 1960s and early 1970s

After 1960, the state continued to pursue the goal of uniting all local LPG into a single LPG Type III (Bauerkämper 1997: 34-37). Often, this was to occur at the village level, but in some cases, the tendency was for the LPG of small, neighboring villages to join together in a single LPG Type III. In order to achieve this goal, state agents used quotas and resource distribution as ways of exerting pressure on the LPG Type I, just as they had previously done to exert pressure on the independent farmers.

In the course of the 1960s, some members of LPG Type I felt compelled to switch individually to the LPG Type III, because they were incapable of meeting their livestock quotas with the means at hand. Others were induced to switch with promises of favorable entry conditions and privileged positions within the LPG Type III. Many, however, remained in the LPG Type I for as long as possible and only switched when it was no longer avoidable.

Georg Preissler: “They [the Type I members] kept working at it, but things got worse and worse. There were no more people who worked in agriculture. It was practically always up to the two men who were there [i.e., father and son], and there was virtually no alternative to joining the LPG Type III. They said to themselves, well, financially, we’re no better off [in the LPG Type I]. So they took the final step [i.e., switched to the LPG Type III], and that was the end. It was all directed and guided a bit by the state. The state directors in the sales units of the Agricultural Trade Cooperative were told not to sell fertilizer to them anymore but to

sell their fertilizer to the Type III cooperatives, instead. So it was the same old thing. It was a vicious circle. If you didn't harvest, you had nothing to sell, and if you had nothing to sell, you couldn't live. And you didn't have any milk. It was an endless spiral.”

In Breunsdorf, the two LPG Type I were taken into the single LPG Type III between 1968 and 1970, that is, during the time when the majority of farmers throughout the GDR finally joined the fully collectivized type of cooperative (Bauerkämper 1994: 32-37; Laschewski 1998: 34). In the region in which my case study is located, I know of only one case in which an LPG Type I still existed in the mid-1970s.

For farmers who had previously been independent and who had tried to stall the process of collectivization by first joining the LPG Type I, the final entry into the LPG Type III represented a radical change, which they experienced as a seemingly permanent loss of control over their property. Upon entry, they were required to pay a so-called *Inventarbeitrag*, that is, an inventory contribution or entry fee. The base sum of the entry fee varied. In Breunsdorf it was 500 East German marks per hectare. In addition, they were required to contribute almost their total inventory of land, animals, equipment, produce, and sometimes farm buildings as well – with the exception of the small amount of land and livestock that one was allowed to keep for private use. With the exception of land, which de jure remained in private possession, these contributions in kind were recorded exactly and assigned a monetary value, which was then credited to the new member in the form of an *überschlüssiger Inventarbeitrag*, or surplus contribution.

Entry fees were required of new, landowning members at the time when they joined the LPG Type III, whether this was in 1953, 1960, in the course of the 1960s, or in the 1970s. I introduce this topic at this point in my exposition, because many of the landowners did not enter into the LPG Type III until the latest possible date. Evidently, the management of the LPG had discretion in estimating the worth of the assets of the new members, which, of course, affected the total sum that they were credited with having contributed. High estimates of the worth of ones assets were favorable, since this increased the total contribution, which, theoretically, was to be repaid, at least partially, if one were ever to leave the LPG. Similarly, low estimates decreased the value of ones assets. It is clear from my interviews that farmers who entered the LPG Type III at an earlier date received favorable estimates of the worth of their assets, whereas those who entered at a latter date often received unfavorable estimates. In other words, during this relatively early phase of development, the LPG management used the estimation of the worth of assets as a political instrument for rewarding or punishing

individual farmers, depending upon whether they acquiesced to or resisted collectivization. This point is demonstrated in the following quotations.

The first quotation in this set is from a man whose father-in-law entered the LPG Type III in 1960, that is, at a relatively early date.

Bernd Teubner:²¹ “My father-in-law joined the LPG Type III straight away [in 1960], taking his whole farm with him. And, today, that’s a big advantage ... He had a good cattle stall, and he was a good cattle-breeder with a high output. And since he brought such a good farm into the Type III right away, he got all the benefits. They listed everything that he brought in, even the old pitchfork handles ... And he got a high estimation [of the monetary value] of his cows. And they brought their horses with them, too, two or three horses.”

The second quotation is from a farmer who entered the LPG Type III in 1969/1970, that is, at latest possible time. He received a correspondingly unfavorable estimation of value of his inventory.

Josef Friedel: “When we joined the Type III cooperative, we had to pay an entry fee. Per hectare, I think we had to contribute between two and three thousand marks.²² And your cattle were figured in, too, but the prices were pretty variable. If, in ordinary trading, you might have gotten 2,000 or 2,500 marks for a cow, you only got 800 or 900 marks [from the LPG]. So, it was just a swindle. And the whole thing was like that. In the Type I cooperative, we had bought machines for ourselves – a thresher and whatever else we had. When the Machine and Tractor Stations were dissolved, the equipment was distributed among the LPG. But, usually, those were second-hand machines, and [by the time we joined the Type III cooperative] they had already been written off.”

The Specialization of Collective Farms and the Formation of “Cooperative Units” in the 1970s and 1980s

The agricultural policy of the GDR was oriented toward industrializing agricultural production and creating an agricultural labor force that was assimilated to the urban standards

²¹ Bernd Teubner (1926) is the (now retired) owner of a family business in Neukieritzsch – a drug store, which was founded by his father and is now run by his son. He is married to the daughter of a farmer from Breunsdorf, who entered the LPG Type III with 18 hectares of land in 1960.

²² The minimal fee per hectare was 500 East German marks. In this statement, Herr Friedel is evidently thinking of the total amount that he contributed per hectare, including the so-called *überschüssiger*, or surplus, contribution, which, as I understand it, was calculated using the monetary value of contributions made in kind.

of the industrial workers, administrators, and service sector employees in the wider society. This was supposed to occur in successive stages: in the formation of local collectives, the fusion of the many smaller local collectives in larger local collectives, and, finally, the fusion of several local collectives in larger regional enterprises. This last stage in the process was to be combined with the specialization of each single collective in either animal husbandry or crop production and the formation of regional cooperative units, which combined both kinds of collective farm.

The specialization of agricultural production and the regional fusion of neighboring collectives began in the early 1970s with the formation of the so-called *Kooperative Abteilungen Pflanzenproduktion (KAP)*, or cooperative divisions for crop production. Finally, in the mid- to late 1970s, *kooperative Einheiten* (cooperative units) were formed, which consisted of a single, central *LPG-Pflanzenproduktion*, or LPG for crop production, and one or more *LPG-Tierproduktion*, or LPG for animal husbandry (Kurjo 1985: 805-808; Laschewski 1998: 85-111; Küster 2001). On the basis of available evidence, it is fair to say that many members of the collective farms were opposed to the specialization of the LPG and the formation of cooperative units. This was especially true of those members of the farming class, who had become reconciled to the LPG Type III but who felt threatened by further consolidation. For reasons to be explained below, however, these sentiments were sometimes shared by landless LPG-members as well (Eidson 1998b: 105-107; Laschewski 1998: 86-100).

The motives underlying the agricultural policy of the socialist state and also the opposition of many LPG farmers were, simultaneously, practical, economic, and political. The state and its agents wanted to industrialize agricultural production and sought to achieve this goal in ways which often made more sense to planners than they did to farmers. Thus, in both the secondary literature and in conversations with former LPG members, one learns that specialization led not only to greater economies of scale but also to impractical absurdities, which sometimes made farming on a day-to-day basis more difficult (Bergmann 1992: 306).

At the same time, however, there was a political dimension to state policy and to the farmers' resistance to it. By the 1970s, many of the formerly independent farmers who were now in the collective farms had become reconciled to the new arrangement and had become part of the management teams. Under such conditions, it sometimes occurred that the core members of the LPG – whether they were in the party or not and despite old conflicts over entry fees – had common goals and made common cause. Understandably, an important goal of the management and membership of the LPG was to earn money. This was done by

negotiating annual quotas with the corresponding authorities and by exceeding these quotas in a way that allowed premiums to be paid to the LPG members. Obviously, not every LPG was in a position to exceed quotas; but those that could do so were then able to increase the annual income of their members by distributing bonuses at the end of the year. This was certainly the case in the LPG in Breunsdorf, and it seems to have been common among the other LPG in the immediate vicinity. The success of this strategy depended, however, upon being able to play certain “dirty tricks,” which involved diverting beets and other potential forms of fodder from human consumers to farm animals. For surplus milk and meat could be sold at favorable prices. By separating crop production and animal husbandry, state agents wanted to accomplish a number of things, including breaking this connection between fodder and animals and hindering the LPG farmers from maximizing their own profits at the expense of the state’s plan to supply the population with certain amounts of agricultural products (cf. Kurjo 1985: 808; Küster 2001: 78).

These are the conclusions that I have drawn on the basis of extensive interview materials, from which I shall quote briefly. This interpretation is lent support by the similarity of the statements that were made by two actors with very different interests. The first is the son of a leading farmer from Breunsdorf, who was not in the SED; and the second is from the head of the LPG Type III, who was a newcomer to Breunsdorf and a member of the SED. It is clear that both interview partners share the same view of the LPG as a farm enterprise in which their own pecuniary interests were vested. The views of the former LPG director, Lothar Arnold, are probably also colored by the fact that the incorporation of the LPG Breunsdorf into the cooperative unit centered in Großstolpen resulted in his demotion.

Georg Preissler: “In a cooperative where animal and plant production were together, the state requirements played a secondary role. You could still do pretty much what you thought was right. If the state said, ‘You have to deliver 100,000 tons of sugar beets,’ but you didn’t have enough beets for fodder, then you took some sugar beets, dumped them on the edge of the field, and covered them up with dirt. Later, in the winter, the beets were fed to the cows in order to get more milk and to make money with the milk. We farmers didn’t really care if there was any sugar in the shops or not. We said, ‘First our cattle have to be fed, and then we’ll make our delivery to the state.’ But with the separation of animal husbandry and crop production, they really had leverage on us, since each enterprise was legally autonomous and did its finances independently ... It was a matter of state direction, in order to introduce a form of control into the cooperatives.”

Lothar Arnold: “Then, in 1972 or 1973, there was another again a big shakeup ... Up to then, we had always had animal husbandry and crop production together. And when we had crops that we didn’t need to sell to the state, we could put them into animal husbandry to upgrade the quality. We made money that way. But then the state needed the fodder ... for animal husbandry on an industrial scale, that is, for the big cattle stalls and pig sties. That only worked if they took produce away from the farmers and put it into the industrialized farming enterprises ... We resisted [the separation of animal husbandry and crop production] for as long as we could, but the state pushed it through. They would withhold the machines that we needed ... Actually, it was the modern technology that killed us ... The old combine harvesters and the old tractors were no longer efficient, and we didn’t get any new ones. So, somehow, we had to come to terms with them [i.e., the agricultural planners and political authorities]. We said [amongst ourselves], look, let’s at least share the machines with the LPG in Großstolpen and go together sort of pro forma. And that worked for a year or two, until they [i.e., the planning authorities] figured out what we were doing and began putting more pressure on us ... Finally, we had the *KAP*, that is, the Cooperative Division for Crop Production, and then the separation was pushed through radically. After three years, there was one LPG for crop production and another LPG for animal husbandry ... Under socialism, someone was always getting kicked in the ass. First it was the noble estates after 1945, then it was the large farms, then it was the medium-sized farms, and then it was the [LPG] Type III. They always needed someone to kick in the ass.”

Taken together, these statements suggest that, although the process of collectivization was conflict-ridden, the collective farm still had the unintended effect of promoting the emergence of a new form of property relations which differed from previous forms but which did not correspond to official doctrine. In Breunsdorf and no doubt elsewhere as well, the core of the LPG members, including managers, landowners, and workers, identified with their enterprise, viewing the LPG as a collective entrepreneurial endeavor for earning money and improving their standard of living. Since this attitude displays continuities with the attitudes of farmers before collectivization, it might be said that the LPG gave its members the opportunity to pursue old interests under new circumstances (Laschewski 1998: 85-100).

Georg Preissler: “The members of the LPG Type III were, for the most part, all employees, unless someone had a position of responsibility or leadership, such as the head of the stall or

the brigade. All of the others were employees. It didn't matter whether you'd contributed land, been a founding member of the LPG, or whether you'd just joined at age 18 or 19 ... What mattered was that, as a new member, you carried out your work conscientiously, just like everyone else, and didn't say, 'Well, I'm done for today, and I want to go home.' It was different than the *volkseigener Betrieb* (state-owned industry), because the sense that 'this belongs to us' was stronger. If, at the end of the year, we had produced a surplus, then a supplemental salary could be paid out ... And that produced a different attitude toward work in the agricultural cooperative. There really *was* a cooperative spirit, but not enough, I'd say, since it came from the state."

Privatization

The further development of socialist agriculture in East Germany was interrupted by the collapse of the socialist government in late 1989, the currency union with the Federal Republic of Germany in July 1990, and the incorporation of the newly reconstituted East German states into the Federal Republic in October 1990. With new laws that were passed or ratified by the East German parliament, especially the Agricultural Adjustment Act (July 1990) and the Unification Treaty with the Federal Republic (September 1990), a new basis was created for the restructuring of property relations, farm enterprises, and, of course, the larger economy of which they were a part. I shall discuss the relevant aspects of agricultural restructuring under the general heading of "privatization," by which I mean both changes in property rights favoring individual owners and the effects of these changes on the structure and operation of enterprises since 1990. Since privatization corresponds to a much shorter period of time than did collectivization, I shall approach it differently, subdividing this topic not by historical phases but by coterminous aspects. In the present discussion, I shall emphasize those aspects of privatization which affect the access of individuals to private property, especially in the form of land. These include, especially, institutional restructuring, lingering debt from the GDR era, and the question of the division of the assets of the collective farms.

It should be noted that the restitution of land is less relevant for the present discussion for two reasons. First, most of the smaller landowners whose land was incorporated into the collective farms retained the title to their land throughout the history of the GDR; thus, after 1990, they "merely" had to reclaim their right to control the use of their land and to profit from it. Second, the land that was expropriated in the land reform of 1945 is exempt from

restitution, according to the terms of the Unification Treaty of 1990. The heirs of expropriated landowners have repeatedly challenged the irreversibility of the land reform in court, but to no avail. There has, however, been an attempt to pass legislation which would enable the heirs of expropriated landowners to repurchase parts of the same or equivalent tracts of land at favorable rates; but this legislation has had a checkered history and has been challenged by the European Commission.²³

The Dissolution or Reorganization of Collective Farms

Once again, I shall first describe conditions and processes that apply to all of East Germany, then specify the particular ways in which they have affected my field site. According to the Agricultural Adjustment Act, which was passed by the *Volkskammer* of the GDR on 29 July 1990 – that is, before German unification – the collective farms of East Germany had to be dissolved or reorganized in accord with West German law by the end of 1991. Then, with the incorporation of the new federal states into the Federal Republic on 3 October 1990, the Agricultural Adjustment Act became part of German federal law, which was to be implemented by the state governments and interpreted and amended by the courts. On the basis of challenges in court, several amendments have been added to the law (Rohde 2001).

Many members of the West German agricultural establishment, including policy makers in the ministries and lobbyists in professional associations, initially assumed that privatization should and would take the form of a transition from socialist collectives to family farms, which are the norm in West German agriculture (Bergmann 1992: 305; Koester and Brooks 1997: vi; Laschewski 2000). In fact, the farming enterprises that have emerged in the wake of the Agricultural Adjustment Act are much more heterogeneous in character (Jähnichen 1998: 38-40). For the purposes at hand, it is sufficient to distinguish among three types, namely, *Wiedereinrichter*, *Neueinrichter*, and so-called *Nachfolgeunternehmen*. These terms are sometimes used in variable ways by lawmakers and by participants in political discussions regarding East German agriculture, but they still allow us to draw some fundamental distinctions.

Wiedereinrichter means, literally, someone who founds something again. It refers to East German farmers whose farms and farmland had previously been incorporated into the LPG but who, after 1990, removed their land and reestablished private farms. Since the founding

²³ The reference is to the *Entschädigungs- und Ausgleichsleistungsgesetz* (EALG), or compensatory law, of December 1994 and the *Flächenerwerbsverordnung*, or land purchasing ordinance, of December 1995. The heirs of those whose land was expropriated in the land reform of 1945 have often complained that former LPG members were benefiting from these laws as well (Spiegel 1995). Then, the European Commission began reviewing these laws in 1998 and ordered that the corresponding land sales be halted in 2000 (www.bvvg.de).

members of the LPG were, by 1990, either retired, close to retirement, or even deceased, the *Wiedereinrichter* are often the sons or daughters of those founding members. Central to the meaning of this term, however, is the idea of a previously existing family farm being reestablished by the same family, which is living in or near the traditional family home.

A *Neueinrichter* is someone who establishes a new private farm. This term may be applied to both West Germans and East Germans who have not inherited a farm in East Germany but who purchase or lease land in order to start up a new farm. Some of these new farmers are the descendents of those who lost their land in 1945; others are West German farmers who have taken the opportunity to expand their operations into East Germany (Buechler and Buechler 2000: 59-69); and still others are former LPG-managers who, in 1990, had no title to privately owned land (Spiegel 1995).

Nachfolgeunternehmen means “successor enterprise” and refers to former collective farms which have been reorganized and acquired a new legal form but which continue to use the assets of the former collective farm and to operate on approximately the same scale (Laschewski 1998, 2000). The most common legal forms for successor enterprises are, first, the *eingetragene Genossenschaft (e.G.)*, or registered cooperative, and, second, the *Gesellschaft mit beschränkter Haftung (GmbH)*, or limited liability company – the latter of which is often combined with a *Kommanditgesellschaft (KG)*, or limited partnership²⁴ The basis for the formation of such successor enterprises was usually not the individual LPG but the so-called unit of cooperation, which, as was noted in the previous section, consisted of one LPG for crop production and one or more LPG for animal husbandry (Laschewski 1998: 101; Küster 2001). In this sense, the successor enterprises often represent a return to the pattern of the LPG Type III, as it existed at the end of the 1960s and the beginning of the 1970s – though usually on a larger scale, since the unit of cooperation combined the resources of two or more LPG.²⁵

How have these various types of farm enterprises gained access to the required resources, particularly to arable land? The heads of reestablished private farms have simply reclaimed the land that belongs to them. When they chose or were forced to join the LPG in the period between 1952 and 1960, they brought their land into the collective farm, thus losing full control over its use but retaining legal title to it. Thus, after 1990, they merely had to reassert

²⁴ Another option is the *Gesellschaft bürgerlichen Rechts (GbR)*, which is sometimes used when the former collective farm is refounded as a holding company for a one-person enterprise (cf. Küster 2001). On the various legal forms among the successor enterprises in Eastern Europe, including East Germany, see especially Schulze and Netzband (1998).

²⁵ Küster (2001) provides a good analysis of the various structural options that were open to actors in the transition from the collective farm – or the cooperative unit – to new agricultural enterprises.

their right of ownership and usufruct, which was still documented in the *Grundbuchämter*, or land registry offices. These had fallen into disuse during the socialist era, but they still existed, with most records intact, by the time of the fall of the socialist regime.²⁶

In contrast, the new private farmers have had to compete with the successor enterprises for access to farmland, which is quite scarce. Most of the farmland that was not already in private hands as of 1990 had been state-owned land that was used by the VEG, or state farms. Since 1992, the administrator of this land has been the *Bodenverwertungs- und Verwaltungs GmbH* (BVVG), or Corporation for the Utilization and Administration of Land, which is a subsidiary of the *Treuhand* or its successor.²⁷ Since the BVVG administrators decided to lease rather than sell the land they had inherited from the East German state, farming enterprises that lacked land have had to compete for leasing contracts with the BVVG (Laschewski 2000). The successor enterprises could, however, rely upon the fact that the majority of landowning members did not want to reestablish their family farms and were willing to lease their land to the former collective farms. Thus, the successors to the socialist collectives usually were able to settle long-term leasing contracts with individual landowners, which guaranteed them access to farmland over a period of 12 years or so, depending upon the exact terms of the lease.

What is the relative significance of the various types of farming enterprise in East German agriculture today? Strictly in terms of the number of farm enterprises, family farms appear to be dominant. Thus, in Saxony in 1997, there were over three times as many full-time family farms as there were successor enterprises of the type *e.G.* or *GmbH*. Since, however, the average size of the latter is over ten times that of the former, it is obvious that the successor enterprises are dominant in terms of the amount of acreage that they have under cultivation (Jähnichen 1998: 38). Often, however, the successor enterprises work with somewhat less land than did their predecessors, the units of cooperation. This is because a few landowners have, in fact, removed their land in order to reestablish family farms. Since the early 1990s, the number of registered cooperatives – the most common legal form among the successor enterprises – has steadily declined, though, in recent years, the number seems to have stabilized: in all of East Germany, there were 1,464 registered cooperatives in 1992 and 1,190

²⁶ It should be noted, however, that the ability of the landowners to exercise their rights to property have often been limited by the results of land use during the GDR era. For example, it often occurs that restored agricultural lands are crisscrossed by roads or have buildings on them which were built by the LPG and which belong to the successor enterprise, rather than to the landowner. Special state agencies have been founded to deal with such contradictions between the ownership of land and of the buildings that are located on the land, but these shall not be commented upon further in this paper. For the situation in Saxony, see Jähnichen (1998: 30-33).

²⁷ The *Treuhand* was the federal corporation that was responsible for the huge task of privatizing the economy of the GDR. It was founded in March 1990 under the reformed GDR government and continued its activities until the end of 1994. On the *Treuhand* and its subsidiaries and successors, see Grosser (2000).

in 1999 (Laschewski 2000: 54). As some commentators have pointed out, however, the future of the new cooperatives and the limited liability companies depends upon the decisions that are made by landowners when the long-term leasing contracts, which were closed in 1990 or shortly thereafter, come up for renewal in the next few years (Laschewski 2000).

Since many West German analysts expected that the family farm would reemerge more strongly in East Germany, much ink has been spilled in an attempt to explain why the successors to the LPG still play such a dominant role. To more or less disinterested observers, it seems evident that this issue is highly politicized and that this politicization has affected the perceptions and the analyses of the experts. In the news media and in the secondary literature, the successors to the LPG have their detractors and their advocates. Some tend to view the LPG as essentially socialist institutions and to attribute the survival of their successors to the success of the so-called “red barons” in exploiting their positions of power and authority in order to manipulate developments after 1990.²⁸ This view was reinforced when the successor enterprises gained access to cheap land that was originally intended for the heirs of those who were expropriated after World War II (Krause 1997). While it is true that some successor enterprises have been able to buy state-owned land at very favorable prices, this has been restricted largely to those areas that were strongly affected by the land reform of 1945, that is, Mecklenburg-Vorpommern, Brandenburg, and parts of Sachsen-Anhalt. In the area where my field site is located, BVVG land is more important for industry than for agricultural enterprises, which have better chances of buying land from the agency which is responsible for the cleanup of former surface mines.²⁹ Furthermore, sales of cheap BVVG land have been challenged and even reversed in court (Zweigler 1999).

Even more fundamentally, however, the view that perceives the leaders of the successor enterprises strictly in terms of their status as surviving members of a class of socialist functionaries seems questionable (cf. Jähnichen 1998: 40-41). In my field site, as elsewhere, there are many examples of continuity in the leadership of large agricultural enterprises, as they made the transition from collective farms to registered cooperatives or limited liability companies. Nevertheless, successful LPG heads cannot always be dismissed as sinister socialist functionaries. While many, though not all, were in the SED, other aspects of their social identity were equally important. In some cases, at least, the more significant variables were whether or not they came from local farming families or whether they were at least

²⁸ See especially *Der Spiegel* 1995 (24) and 1997 (33). This is, of course, an interpretation that has been applied to agricultural reform in other postsocialist settings as well (Hann 1996: 39).

²⁹ This agency, a federal corporation, is called the *Lausitzer und Mitteldeutsche Bergbau-Verwaltungsgesellschaft mbH* (LMBV), or Lausatian and Central German Mining Administration, Inc.

willing to make common cause with members of local farming families. Simultaneously, there is some evidence that the branding of the leaders of successor enterprises as “red barons” is determined less by the political characteristics of those being branded than by the economic interests of those doing the branding.³⁰

On the basis of my fieldwork to date, I have come to the conclusion that, in the socialist era, the leaders of the collective farms sometimes joined forces with a core group of members, including both landowners and landless agricultural specialists and laborers, whose primary objective was not to realize the goals of socialist agricultural policy but to run a collective agricultural enterprise in a way that benefited its members financially. In this sense, both the LPG and their successor enterprises have displayed a kind of continuity with the private enterprises that preceded collectivization. The only remaining question is why farmers have continued to pursue these goals within the successor enterprises, rather than in reestablished family farms.

The most plausible explanation that is given in the secondary literature for the prominence of the successor enterprises after 1990 is also confirmed by my own data. Many landowners see the successor organizations as the only way of securing the value of their assets, which represent a combination of their inheritance and the work that they have invested over the course of a lifetime (Laschewski 1998: 115). As has been shown with reference to the *Wiedereinrichter*, some landowners have, in fact, taken their land out of the former LPG in order to start up new farms; but, for many, that was not a viable option for a whole series of reasons. First, many informants agree that one needs a much larger amount of arable land to found a viable private farm today than one did even in the 1960s (cf. Bergmann 1992: 309-310; Koester and Brooks 1997: 8; Laschewski 1998: 114). Thus, if the farmers who own 10 to 20 hectares were to start up a new family farm after 1990, it would be necessary for them to buy or lease a great deal more land – which is easier said than done. Second, farmers who brought their land with them when they joined the LPG were either already retired or near retirement age in 1990 and, hence, were not in a position to start up a new private farm. In some cases, the sons or daughters of LPG founding members took over their father’s land and started new private farms; but most had chosen other professions decades earlier (cf. Brauer, Willisch, and Ernst 1996; Brauer and Willisch 1997). Third, establishing a new family farm requires a large amount of credit, which many people have been reluctant to take. Indeed, the number of bankruptcy cases for small businesses in the Southern Region of Leipzig, as

³⁰ See, for example, the website of the *Bundesverband Deutscher Landwirte e.V.* at www.deutsche-landwirte.de. Jähnichen (1998: 25-26) provides insight into the rival agricultural associations in East Germany, which are split among the representatives of the successor enterprises and the private farmers.

elsewhere in East Germany, indicates that this reluctance is not unreasonable (Schulreich 2000). Finally, in my field site, there was the additional factor that some farmyards and fields were lost to strip mines. In such cases, landowners received some monetary compensation for their loss but did not have any agricultural land upon which a private farm could be based. So, on one hand, potential *Wiedereinrichter* faced a number of difficulties; and, on the other, they had the option of leaving their land in a modernized version of the former LPG, where it could be put to use and generate some revenues. In light of all this, it is not surprising that so many landowners have behaved in a way that has allowed the successor enterprises to survive.

After speaking very generally about the reorganization of the collective farms, I turn now to the case study in Großstolpen. As in many other cases in East Germany, the former unit of cooperation in Großstolpen survived by taking on a new legal form, combining the resources of the LPG for crop production and animal husbandry, excluding the many non-agricultural functions of the former LPG, drastically reducing its number of employees, and retaining its farming buildings, equipment, supplies, and almost two thirds of its arable land. Its representatives chose the legal form of *eingetragene Genossenschaft*, or registered cooperative, which, in accordance with the German *Genossenschaftsgesetz*, or cooperative law, consists of three organs: the *Vorstand*, or management; the *Aufsichtsrat*, or board of supervisors; and the *Generalversammlung*, or the assembly of members and shareholders. The general assembly is the ultimate decision-making body, but in the case of Großstolpen, as in many other cases, the authority of the general assembly is *de jure* rather than *de facto*, as most real authority rests firmly with the management (cf. Laschewski 1998: 42-43). Aside from those leading LPG farmers who retired, the management of the new cooperative is the same as it was in the last years of the GDR, representing, especially, a selection of those few sons of local farmers who were sent to study agronomy in the 1970s and returned to the LPG to take on management positions. In this sense, both the LPG and the successor organization display continuity with the structure of leadership among area farmers prior to the process of collectivization. In my interviews, there has been some talk of non-native socialist functionaries who were ousted from neighboring LPG after 1990, but this does not seem to have been the rule.

One of the first decisions made by the general assembly of the cooperative in Großstolpen was probably one of its only unanimous decisions: the reunion of crop production and animal husbandry in a single collective enterprise, which is almost as large as the former unit of cooperation. In the secondary literature, the widespread consensus to undo the separation of crop production and animal husbandry has been characterized as an expression of the will of

the farming class within LPG – that is, of the land-owners or their heirs, who had opposed specialization and separation and who took the first opportunity to restore what they thought to be the “natural” state of affairs in farming (Laschewski 1998: 85-100). My discussions with interview partners indicate that this reunion of plant and animal production is an index not only of the strength of the landowning faction within the former socialist collectives in Großstolpen but also of the identification of a core group of agricultural workers with the farmers, due, presumably, to their common experience in the GDR and to their interest in retaining their jobs within the new cooperative.

Of course, the restructuring of the former unit of cooperation meant the reduction of resources, the trimming of many non-agricultural functions, and the loss of many jobs. Before 1990, the unit of cooperation in Großstolpen had 2,500 hectares of arable land; today it has approximately 1,500 hectares. The missing farmland represents the amount lost to strip-mining or taken out by a handful of *Wiedereinrichter*. The number of employees has been reduced by almost 90% from circa 400 to 40. This drastic reduction of forces was, however, due in no small part to the exclusion of the non-agricultural functions of the former LPG, including various social services, mechanical workshops, and a top-heavy administration. Some former LPG employees became unemployed, but some found work in new enterprises which succeeded the LPG in non-agricultural businesses. The reduction of forces was also cushioned to some degree by the federal government’s policy of using early retirement as an alternative to unemployment (Fobe et al. 1999).

The new cooperative retained the infrastructural basis for its operation, including the buildings and equipment that it had acquired under the GDR. Most important were the stalls for cattle and hogs. In addition, it had sufficient cash reserves to service its debts and to satisfy its shareholders, even after the currency union. It gained access to arable land by beginning to lease its members’ land – the same land that it had already worked for many years. Finally, it was able to take advantage of extensive subsidies and subsidized forms of credit from the state government, the federal government, and the European Union (Heitkamp 2001). Subsidies and subsidized credit are a vitally important part of the operation of all new agricultural enterprises in East Germany, though this must be reserved for another paper. Below, I shall concentrate instead on the consequences of restructuring for landowners.

Altschulden, or Debt from the Socialist Era

The Agricultural Adjustment Act stipulates that the successors to the LPG are responsible for the debt that the LPG incurred during the socialist era, and the courts upheld this ruling in

1997. In the GDR, credit for LPG had been granted, since 1968, by the *Bank für Landwirtschaft und Nahrungsgüterwirtschaft (BLN)*, or Bank for Agriculture and the Food Industry.³¹ The legal successor to the *BLN* was the *Genossenschaftsbank Berlin (GGB)*, or the Cooperative Bank of Berlin, which was founded under the reformed GDR government in April 1990. Subsequently, the *GGB* was bought by the *Deutsche Genossenschaftsbank* in Frankfurt am Main, and it is to this bank that the successors to the LPG must repay their *Altschulden*, or “old debt.”

According to recent figures, the total old debt of the combined former LPG in the new federal states was approximately DM 8,100,000,000, while the total old debt for LPG in Saxony was DM 1,400,000,000, or circa 17% of the total (Jähnichen 1998: 29).³² The average old debt for LPG successors in Saxony was DM 3,400,000, or approximately DM 2,400 per hectare for an enterprise of 1,400 hectares; and, in extreme cases in Saxony, some former LPG were saddled with DM 15,000,000 of old debt (Jähnichen 1998: 29). While, at this point, no figures are available for the amount of old debt of the agricultural cooperative in Großstolpen – the successor to the unit of cooperation into which the Breunsdorf LPG had been incorporated – a number of shareholders have stated that this is a financially strong enterprise with little or no old debt. The good financial condition of this cooperative is attributed by all of my interlocutors to the skill of an earlier director in negotiating with the state coal mining company of the GDR era on the occasion of the loss of housing, farm buildings, and farm land due to strip mining. To compensate the LPG for these losses, the state mining concern financed the construction of several buildings, including a large stall for milk cows and several apartment buildings for employees. The result was that the LPG received buildings without having to take out credit and incur debt; and today, the successor enterprise still collects an estimated DM 1,000,000 in rent per year from the occupants of some farm buildings and 76 residential units.

In this context, it should be noted that such benefits did not automatically accrue to all LPG that lost land due to strip mining; rather, the ability to realize this potential depended largely on the negotiating skills of the LPG head. The head of the Großstolpen LPG in the latter 1960s and the 1970s was a refugee from *Siebenbürgen*, that is, from the German-speaking part of Romania, who was, incidentally, never a member of the SED, or communist party.

³¹ This was founded in 1950 as the *Deutsche Bauernbank*, before being renamed as the *Landwirtschaftsbank* in 1963 and the *BLN* in 1968.

³² Since Saxony is one of five federal states in East Germany (excluding the city of Berlin), its remaining agricultural debt from the socialist era is somewhat less than should be expected, were the debt distributed evenly among the five states. Of course, this calculation must be adjusted to take account of the relative importance of agriculture in the gross domestic product of each of the five new federal states.

Despite what might be described as his “outsider” status, he is credited with having made the Großstolpen LPG one of the most successful in the region.³³ In the words of one interview partner, this person was “not a really great farmer but a really clever businessman” (Georg Preissler). Another interview partner commented on this whole set of issues as follows.

Bernd Teubner: “They all benefited from those coal buildings [i.e., buildings built by the coal concern to compensate for the loss of housing, farm buildings, and land]. Because of the coal extraction and the destruction of the villages, these cooperatives got coal replacement buildings, you know. In other villages, where there was no coal, such buildings had to be provided, too. And the successor enterprises are still encumbered with debt from those buildings – old debt! [The cooperative in Großstolpen has less old debt] because – well, the manager was someone named Egger. He was a really clever and competent farmer. He figured everything out [back in the GDR] ... But the new cooperative has a lot of real estate, which is probably free of debt or at least doesn’t have much debt. For example, for every member of the cooperative who lived in Breunsdorf and wasn’t a home owner – there were a lot of cooperative farmers who moved in and who were tenants of the LPG – they got 100,000 marks, in order to build new apartments ... That was done so that there was no undue hardship. That was a really big advantage back then.”

No doubt the situation was somewhat more complicated than is indicated in this quotation, as should emerge from further research. In its general intent, however, this statement has been corroborated by a number of witnesses; and the circumstances surrounding the division of the assets of the former collective farm provide a supplementary kind of confirmation. Each successor enterprise is required by law to service its old debt before dividing the assets of the LPG among its members (Jähnichen 1998: 19). Therefore, the very fact that members received some form of compensation for their lost assets means that the successor enterprise has been successful in servicing its old debt.

Vermögensaufteilung, or division of assets

Aside from outside sources such as compensatory payments and subsidies, the assets of each LPG or successor enterprise have two distinct origins: (1) the property that farmers brought with them when they joined the LPG and (2) the labor that was invested by each member of the LPG in the course of its history. The underlying premise of the Agricultural Adjustment

³³ With the formation of the unit of cooperation in the latter 1970s, this man became head of the LPG for animal husbandry, while a younger man from a nearby village took over the LPG for crop production.

Act of 1990 is that these assets, which were collectivized in the GDR, are, in fact, the private property of the individuals who contributed them and, therefore, should be restored to them. Of course, these assets may be restored to the corresponding individuals, regardless of whether they actually remove them from the successor enterprise or leave them in the enterprise in the form of “shares.” In some cases, one may get more out of one's assets by leaving them in the successor enterprise as an investment that will pay off later.

Some leeway is granted to each successor enterprise in estimating the value of the assets that they have to distribute and in weighing the relative importance of the contribution of property and the investment of labor. With regard to the latter, however, priority has been given to returning private property to the farmers who contributed their inventory when they joined the LPG – or, at least, to compensating farmers or their heirs for their entry fees and inventory contributions. We have already seen that debt from the GDR era must be serviced before payments can be made to members. In addition, each successor enterprise has the right to retain a minimal portion of its assets (10%) to use as start-up capital (Jähnichen 1998: 19). Once these conditions are fulfilled, payments may be made to the former members of the LPG. Indeed, the leaders of the successor enterprises have an incentive to make these payments, since assets must be distributed to the satisfaction of state officials before the reformed agricultural cooperatives are eligible for public subsidies (Jähnichen 1998: 22-23).

The first amendment of the Agricultural Adjustment Act (1991) stipulates that the landowning members of the former LPG be compensated as follows: they or their heirs are to have their entry fees refunded, and they are to receive minimal compensation for the use of their inventory (animals, equipment, buildings, and even produce) at a rate of 3% of the value per year of deprivation. Furthermore, they are to receive minimal rent for the use of their land at a rate of DM 2 per hectare and per soil quality unit per year. Compensation is far more complicated and controversial than it may appear, however, because the value of members' assets depends upon estimates which took place at two different times and under very different sets of circumstances. We have already seen how the value of the assets of entering members was estimated in the GDR. After 1990, however, establishing the opening balance of newly founded successor enterprises was often very much at the discretion of the managers, who often took advantage of the opportunity to underestimate their assets and thus to gain an advantage for their enterprise (Koester and Brooks 1997: 11; cf. *Der Spiegel* 1995/24 and 1997/33). As is stated in the secondary literature and confirmed in my case study, the managers of the successor enterprises have, in addition, often been successful in persuading the landowners to accept either a percentage of the total amount owed or payment in

instalments over several years (Koester and Brooks 1997; cf. quotation from Josef Friedel below).

The application of the law has been worked out in the assembly halls of the former LPG throughout East Germany in what have reportedly been very controversial discussions. My interview partners have to date emphasized the conflict between the *Landeinbringer*, on one hand, and *Landlose*, on the other – that is, as those who “brought in” land when they entered the cooperative and those who had no land to contribute. Nevertheless, as the following quotations indicate, there were in this case enough assets to satisfy most demands. In those cases when the offers of the management or the decisions of the assembled members have been unacceptable to some of the interested parties, those who are dissatisfied have the option of turning to special state mediation committees or of going to court (Jähnichen 1998: 17-27).

In the following excerpts from my interviews, we hear summary statements that were made by two landowners and one worker. Their remarks seem to indicate that the new cooperative in Großstolpen was successful in satisfying both its landed and its landless members. There are, however, a number of cases throughout East Germany in which former LPG members feel that they have been deprived of their assets (e.g. Der Spiegel 1995/24 and 1997/33).

Bernd Teubner: “And now, after the change of systems in 1990, he [the speaker’s father-in-law] has entered the new cooperative, not as an employee but as a member. And everything that he brought in [when he first joined the LPG] was turned into cooperative shares and was calculated as follows. The harvest that he contributed in 1960 – it was all still there, the crops hadn’t yet been harvested – all of that had been exactly estimated. [He even got back] the years of lost rent payments – as an LPG member, he had to give up all his land and got nothing in return. He was compensated for everything after the transition.”

Josef Friedel: “And now, after the transition, things were handled differently. And Großstolpen was a really good LPG, financially, ... and they were able to pay out quite a bit of money. We really couldn’t complain. First of all, there was the compulsory entry fee, where you had to pay 500 marks per hectare. They gave that back immediately. And then, over and above the compulsory fee, we still had [invested] about 3000 marks per hectare [in the form of payments in kind]. And they gave us 55% [of that sum] – we landowners got that back. And the other 50% are still [invested] in the cooperative today. Those are our shares in the agricultural cooperative, they have that in the books, that’s all recorded. Who knows what’ll happen, whether we’ll ever get anything more ... At least we haven’t gotten anything

more out of it so far. But, beyond that, they did repay us a few marks for all those years. Actually, we should be pretty well satisfied, especially compared to other LPG. They say that there're some where they didn't get anything."

Andreas Grunewald:³⁴ "They dissolved the [old] cooperative after the transition and founded a new agricultural cooperative. Money was siphoned off and divided among the individual members. They took into consideration whether or not you had brought land into the cooperative, how many years you had been a member, and what your job had been ... It was a real plus that we had some nice reserves. Even after the currency union, there was still a lot left. So it could be done. And I'd say, it really was a good thing, even for the [landless] members [of the cooperative]."

Sales of Land or Mining Concessions to Coal Mining Concerns – Voluntary and Involuntary

The third factor affecting property relations in the field site is not linked to the political alternative between a centrally planned and a free market economy but to aspects of industrial policy and resource management that were more or less consistent throughout the politically volatile twentieth century. At issue is how the state and its proxies manage subterranean resources which are in the possession of private landowners and which are only accessible through privately held land. In the long history of mining in what is now Saxony – which began in the Middle Ages in the *Erzgebirge*, near the border to Bohemia – the central political authority has consistently asserted its claim on valuable subterranean minerals within its domain (Kretschmer 1998). In the modern era, at least, it has simultaneously acknowledged its obligation to compensate private owners, though these owners have often been dissatisfied with the settlements, especially in those cases in which they did not have the option of retaining their land. Some aspects of the sale of land or mining concessions to state-sponsored or state-approved coal mining concerns have already been addressed in previous papers (Eidson 1998a: 102-103 and 1998b: 107). Others have been mentioned in the discussions of collectivization and privatization. Therefore, I shall summarize very briefly the relevant

³⁴ Andreas Grunewald (1943) is an agronomist from the Leipzig area, who joined the LPG in Breunsdorf in the mid-1960s after marrying a woman from Neukieritzsch. In Breunsdorf, he eventually became the head of the cattle stalls, and he remained in animal husbandry after the incorporation of the Breunsdorf LPG in that of Großstolpen. He is the only former Breunsdorfer who still works for the agricultural cooperative that succeeded the Großstolpener LPG after 1990.

aspects of the affects of coal mining and related industrial development on land ownership and land use.

In the early twentieth century, some farmers in Breunsdorf benefited from selling mining concessions to a joint stock company that opened an underground mine at the northeastern end of the village fields, near the small industrial community of Bahnhof Kieritzsch (today Neukieritzsch). In the wider region, this was only one of many such mines, which had become economically feasible with the development of new technologies for the dehydration of brown coal and the pressing of briquettes. The underground mine on the fields of Breunsdorf was closed in 1930, due to continuing difficulties with the flooding of the mine and the water supply to the village. Indeed, the closing of this mine was indicative of general developments in coal mining, which, in the early decades of the twentieth century, had begun to shift increasingly to surface mining (Kretschmer 1998: 45-46). Surface mining had, of course, the disadvantage of tearing up the landscape, irrespective of settlement patterns; and, as a result, villages were evacuated and destroyed at a gradually increasing rate.

The beginning of the end of Breunsdorf was the opening of the new surface mine of Schleenhain (named for a destroyed village) in the 1960s. An interview partner who was born in 1951 tells us that the people of Breunsdorf had anticipated the destruction of their village for as long as he can remember.

Georg Preissler: “I remember that, ever since I was little, they used to say that Breunsdorf would be torn down in 1990. That was the time when the strip-mine in Deutzen was closed, and a new strip-mine was opened in Schleenhain ... So, as early as the 1950s and 1960s, a lot of people said, ‘Why should I stay here?’ ... And then there was already the thing with the LPG, so that by 1966 or 1968 a lot of young people didn’t want to have to go through that.”

The former head of the LPG Type III, who was not a native of Breunsdorf, explained that the impending destruction of the village was not only a cause of consternation among the villagers but also an inducement to strategic action.

Lothar Arnold: “For as long as I was in Breunsdorf, it was always a topic of conversation when people were at the local tavern or playing cards. When will the strip mine reach us? What will be torn away? What will we get? It was an existential problem, even during the GDR era. At the height of the LPG [Type III], we had 800 hectares. But [with the expansion of the strip mine] that kept shrinking, until we only had 300 or 400 hectares. The rest was all

recultivated landfill, out towards Deutzen and Lobstädt. On land like that, you had to invest more in order to get the same results ... Another thing was that for the last 15 years or more only the most essential repairs had been made ... And for the last 10 years, they had more or less racked their brains, trying to figure out where they could buy another plot of land. We're talking about the members of the generation that founded the LPG in Breunsdorf. By the time the change of systems came along, they were 60 or 65 years old. That's a really complicated age.”

The dependence of the GDR upon lignite for its energy needs helps to explain the single-mindedness with which it pursued the expansion of surface mining. What is more, in its latter years the GDR was low on funds but politically still capable of dictating the terms for the evacuation and destruction of villages. In this context, it offered such low prices for privately owned land that the resulting sales were tantamount to expropriation. Thus, my interview transcriptions are full of bitter complaints of landowners who received only a few cents per cubic meter of land, only to see even this small sum cut in half by the currency union of 1990. Their fate seemed even more unbearable, since they had no choice but to compare it to that of those who sold their land under much more favorable conditions after 1990.

The official decision to evacuate Breunsdorf was made known in 1985, and the evacuation of the village began in 1988. By the fall of 1989, however, neither the sales of property nor the evacuation of the village were complete; and since no one knew what would happen under the radically changed political conditions, those who had not yet sold their land chose to wait and see.

Georg Preissler: “The first meeting of village residents ... was held in 1985. People were promised that the situation wouldn't become chaotic, as it had in Droßdorf [a nearby village that was torn down in 1984]. The plan was to have the people of Breunsdorf resettled within a year. The resettlement was supposed to take place in 1988 or 1989. After that, Breunsdorf would be empty. And with this official announcement, the hunt for property got started, you might say. Many people tried to get hold of a plot of land, in order to build a new house. Others wanted to refurbish or expand an existing property. There were quite a few people who left relatively early, by 1988. The houses in Breunsdorf were then empty, or they were bought by the coal company and rented out to other people ... Then, after the transition, everything was put on hold. There was a state of euphoria. People thought, ‘No more coal mining! We're through with coal!’ That was a pretty common reaction in Breunsdorf and elsewhere, and a lot

of people hoped that the village would survive ... But, generally, everyone knew that the whole area was supposed to be taken over by the mine.”

In the literature on resettlement due to surface mining, the evacuation of Breunsdorf stands alone as a singular disaster (Kabisch and Berkner 1996: 132). In the unique postsocialist setting of East Germany, it represents the only case of the resettlement of the population of an entire village which straddled the change of systems and which involved the compensation of owners and other residents according to the laws of two different political systems. Needless to say, the owners who were compensated strictly under West German law received much more favorable settlements. Those who had sold their homes, farm buildings, and agricultural lands before the fall of 1989 were in contrast severely disadvantaged.

Subsequently, there were many negotiations among various parties – landowners, local officials, mining officials, and state officials – in order to provide those who had sold their land before 1989/1990 with some further compensation. As a result, the newly privatized coal mining company gave an award of DM 60,000 to each of the dispossessed homeowners, regardless of the size of his or her previous possession. Those who were dissatisfied with this settlement, including especially those who had owned several hectares of agricultural land, banded together in an interest group called the *Verein der zwangsumgesiedelten Grundeigentümer*, or Association of Forcibly Removed Landowners; but they were unsuccessfully in getting further compensation and later disbanded.

The general situation, for which no adequate solution is likely to be found, is described clearly by the interview partner who married the daughter of a farmer from Breunsdorf.

Bernd Teubner: “And right at that time [i.e., just before the change of systems], a lot of people sold their land [to the coal mining company] – and at really lousy prices, too. For [a hectare of] arable land, they got 1,800 East German marks, which was 1000 West German marks. And after the change of systems, arable land was sold [to the coal company] for 50,000 marks per hectare at first – 50,000, 40,000, or 35,000 at least! That was a high price, while the normal price per hectare [of arable land] was 10,000 marks ... And a lot of people, who, for some reason or other hadn’t sold yet or whose land hadn’t yet been scheduled for excavation – they got a really good deal. That was pure luck!”

Conclusions

The general course of the development of property relations in rural East Germany over the last 50 years or more may be attributed to the varying agricultural policies of the German Democratic Republic and the Federal Republic of Germany, on one hand, and to the comparable industrial policies and enduring energy needs of all political systems of the twentieth and early twenty-first centuries, on the other. Beyond that, there has been significant local and regional variation in the development of property relations in the countryside, which may, however, be conceptually organized with reference to a finite set of variables. This will be described in a further paper, which is to be devoted to variables and invariables in the development of rural property relations and agricultural production in East Germany since the mid-twentieth century.

Some of the most significant variables have already been addressed in this paper. These include the structure of property relations before the formation of agricultural cooperatives and the intervention of the state or of state-sponsored industries, which may supersede individual claims to private property with reference to the “common good,” as this is understood in state policy.

Other important variables are, however, the people themselves. At every step of the way in the complex processes that are glossed with the labels “collectivization,” “privatization,” and “dispossession,” the actors in the larger society have proposed or opposed policies. They have enforced policies, resisted them, and attempted to realize or otherwise come to terms with them. On the basis of the quotations from the interviews with people at my field site, one might conclude that the agricultural policies of the state have often been treated as if they were bad weather. They are things to be endured, and they may even be things that one can turn to ones advantage, as one goes about ones business. One of the challenges of further research on changing property relations in rural East Germany is to acquire an understanding of these sorts of variables as well. My suspicion is that they are complexly structured but that they are far from infinite in their variability. If this is so, then they are accessible to description and comparative analysis.

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