

# Stalinism in Eastern Europe: the Rise and Fall of the GDR

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## Introduction

It is now eight years since the collapse of the Stalinist regimes that were established in Eastern Europe after the Second World War.

The entire year 1989 was marked by a wave of protests, strikes and mass demonstrations that swept not only through Eastern Europe, but China and the Soviet Union as well. In China, the regime headed by Deng Xiaoping suppressed the protests in a bloodbath that became associated internationally with the events in Tienanmen Square. In fact, these events stretched over the entire country. In the Soviet Union, Gorbachev made a number of temporary concessions to the miners who had engaged in a nationwide strike. He saved his regime for another two years and then handed power over to more rightwing forces under Yeltsin.

In Eastern Europe, however, the Stalinist regimes, deprived of the protection of Moscow, collapsed like a row of dominoes. In Hungary, the Communist Party dissolved itself. In Poland, it handed power over to the *Solidarnosc* Opposition. In East Germany (the GDR) Erich Honecker—for two decades the most powerful man in the state—was removed from office, expelled from the party and put under house arrest. One year later, the GDR was dissolved and integrated into the West German state. Honecker's Romanian colleague, Nicola Ceaușescu, fared even worse. Together with his wife Elena, he was stood against a wall and executed in front of TV cameras. In Yugoslavia, Czechoslovakia and Bulgaria there were also protests and strikes, initiating the end of Stalinist rule.

The movements sweeping away the Stalinist regimes in Eastern Europe in 1989 were motivated by a deeply-felt hatred of the ruling bureaucracy, its privileges and its dictatorial forms of rule—a hatred that was shared by the overwhelming majority of the population. Those participating in strikes or demonstrations generally hoped for an improvement in their living conditions and for more democracy.

Eight years later, however, not one of these expectations has been fulfilled. The social situation is disastrous. Unemployment has reached record levels, with up to 80 percent of jobs destroyed. There is hardly anything left of the health system, pension schemes and other social services. Organised crime is thriving. With the exception of a handful of *nouveaux riches*, the majority of the population is living in bitter poverty.

In East Germany, the factories were taken over by West German companies, closed down or transformed into prototypes for the introduction of cheap labour all over Germany. Official unemployment is now over 20 percent. But this does not include the millions who work in phoney labour schemes, in part-time jobs or for minimum wages, or those who have to travel for hours every day to reach a work place in the west. Yugoslavia has been dismantled and thrown into the nightmare of a civil war costing hundreds of thousands of lives.

As far as democracy is concerned, there has been no progress either. In most Eastern European states, power is now in the hands of small cliques of former Stalinist bureaucrats, corrupt *nouveaux riches* and outright criminals who have implemented the program of privatisation by stealing and plundering former state property and squandering social services.

One has to ask the question: Why has a movement that was driven by so much enthusiasm and so many hopes led to such a disaster? The answer is quite simple. Those who took to the streets in 1989 knew quite well what they hated and what they rejected. But they did not have a clue as to what should replace the decaying social order. They lacked any coherent political perspective and leadership.

There are not many other examples in history that illustrate—in a negative way—the role of consciousness in the historical process more graphically than the events of 1989. The complete absence of a viable perspective—that was so characteristic of the movements of 1989—made it possible for small cliques of extreme rightwingers and Stalinist bureaucrats, who became enthusiastic supporters of capitalism, to manipulate these movements for their own ends. They were able to usurp power and abolish all the limited social achievements that had existed under the previous regime.

The events of 1989 provide a devastating answer to all those who claim that any spontaneous mass movement, notwithstanding its program and its social composition, will automatically turn in a progressive direction, and who therefore say that the task of socialists is to encourage and support existing struggles, but not to intervene and fight for leadership and program.

Even eight years later, with all the disillusionment that has taken place and with social tensions at breaking point, there is not a trace of a viable perspective in the Eastern European working class. The question is why? That leads us directly to the subject of this lecture: The role of Stalinism in Eastern Europe. An examination of this issue provides us, not only with a key to understanding the present crisis of perspective, but also with a means for overcoming it. It is a crucial question for politically rearming the working class, not only in the East but in the West as well.

Were the states established by the Stalinist bureaucracy in Eastern Europe socialist, or at least an initial step towards socialism?

The claim that they were is not only made by the former Stalinist rulers and the professional anticommunists, but also by the majority of the so-called “Left”—i.e. by repentant Stalinists (like the PDS in Germany) and the entire fraternity of petty-bourgeois ex-radicals, including the

supporters of the Pabloite United Secretariat of the late Ernest Mandel. In Germany, they coined the term “*real existierender Sozialismus*” for the former GDR. The most appropriate translation is “socialism as it existed in real life”. This term contains a whole series of unstated assumptions. On the one hand, the restriction “as it existed in real life” is an admission that the GDR did not exactly correspond to the ideal of socialism, as it was conceived by Marx, Engels, Luxemburg, Lenin, Trotsky and many others. It leaves room for all kinds of criticisms of Stalinism. But on the other hand, it does not explain what the GDR precisely was. It silently assumes that the GDR was the only socialism possible in “real life”, because, as everybody knows, grim reality never corresponds fully to noble ideals. It leads to the conclusion that with the collapse of the GDR, socialism has failed.

From this definition follows a conception of socialism that is totally alien to Marxism. Socialism is no longer the result of a movement of the working class, conscious of its political aims and striving to build a higher form of society, in economic, as well as in social and cultural, terms. Rather, it is the result of a number of economic measures implemented from above. After the collapse of “socialism as it existed in reality” all you are left with is the choice between two evils. You can try and combine the more positive, or less negative, features of capitalism with the more positive, or less negative, features of “socialism as it existed in real life”. You can hope to ease the worst consequences of capitalism with some modest reforms. But an independent struggle of the working class for socialism is out of the question.

This is, indeed, the perspective of all the political organisations holding such a view—and in Europe there is a large number of them. They all revolve around the reformist and trade union apparatuses, and claim that these can be pressured to the left. Rather than being a left alternative to the Labourites, Social Democrats and former Stalinists, these “lefts” serve as an additional prop for them. They prevent the working class from drawing any lessons from the past and from pursuing an independent course of action.

In today’s lecture, I will examine both the political events that led to the emergence and collapse of the Stalinist regimes, and the discussion of these events within the Fourth International. Because of time constraints, I will predominantly deal with the events in East Germany—the GDR.

The Fourth International was not able to play a major role in the struggles that followed the Second World War, due to the losses it suffered through Stalinist and fascist persecution. But it served, nevertheless, as the ideological laboratory and memory of the working class. Nowhere else were the events in Eastern Europe so thoroughly discussed, and their political and historical implications so carefully and correctly evaluated, as in the Fourth International. The debates it conducted on the nature of the states established in Eastern Europe are, almost 50 years later, still much more informative than most of the books published in the aftermath of their collapse.

## The Origins of the Eastern European States

At the beginning of the 1950s, the political and social structure of the states that had been occupied by the Red Army at the end of the Second World War was more or less similar to that of the Soviet Union. Land and industry had been nationalised and no bourgeois property of any significant size was left. Power was in the hands of monolithic Stalinist parties that claimed they were building socialism.

There was, however, a significant difference between these states and the Soviet Union, relating to their origins. The Soviet State had been established by a victorious proletarian revolution, which was later

betrayed. The Eastern European states emerged, not only without the active involvement of the working class, but under conditions where the working class was being violently suppressed.

Originally, Stalin had not intended to carry out large-scale nationalisations in Eastern Europe. His foreign policy was, like his domestic policy, determined by one predominant motive: the self-preservation of the Soviet bureaucracy. His main concern was that the Second World War would trigger a wave of working class uprisings, similar to the one that had swept over Europe after the First World War. Such a revolutionary wave would have encouraged the Soviet working class to revolt and destabilised the Stalinist regime. Stalin, therefore, had a vital interest in restabilising the bourgeois regimes that had been shaken to their foundations by the war.

At the same time, the Moscow bureaucracy was still reeling from the shock of the German assault that had almost led to the destruction of the Soviet Union. It wanted certain guarantees against another imperialist attack.

This was the background to the agreements, reached at the end of the war, between the Soviet Union and its American, British and French allies at the conferences of Teheran, Yalta and Potsdam. The Soviet Union was granted control over a number of buffer states, which would delineate its western border from capitalist Europe—Poland, Czechoslovakia, Hungary, Romania, Bulgaria and, to some extent, Yugoslavia and Albania. Germany was to be administered jointly by the Soviet Union, the United States, Britain and France, and divided into four occupation zones.

To grant control of the buffer states was not a big concession for the imperialist powers. The bourgeoisie in these countries was extremely weak and discredited by its collaboration with the Nazis. Only Stalinism was able to keep the working class under control. For his part, Stalin promised the imperialist powers his support in restabilising bourgeois rule in Western Europe. In Eastern Europe, the Soviet bureaucracy—despite the fact that it was in complete control and the bourgeois parties were extremely weak—brought the bourgeoisie back to power. In most cases, the governments were led by bourgeois politicians, with representatives of the local Stalinist parties in key ministries to make sure that the regimes remained loyal to Moscow. The bourgeois parties, in general, were more than willing to collaborate. It was their only chance to creep back into power.

The local Communist Parties were instructed to suppress any independent initiative in the working class. Communist Party members exiled in the Soviet Union were systematically trained for the task. Wolfgang Leonhard provides a vivid account in his book “*Child of the Revolution*”.

Leonhard, then in his twenties, was a member of the Ulbricht group, the first detachment of Stalinist cadres sent from the Soviet Union into East Germany after the war. As the son of two Communist Party members, he was brought up in Soviet exile. In his book, he reports how he was trained in a special school for his future work in Germany:

“Our political task was not to consist of establishing socialism in Germany or encouraging a socialist development. On the contrary, this must be condemned and resisted as a dangerous tendency... The policy was therefore to repudiate every kind of socialist slogan, which under present-day conditions could be nothing but pure demagogery...”

“It is an interesting point that during this course we were given very detailed instructions on how to answer criticism which might come in future from the left. In one country after another, we were told, the working classes had proved to be particularly liable to such tendencies. For instance, in Bulgaria there had been far-reaching ‘leftist deviations’ which had only been overcome by the direct intervention of Dimitrov. We were told that it was highly probable that we should come upon such tendencies and ideas in Germany too, to the effect that ‘now was the time to introduce socialism.’” (*Child of the Revolution*, Gateway Edition, p.

Further down Leonhard describes how, after his arrival in Germany, he participated in systematically dissolving the Anti-Fascist Committees that had sprung up spontaneously all over the country. In many cases, these committees were led by Communist or Social Democratic workers and had taken state administration into their own hands. The committees, which could not be convinced to dissolve voluntarily by Leonhard and his colleagues, were forcibly destroyed by the Soviet Army and the occupation authorities. In his book, written after his defection to the West, Leonhard explains:

"It was not until my break with Stalinism that I really understood the significance of the directives at that time against the spontaneous creation of Anti-Fascist Committees... The dissolution of the Anti-Fascist Committees was therefore nothing other than a disruption of the first emergence of what might prove to be a powerful independent anti-Fascist and socialist movement. It was the first victory of the *apparat* over the independent stirrings of the anti-Fascist, left-inclined strata of Germany." (*ibid* p 410)

The Anti-Fascist Committees were replaced by administrative bodies, in which workers had no say and bourgeois politicians were over-represented. Rightwing politicians, who had been hiding in their houses, were installed in top positions. One bourgeois politician from Berlin reports in his memoirs how his knees turned to jelly when a Red Army unit knocked on his door. But rather than being put in prison, as he had expected, he was taken to the town hall and appointed mayor.

It is significant that the Communist Party was the only party in post-war Germany that called openly, and I quote from its program, for the "completely unrestricted development of private business initiative on the basis of private property". Even the Christian Democrats, the party of Helmut Kohl, took the general public mood into account and proclaimed in its first post-war programme that capitalism in Germany had failed.

## The Impact of the Cold War

During the first three years after the war, very few nationalisations were carried out in the Soviet occupation zone. The only exceptions were the land holdings of the Junkers, the feudal landowners who had formed the backbone of the German army and of reaction, and the property of war criminals. In addition, numerous factories were dismantled and taken to the Soviet Union as compensation for the war. This became a source of continuing friction with the Soviet occupation authorities, as many of the factories had been rebuilt by the workers themselves who were now losing their jobs.

The beginning of the Cold War led to a change in Stalinist policy in Eastern Europe. The Cold War was itself the result of the political stabilisation of imperialism, which was achieved with the support of the Stalinist parties. To the extent that the Western governments no longer feared an immediate revolutionary challenge, they started to exert increasing economic, political and military pressure on the Soviet Union. In 1947, the economic reconstruction of Western Europe on the basis of the Marshall Plan began. One year later, NATO, the military alliance between the United States and Western Europe, was established. And in 1950, the Cold War reached its first peak with the beginning of the Korean War.

As a result of these developments, Stalinist control over Eastern Europe was challenged from two sides. On the one hand, the working class was becoming more and more hostile to Stalinism. It was being forced to bear the brunt of the economic dislocation arising from the dismantling of industry, reparation payments and growing isolation. Workers were

continually driven to increase output and performance without any improvement in their living standards. At the same time the bourgeois elements, whom the bureaucracy had groomed as a counterweight to the working class, started looking to the West, thus jeopardising Soviet control.

In 1948, an open conflict erupted between Moscow and Yugoslavia, further undermining Stalinist control over Eastern Europe. The Yugoslav Communist Party had come to power at the head of a powerful partisan movement and was less dependent on Moscow than the other Eastern European parties. Its leader, Tito, was no longer ready to accept Stalin's dictates. Tito inspired hopes in an alternative road to socialism, but he soon decided to make his own accommodation with imperialism and to pursue a policy of manoeuvre between the imperialist and the Soviet blocs.

Threatened by the working class on one side and by the bourgeoisie on the other, the Stalinist bureaucracy was forced to change its policy. Coexistence with the national bourgeoisie was no longer possible. Bourgeois politicians and parties were purged from the governments and bourgeois property was expropriated on a large scale. In Germany, these developments took a particularly sharp form because its political status had not been finally settled.

In 1948, Stalin still hoped to create a unified German state that was politically neutral and on which the Soviet Union could exert a certain influence. He did not finally abandon this option until 1952. In the Soviet Occupation Zone, the SPD and the KPD—the Social Democratic and Communist parties—had been unified into the SED (the United Socialist Party of Germany) with such a perspective in mind. The bourgeois parties formed a bloc with the SED to pursue the same aim.

But in the Western zones, the SPD had refused unification with the KPD and was frantically working for the integration of Germany into the Western bloc. The same policy was pursued by the CDU and supported by the American and British governments. In June 1948, a new currency was introduced in the Western sectors, including the Western part of Berlin, without any prior agreement with the Soviet government. The East German economy, in which the old currency was still valid, was threatened with collapse.

The Stalinists could have appealed to workers in the Western sectors, who responded to the currency reform with a one-day general strike, because the policy meant a further decline in their living standards. Instead, they decided to organise a blockade of West Berlin, cutting off all personal and freight traffic. The ones to suffer were the West Berlin workers. The American government used the opportunity to organise an airlift and pose as the saviour of the West Berlin population.

The division of Germany was now sealed. In May 1949, the Federal Republic of Germany was established in the American, British and French zones. Five months later, the German Democratic Republic was founded in the Soviet zone. Bourgeois property was rapidly done away with in East Germany. By 1948, all the banks in the Soviet sector had been nationalised. In 1951, the East German parliament passed the first five-year-plan and, in 1952, a party conference proclaimed that "the basis for socialism in the GDR should be methodically established".

The nationalisations were popular among workers. This was demonstrated in a vote held in Saxony in 1946, over the expropriation of the large factories owned by war criminals and Nazi activists—78 percent voted in favour. Nevertheless, the nationalisations were accompanied by a further wave of repression directed against the working class.

The Stalinist SED was officially proclaimed a "Leninist party of the Bolshevik type", and purged several times over. The first victims of the purges were former members of the SPD. Next came those who had been members of communist groups outside the KPD before 1933, and who had rejoined the KPD in 1945. Finally, most of those active in the KPD or SPD before the war were expelled and replaced by young, inexperienced

members trained in the Stalinist school after the war.

In the party elections of 1949 only a quarter of the previous functionaries were re-elected. Two thirds of the new officials had not been politically active in either the SPD or the KDP before 1945. The atmosphere was filled with intimidation and denunciations of “Social Democratic”, “Trotskyist” and “Titoist” agents. The Stalin cult reached new heights.

The bourgeois parties were not formally dissolved. Instead, they were transformed into auxiliary instruments of the bureaucracy and put under the control of loyal Stalinists. There were even two new, rightwing parties formed. Their task was to organise former rightwingers and even fascists, who had previously been banned from political activity, as props for the GDR regime.

What was the significance of these events?

We know very well how the bureaucracy in the Soviet Union was formed. Trotsky explains its origins in detail in *Revolution Betrayed*. It came from the old privileged layers, who had come back into the state administration, sections of the ruling party who had adapted to them, etc. But in Germany, the old administration had collapsed. The SPD and the KPD were politically degenerated but they did not constitute a coherent social stratum and they still had class ties to the working class. A new ruling stratum, a bureaucracy, had first to be created before it could wield power over the country. This is exactly what happened in the years leading up to the founding of the GDR.

The wave of purges and persecutions was not, of course, limited to the ranks of the SED. Thousands of active workers and critical elements were arrested and put behind bars for many years.

One of those arrested in 1948 was Oskar Hippe, a long-time leader of the German Trotskyist movement. He had been imprisoned by the Nazis and had survived the Nazi regime inside Germany. After the war, he reorganised the Trotskyist movement in Berlin, where he could count on 50 members. In September 1948 he spoke at a trade union meeting in East Berlin. He argued against the line of the Stalinists, who were still opposed to a socialist perspective for Germany, and he spoke in favour of socialism. The next day he was arrested. He spent eight years in prison, a much longer time than under the Nazi regime.

## The Class Character of the Eastern European States

The political changes in Eastern Europe raised important political questions. After the large-scale nationalisations carried out by the Stalinist bureaucracy there was hardly a bourgeois class left. Could the East European states still be described as bourgeois states, or were they workers’ states?

These questions provoked an intense debate within the Fourth International. It led finally, in 1953, to a split between an opportunist wing, led by Michel Pablo and Ernest Mandel, and a Marxist wing, represented by the International Committee.

From 1948 onwards, suggestions were made in the Fourth International that the Eastern European states should be defined as workers’ states. The reasons given in favour of such a definition were empiricist in nature. The facts, or what were conceived of as facts, counted, but the historical origins of the given phenomena and the overall international context played no role. The Eastern European states looked very similar to the Soviet Union—that was an undeniable fact. The Fourth International had always insisted that the Soviet Union was a workers’ state, albeit degenerated. Therefore these states were workers’ states as well.

The majority of the Fourth International rejected such a simplistic syllogism. Two basic objections were raised: The first was that

nationalisations by themselves were not sufficient to define a state as a workers’ state. The more fundamental question was how the nationalisations had come about and who had implemented them.

In a discussion held in August 1949, James P. Cannon, the leader of the American Socialist Workers Party, argued the following way: “I don’t think that you can change the class character of a state by manipulation at the top. It can only be done by revolution, which is followed by a fundamental change in property relations. That is what I understand as a change of the class character of the state. That is what happened in the Soviet Union. The workers first took power and began the transformation of property relations... I don’t think there has been a social revolution in the buffer countries and I don’t think Stalinism carried out a revolution.”

Cannon made clear that the issue at stake was not just a new definition but a different perspective: “If you once begin to play with the idea that the class character of a state can be changed by manipulations in top circles, you open the door to all kinds of revision of basic theory.” (David North, *The Heritage We Defend*, page 165)

Similar arguments were formulated one month later by Ernest Mandel, who at that time defended a Marxist position. He wrote: “We said that only the nationalisation of the means of production resulting from the proletarian revolution was a criterion for the existence of a workers’ state. Only if one considers the economic transformations produced by the October Revolution in their entirety has one the right to consider for the USSR such formulas as ‘mode of production’, ‘relations of production’ and ‘property relations’ as three equivalent formulas expressing the existence of the proletarian revolution on the economic, social and juridical arena respectively. But it does not at all follow that any nationalised property whatever is to be identified with a non-capitalist mode of production and therefore with a revolution in the productive relationships. Such a conception would in fact be ‘economist’, that is, a serious phenomenological deviation from Marxism.” (*ibid.* page 172)

At the beginning of 1950, another leading member of the SWP, Morris Stein, summed up the most important conclusion from the discussion: “In brief, the most important element in the social revolution is the consciousness and self-action of the working class as expressed in the policy of its vanguard party.”

The second objection against a rash definition of the Eastern European states as workers’ states was that these developments had to be judged in their international context. In April 1949 a resolution of the International Executive Committee of the Fourth International emphasised that “an evaluation of Stalinism cannot be made on the basis of localised results of its policy but must proceed from the entirety of its actions on a world scale.” It pointed out that Stalinism was “the decisive factor in preventing a sudden and simultaneous crash of the capitalist order in Europe and in Asia”.

“In this sense,” it concluded, “the ‘successes’ achieved by the bureaucracy in the buffer zone constitute, at most, the price which imperialism paid for services rendered on the world arena—a price which is moreover constantly called into question at the following stage.”

Even more important was the following remark: “From a world point of view, the reforms realised by the Soviet bureaucracy, in the sense of an assimilation of the buffer zone to the USSR, weigh incomparably less in the balance than the blow dealt by the Soviet bureaucracy, especially through its actions in the buffer zone, against the consciousness of the world proletariat, which it demoralises, disorients and paralyses by all its politics...” (*ibid.* page 158)

These lines, written more than 40 years before the end of the GDR, are the key to understanding its collapse. As it is often the case with Marxist predictions, it took more time for them to become reality than their authors possibly thought. But the damage done to the consciousness of the world proletariat by the actions of Stalinism weighed—in the long term—more heavily than all the allegedly “socialist” measures introduced

in Eastern Europe.

The Fourth International did finally use the term “deformed workers’ states” to describe the states established in Eastern Europe. But it put the emphasis on the adjective “deformed”. By this, it indicated the distorted and abnormal character of the origins of these states. The definition made clear that these states were not viable, unless a revolutionary movement of the working class overthrew the ruling bureaucracy and established real organs of workers’ power.

Within a short time it was shown that those who had insisted very early in the debate that the Eastern European regimes be described as workers’ states, were in fact developing a different perspective. In September 1949, Michel Pablo published an article in which he predicted “that in the whole historic period of the transition from capitalism to socialism, a period which can extend for centuries, we shall encounter a much more tortuous and complicated development of the revolution than our teachers foresaw—and workers’ states that are not normal but necessarily quite deformed.” (*ibid.* page 167)

Here, the regimes established in Eastern Europe are no longer presented as an unviable historical deformation, but as a transitional and even necessary stage on the path to socialism. From here, it was only a short step to ascribing to Stalinism a progressive role. This was indeed the conclusion Pablo drew. According to him, the events in Eastern Europe demonstrated that Stalinism was able to reform itself under the pressure of objective events. There was no longer a need to build independent parties of the Fourth International. Rather, the cadre of the Fourth International had to enter the “real mass movement”—as he described it—and influence Stalinist and other bureaucratic forces.

Pablo liquidated the sections of the Fourth International into the Stalinist parties and abused his position as its secretary to move bureaucratically against all those who opposed this course. This prompted the Open Letter by James P. Cannon, the founding document of the International Committee.

## The East German Uprising

While the discussion within the Fourth International was proceeding, events in Eastern Europe proved the correctness of the International Committee.

In East Germany, the conflict between the working class and the Stalinist bureaucracy reached its climax shortly before the split in the Fourth International. On June 16, 1953—Stalin had died three months earlier—a section of building workers in East Berlin organised a spontaneous demonstration against the continuous rise of work norms. Within a short time another 10,000 workers joined the protests. The next day hundreds of thousands of workers went on strike all over East Germany. They were not only demanding the restoration of the old work norms, but also the resignation of the government and free elections. In Halle, Merseburg and Magdeburg, strike committees temporarily took control of the cities and liberated political prisoners.

The Stalinist rulers and the Soviet occupation forces put down the revolt with brute force. Tanks were sent in against unarmed workers. More than one hundred were killed. Hundreds of workers were arrested and imprisoned for years. Six strike leaders were sentenced to death.

The bloody events in East Germany constituted a graphic refutation of the Pabloite claim that the Stalinist bureaucracy would reform itself under the pressure of the working class and act in its interests. But opportunists, who insist on “facts” when arguing for their opportunist line, are quite insensitive to the facts once they have engaged on their opportunist course. After all, opportunism is not a political misunderstanding, but has

deep objective roots in class society.

While the International Committee considered the East German uprising to be “the first proletarian mass uprising against Stalinism since it usurped and consolidated power in the Soviet Union,” Pablo all but ignored the bloody events. Instead, he stressed the fact that in the aftermath of the uprising, the frightened bureaucracy had made some economic concessions to the workers. He presented this as further proof for his theory:

“The Soviet leaders and those of the various ‘Peoples Democracies’ and the Communist Parties,” Pablo wrote, “could no longer falsify or ignore the profound meaning of these events. They have been obliged to continue along the road of still more ample and genuine concessions to avoid risking alienating themselves forever from support by the masses and from provoking still stronger explosions. From now on they will not be able to stop halfway. They will be obliged to dole out concessions to avoid more serious explosions in the immediate future and if possible to effect a transition ‘in a cold fashion’ from the present situation to a situation more tolerable for the masses.” (*The Heritage We Defend*, pp 234-235)

This was an outright apology for counterrevolutionary Stalinism. Three years later the East German events were repeated on a much larger scale in Hungary. But the Pabloites continued to speculate about leftwing tendencies within Stalinism. They had themselves become a prop for Stalinism and played a crucial role in walling off the working class from a revolutionary perspective.

## The GDR in the Sixties

In East Germany, the ruling bureaucracy had made some economic concessions after the 1953 uprising, but they did not last long. New announcements by the bureaucracy of further steps to “build socialism” soon followed. As always, they were a signal for intensified exploitation and oppression.

In 1957 a passport law was introduced which not only strictly controlled every journey abroad but also every trip within the GDR. In 1958 the Fifth Congress of the SED proclaimed the “completion of socialism by 1965,” and began the greatest wave of purges in the history of the East German trade unions. More than two thirds of all trade union functionaries were replaced by true-blue Stalinist bureaucrats.

There was, however, a limit to the pressure the bureaucracy could exert on the working class. Workers could always go to West Germany, where the “economic miracle” had created attractive jobs. In 1959, 145,000 left the GDR; in 1960, the figure was 200,000 and for 1961, 300,000 were expected to leave. It was particularly the younger generation—half of those leaving were under 25—and those best able to work, who left. The economy was threatened with the loss of its most productive workers.

This was the reason for the building of the Berlin Wall in 1961. Overnight it became impossible to leave the GDR. Those who tried risked being shot. The SED claimed the wall was a “protective barrier against fascism”, but everyone knew that it was not there to stop fascists from coming in, but to prevent GDR citizens from getting out.

Protected by the wall, the bureaucracy was able to consolidate its rule to some extent. On the basis of the nationalised means of production, and aided by the general expansion of the world economy, substantial economic progress was achieved. Between 1950 and 1974 industrial production increased sevenfold. In 1969, with a population of 17 million, the GDR produced more industrial goods than the German Reich had done in 1936 with 60 million inhabitants.

The bureaucracy now had the means to make considerable social

concessions to the working class. In the areas of education, child care, housing, health care, social security and culture they went much further than in most capitalist countries. But neither the nationalised means of production nor the social achievements made the GDR a socialist society, as the SED claimed.

As Trotsky explained in *Revolution Betrayed*: "...for the Marxist this question is not exhausted by a consideration of forms of property regardless of the achieved productivity of labour. By the lowest stage of communism (i.e. socialism) Marx meant a society which from the very beginning stands higher in its economic development than the most advanced capitalism.... Taken on a world scale communism, even in its first incipient stage, means a higher level of development than that of bourgeois society."

That was certainly not the case for the GDR. Despite considerable progress, its productivity of labour lagged far behind that of the most advanced capitalist countries. A higher productivity of labour can only be achieved on the basis of an international division of labour. But the GDR was based on the doctrine of "socialism in one country" and had only limited access to the resources of the world market. Not even between themselves were the economies of Eastern Europe ever really integrated by the Stalinist regimes. Like the economic relations inside the Stalinist countries, those between them were also flawed by bureaucratic corruption and incompetence.

Neither did the social concessions indicate the existence of socialism. Their purpose was not to raise the general cultural level of the working class and of society as a whole. Rather they served as a means to appease the working class and secure the rule of the bureaucracy, which never loosened its grip over every aspect of society for a moment.

In a country of 17 million, it maintained an army of 200,000 full-time and part-time secret agents to monitor every aspect of the lives of its citizens. The Stasi—or the "nationalised company listen and seize", as it was nicknamed by the people—even collected smell samples from suspicious elements, so it could use dogs to look for them if it wanted to arrest them. The samples were carefully stored in plastic bags. In the Stasi, as in many other fields, efficiency and monstrosity mingled with incompetence.

The bureaucracy not only feared political opposition, it feared any independent or original thought. Artists were particularly carefully monitored, even though most of them were completely apolitical.

## Moving closer to the West

The militant wave of working class and student struggles that shook the Western world at the end of the 1960s also made its way to Eastern Europe. The year 1968 witnessed the Prague Spring, which was suppressed by the armies of five Warsaw Pact states, including that of the GDR. In 1970, Poland was shaken by a wave of strikes. Tanks were employed against the Gdansk shipyard workers and dozens were killed. In the GDR there were signs of unrest as well.

In 1971, Ulbricht was removed as SED leader and replaced by Erich Honecker, one of his closest associates. Honecker combined a policy of systematic political repression with large material concessions to the working class. He was able to do so by expanding economic relations with the West.

In 1969, Willy Brandt had formed the first government led by the Social Democrats in West Germany since the war. He initiated his *Ostpolitik* and travelled to Poland in 1970. In 1972 a treaty between East and West Germany was signed normalising political relations. This policy was in the mutual interests of the German bourgeoisie and the Stalinist

bureaucracy. For the bourgeoisie, economic expansion to the East was crucial for overcoming the impact of the crisis gripping the world economy in the first half of the 1970s. For the Stalinist regimes, Western support was decisive in dealing with the challenge from the working class.

As a result, trade between the two German states grew exponentially. At the end of the decade, 30 percent of East German foreign trade was conducted with the West. From the West German government, the GDR received technical assistance, huge loans and millions in cash for transit routes and for buying the freedom of political prisoners. Close personal contacts were formed between the two governments and regular consultations arranged. On this basis, living standards in East Germany grew rapidly. In the course of the 1970s, incomes grew by a third, savings doubled and retail trade rose by 56 percent. Forty percent of all households had a car, 84 percent were equipped with a washing machine and 88 percent with television.

But what Honecker praised as proof of the success of "socialism in a single country" was in fact the opposite. The more the GDR used the resources of the world economy, the more it became dependent on its business cycles and crises. The economic changes occurring in the world economy in the 1980s completely undermined the GDR and led to its eventual downfall.

Unable to keep pace with the growth of labour productivity, the outcome of the introduction of computer technology into every aspect of production, the GDR fell far behind in international competition. Its world market share of engineering exports fell from 3.9 percent in 1973 to 0.9 percent in 1986. The prospect of being able to finance credits and imported goods through increased exports was shattered.

The changes in world economy had a similar impact on all the other Eastern European countries and on the Soviet Union itself. The price of raw materials, their most important source of exports, fell. As suppliers of cheap industrial products they were being challenged by the East Asian tigers, who combined the most modern technology with the cheapest labour. Credits taken out in huge quantities in the hope of extending their exports, had to be repaid by increasing the exploitation of the working class.

The political consequences were first seen in Poland. In 1980 and 1981 the mass *Solidarnosc* movement erupted, scaring all the Stalinist regimes.

In Moscow, the ruling strata feared that a similar movement could develop in the Soviet Union and sweep them away. After much hesitation, they decided to surrender the property relations of the workers' state, which they had exploited for six decades, and to seek a new base for their privileges in bourgeois private property. That was the significance of the rise of Gorbachev and his policy of *perestroika*.

Honecker opposed *perestroika*. He understood, quite correctly, that the introduction of this policy into East Germany would seal the fate of the GDR. For the first time in history, the SED-slogan "Learning from the Soviet Union means learning to win" was dropped. Some Soviet publications, like the popular *Sputnik* magazine, were even illegalised. Nevertheless, the fate of the GDR was sealed. It rapidly moved towards bankruptcy.

Later on, Guenther Mittag, the Politburo member in charge of the economy, admitted in an interview with *Der Spiegel* magazine, that he was convinced at the time that "without the reunification, the GDR would have gone through an economic catastrophe with unpredictable social consequences, because it was not capable of surviving on its own". By the end of 1987, he admitted he knew that "the game was up". But it took another two years before the people at large realised that the bureaucracy had given up the game.

## The collapse of the GDR

In spring 1989, the political atmosphere in the GDR was characterised by despair and paralysis. If it had been possible to hold an opinion poll, the overwhelming majority would, without any doubt, have said firstly, that things could only get worse and secondly, that there was absolutely no way to remove the ruling clique.

The general feeling of frustration was further increased, when the *Volkskammer* (the East German parliament) unanimously passed a resolution in June, congratulating the Chinese regime for the massacre in Tienanmen Square. Hans Modrow, who was to pose as the German Gorbachev half a year later, travelled personally to Beijing to deliver the congratulations.

The general dissatisfaction finally found an entirely apolitical outlet. Hundreds of East German holidaymakers occupied the West German embassies in Prague, Budapest and Warsaw, demanding that they be allowed to go to West Germany. When the Hungarian government opened the border to Austria, ten of thousands made their way to the West. For the East German government, this wave of desertions was a major embarrassment, greatly undermining its authority.

At the beginning of September the first timid demonstrations began. At first only a few hundred participated, but then it was thousands and finally hundreds of thousands. For a long time the state could not make up its mind how to react. Some people were arrested and intimidated, but the army did not intervene.

On October 7, in the midst of the demonstrations, Gorbachev came to Germany to celebrate the 40th anniversary of the GDR. In his speech he made clear that he would not back Honecker. This provoked a shift in the line of the SED. It now actively pursued a course of capitalist restoration and of German reunification. Honecker was sacked by his own people in the *Politbýro* and replaced by Egon Krenz, who tried to calm down the demonstrations through what he called a "public dialogue". Thousands participated in political debates on public squares. But the demonstrations grew bigger. On November 4 one million took part in one of the biggest demonstrations in German history in East Berlin.

Three days later Hans Modrow, known as a Gorbachev supporter, was made prime minister. The next day the Berlin Wall was opened and millions travelled on visits to West Germany. This took some pressure off the government for the time being.

Modrow, who is still the honorary chairman of the PDS today, later wrote a book about his time as prime minister. According to him, a revolution was imminent in the winter of 1989-90: "The daily exposures of corruption and abuse of office by leading functionaries of the SED had driven the general outrage to boiling-point... The wrath of the people was directed against the authorities in communes, cities and districts. In many cases their ability to function was strongly reduced.... Strikes, temporary stoppages, work-to-rule and other disturbances led to massive losses in production. Out of this, further social tensions arose that could be less and less controlled by the existing political structures."

Then Modrow describes what he considered to be the chief goal of his government: "My main task was to maintain the country as governable and to prevent chaos. According to my view, the way to German unity was inevitably necessary and had to be pursued energetically." So much for the later claim made by the PDS that the GDR had been raped and driven to unify with West Germany by force.

In fact it was the Stalinists themselves who were the driving force for unification. Modrow made "Germany, united fatherland" his central slogan at a time when Kohl had still not made up his mind what to do. Modrow travelled to Moscow and to Bonn to negotiate the terms of unification. His government also founded the *Treuhand* agency, which was to privatise the entire East German economy over the next few years. The minister for economy, Christa Luft, later published her memoirs under the provocative title "The joy of property". It was only after the PDS had lost the *Volkskammer* election in March 1990, and was excluded

from the unity negotiations, that it became disgruntled.

The working class had a massive presence in the 1989 demonstrations, but it played no independent political role. The reason is not hard to understand. The 40 years of political repression by Stalinism, preceded by 12 years of fascist terror, had left their mark on its consciousness. After having been told for decades that the GDR constituted socialism, many workers believed that capitalism was a serious alternative. After all, West German workers lived much better and had more political freedom than they ever had in the GDR.

Due to the absence of any viable perspective in the working class, accidental middle-class figures, totally unable to chart the course of events or even gauge the consequences of their own actions, became the spokesmen and women of the movement. With the first demonstrations, a number of democratic organisations sprang up. Their program did not go beyond the vaguest democratic demands and calls for "democratic dialogue". They showed not the slightest will for revolutionary change. On the contrary, they expressed horror at the sudden break-up of the GDR.

Frightened by the fact that they were suddenly heading a mass movement of millions, they handed back the initiative to the government as quickly as possible. They formed a Round Table with the Modrow government, which served to shield it from the mounting opposition. When the resistance to Modrow continued to grow, they finally entered his government.

The Pabloites formed the left flank of the Round Table. Those who broke from the Fourth International in 1953, claiming that Stalinism could tread new paths to socialism, were now supporting Stalinism when it was treading the path to capitalism.

One week after the fall of the wall, Ernest Mandel personally travelled to East Berlin. His first public statement—an interview with the Stalinist Youth paper *Junge Welt*—was devoted to a denunciation of the BSA, the predecessor of the SEP in Germany. At the November 4 mass demonstration we had illegally distributed a leaflet, warning of the dangers of capitalist restoration and defending the program of international socialism. Mandel condemned this as "an impermissible intervention from outside". Later, he acted as an advisor of Gregor Gysi, the leader of the PDS. The most longstanding member of the United Secretariat in Germany, Jakob Moneta, even joined the Central Committee of the PDS. And Mandel's disciple, Winfrid Wolf, is presently sitting in the Bundestag as an MP for the PDS.

## Political Conclusions

In summing up, let me draw some political conclusions.

The reason that workers have not been able to counteract the wave of reaction engulfing Eastern Europe and the Soviet Union is the crisis of perspective, the result of decades of Stalinist, and one must add reformist, domination over the working class.

But the fact that workers are confused does not mean that they have stopped thinking. In fact they have gone through gigantic experiences during the last eight years. The illusions in capitalism, that were so abundant eight years ago, have largely disappeared. Masses of workers have had their own bitter experiences. But to the extent that socialism is still identified with Stalinism, there is no way out. An understanding of the past, an understanding of Stalinism and what it represents, is crucial for overcoming the present crisis of perspective. Only if the defeats are understood and the lessons drawn, can they—as Lenin once remarked—be transformed into the basis for future victories.

Such an understanding does not begin with the average worker or with

the masses of workers, but with the most advanced ones. In fact, it is only through our parties that the working class can achieve such an understanding. Herein lies the historic significance of this summer school.

Will this school find a larger response? Vadim Rogovin, in his lecture yesterday, pointed to the influence of the bourgeois media. It is, of course, true that the art of manipulation has been developed to an unheard of degree. But the very fact that the bourgeoisie has to rely on such manipulations to maintain its rule is not a sign of strength but of weakness. Governments based on artificially manufactured illusions are much more volatile than governments based on real social concessions, which none of them can afford today. As the joke Vadim related went: "We have made so many *promises* and the masses are still not contented."

In the coming period we will inevitably see numerous social explosions—in Eastern Europe, the former Soviet Union as well as in the West. These explosions will not spontaneously overcome the crisis of perspective, nor will a few correct slogans be sufficient to overcome the devastating political legacy that Stalinism has left in the consciousness of the working class. But along with the social crisis inevitably comes a change in political climate and an increase in political interest, a search for answers to political questions that only the International Committee can provide.

It is on this basis that a Marxist cadre will be assembled and armed by the Fourth International, which will become the focus for the political reorientation of the masses of workers internationally.



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