



OŚRODEK STUDIÓW WSCHODNICH
IM. MARKA KARPIA
CENTRE FOR EASTERN STUDIES

ONE COUNTRY, TWO SOCIETIES?

Germany twenty years after reunification

Marta Zawilska-Florczuk

Artur Ciechanowicz

PRACE OSW
O S W S T U D I E S

NUMER/ISSUE 35
WARSZAWA, LUTY 2011
WARSAW, FEBRUARY 2011

© Copyright by Ośrodek Studiów Wschodnich
im. Marka Karpia

Editor

Katarzyna Kazimierska

Co-operation

Anna Łabuszewska

Translation

Ilona Duchnowicz

Co-operation

Nicholas Furnival

Graphic design

Dorota Nowacka

Charts and maps

Wojciech Mańkowski

Publisher

Ośrodek Studiów Wschodnich

im. Marka Karpia /

Centre for Eastern Studies

ul. Koszykowa 6a, Warsaw, Poland

phone + 48 /22/ 525 80 00

fax +48 /22/ 525 80 40

osw.waw.pl

ISBN 978-83-930151-7-7

Contents

ONE COUNTRY, TWO SOCIETIES?

Germany twenty years after reunification

Introduction / 5

Theses / 7

The road to the reunification of Germany / 11

1. Society 20 years after the reunification of Germany / 16

**2. The political system 20 years
after the reunification of Germany / 39**

3. Economy / 54

Conclusion / 73

ONE COUNTRY, TWO SOCIETIES?

Germany twenty years after reunification

Introduction

3 October 2010 marked the twentieth anniversary of the reunification of the two German states. This anniversary has provided an occasion for summing up and evaluating the changes which have taken place in both parts of Germany since 1990. Germany became reunited through the incorporation of the East German federal states to the then Federal Republic of Germany. This is the reason why the West German point of view is predominant in public discourse regarding this issue, which is manifested through grading the new federal states for their progress in assimilation to the western part of Germany. However, this way the positive changes which have taken place in the social, political and economic areas in the eastern federal states over the past two decades are often disregarded. If one looked at eastern Germany as a separate entity instead of simply pointing out the differences between the new and the old federal states, they would see that the situation in the east is not as bad as could be concluded from media reports and numerous publications. Nevertheless, it is clear that it will take many years for the new federal states to reach the level of the old ones. This study is an attempt to show the changes which have taken place in Germany over the past twenty years, also taking into account those areas in which new federal states have outperformed the western part of the country.

This text is intended to find an answer to the question of the extent of the process of the unification of the two German states, in which areas it has been crowned with success and in which areas it remains unfinished. For this purpose we will employ an analysis of changes which have taken and which are taking place in society, politics and the economy in both the eastern and western parts of Germany. This study has been developed on the basis of source texts, German, British and Polish publications, interviews with experts and participant observations by the authors.

This text discusses issues from the following thematic categories: (1) society, taking into account the differences in mentality and the approach to history; (2) political system, including voting preferences and turnout; and (3) economy

in the old and the new federal states. Additionally, this study includes a brief outline on the process of the reunification of Germany, which places the changes being analysed in the historical context and at the same time provides a starting point for an analysis of the transformation which has taken place over the twenty years since the reunification of the two German states.

Theses

1. Two German societies are still functioning in parallel twenty years after the reunification of East and West Germany. The mutual negative stereotypes which still exist ensure the division remains. One of the factors strengthening the divide and which is simultaneously a consequence of the existence of two German societies is the presence of two varying versions of history in the minds of the residents of the new and old federal states. This is partly an effect of different ways of forming an identity in the two parts of the country, which in turn results from the operation of two political systems (democratic and totalitarian) for almost half a century in what is now a united Germany. The simultaneous existence of two societies is also partly caused by the strong disagreement over the interpretation of German history after 1945.

2. The process of adjustment of the new federal states to the models and mechanisms functioning in the old federal states is commonly used in public discourse in Germany and other countries as a criterion for the evaluation of the degree of Germany's unification. This is a mistake. Such an approach stems from the perception of Germany as a conglomerate of two separate parts, the East and West Germany. This also leads to a disregarding of the historically conditioned economic, cultural and identity differences between the various federal states.

News broadcasts regarding the degree of Germany's unification and the new federal states themselves are created by media corporations based in the west of the country, and are often one-sided. Most of the reports are focused on describing negative phenomena observed in the new federal states. This especially concerns insufficient economic development and self-sufficiency as compared to the guidelines adopted in 1990. Such broadcasts thus support the negative stereotypes in German society. In turn, positive examples of changes in the east of Germany (for example, the rapid development of the southern federal states, Saxony and Thuringia) and the solutions which are functioning there better than in the old federal states, such as nursery and kindergarten care and school education, are as a rule not mentioned. The new federal states are perceived as an integral entity, while historical differences between individual regions are unnoticed. An approach like this causes distortions.

3. The economic situation is not as bad in all eastern federal states as is reported in most media broadcasts. The new federal states are developing at a faster rate than those located in the western part of Germany albeit they are still far from reaching the level of the old federal states. There is a very strong divide between the rich south and the poorer north in both eastern and western parts of Germany.

As is the case with the old federal states, eastern Germany's key industrial centres are located in the south: in Saxony, Saxony-Anhalt and Thuringia. Innovative solar, chemical and energy industry centres have developed there since reunification, boosting the economy elsewhere in eastern Germany. Their emergence and development were possible owing to subsidies allocated for the development of innovative branches of the economy in eastern Germany. At present the southern federal states are developing at the fastest rate in eastern Germany. In turn, the northern federal states, where agriculture is predominant and industry is poorly developed, such as Mecklenburg-Vorpommern and Brandenburg in the east and Schleswig-Holstein and Bremen in the west, are the poorest federal states in Germany.

4. Different political sentiments have developed in eastern and western Germany. The most evident differences are those in the level of public support for the smaller parties. Despite the acceptance and satisfaction with democracy as a political system, both left and right wing radical parties enjoy much stronger support in the eastern federal states than in the west.

Most residents of the eastern federal states support democracy as a political system but declare their dissatisfaction with the way it is being implemented. More people are dissatisfied with the present state of democracy in the east of the country than in the west. One sign of that is the much higher public support for radical parties, both on the left (the Left Party) and on the right (the NPD and the DVU) of the political scene in the new federal states. Economic, demographic and social factors (for example, engagement in public activity is lower than in the west) additionally contribute to increasing support for neo-Nazi groupings in the poorest German federal states. In turn, the non-associated radical left (i.e. 'autonomous communities' operating outside the political mainstream) enjoy higher support in the old federal states.

5. The predominant view in the perception of Germany is that eastern companies and residents of the new federal states are the main beneficiaries of the reunification. It is true that the new federal states since 1990 have been receiving funds from the EU as well as those allocated from the central budget and the budgets of old federal states (it has been estimated that the total amount of subsidies to boost the eastern German economy will reach approximately 3 trillion euros within the time span 1990–2019). However, it also has to be noted that western German companies have also benefited from the funds allocated for the economic modernisation and development of eastern Germany. Furthermore, the reunification of Germany brought about the opening of a new attractive outlet for companies from the old federal states. The economic development in the new federal states over the past two decades has been dependent on funds transferred from both the federal budget and the budgets of the old federal states, and – to a lesser extent – on EU subsidies. The funds allocated for boosting the economy, creating new jobs and modernising infrastructure have also yielded measurable benefits to western German companies, some of which have moved their offices to the new federal states and are capitalising on the subsidies (for example, construction companies). These are mostly subsidiaries of large corporations, the central offices of which are still located in the west of the country. In effect, the new federal states have a small share in German exports, and the profits generated by the subsidiaries usually go back to the central offices of particular companies. The partial movement of the western firms' offices to the new federal states has been beneficial to both residents in the east (new jobs have been created) and to entrepreneurs in the west (receiving subsidies).

6. The enormous financial support for the new federal states has upset the balance between the two parts of Germany as regards the tempo of modernising the existing infrastructure and building a new one. Owing to the transfers of funds, the roads, railroads and telecommunication networks are in a much better condition in the east than in the west of Germany. For example, although the western motorway network is still better-developed than that in the east, it requires a thorough modernisation in many places.

After two decades of subsidising the economy of eastern federal states with funds from the federal budget, the western German public and politicians have become increasingly opposed to further financial support for the new federal

states. This is because the infrastructure in the old federal states is in some cases in a worse condition, and there have been widely publicised cases of the subsidies being used by the new federal states for purposes other than those they were allocated to. Politicians from the old federal states are increasingly more often demanding that the funds allocated so far for the modernisation of the east should be redirected to the west of Germany.

THE ROAD TO THE REUNIFICATION OF GERMANY

Erich Honecker said in his speech on 7 October 1989 commemorating the fortieth anniversary of the German Democratic Republic: “We shall still strive for the development of our republic in the community of socialist states through the policy of continuation and revival. We shall not be satisfied with our achievements, but we shall protect them. Having liberated ourselves from restraints, we shall enter the path of common economic and social policy”. If such words had been said a few months earlier, nobody would have been surprised; at the beginning of 1989, East Germany seemed a stable state, widely recognised across the world and having no organised opposition or schisms inside the party. The carefully prepared celebration of the fortieth anniversary of the German Democratic Republic was supposed to prove that stability.

However, neither Honecker’s speech, nor press publications managed to convince East German citizens that their country had more benefits than West Germany. Since May 1989 East German residents had been fleeing on a mass scale to the West via Hungary, Poland and Czechoslovakia. The celebration of the fortieth anniversary of the socialist German state, in which Mikhail Gorbachev participated, simply revealed once more the helplessness of the leadership of the Socialist Unity Party of Germany (SED). While the official celebrations were underway, people took to the streets demanding reforms and chanting the slogan “*Wir sind das Volk*” (“We are the people”).

The fall of the Berlin Wall

Mass demonstrations started in East Germany in summer 1989. The residents – increasingly tired with the economic crisis and encouraged by *perestroika* Gorbachev had announced and above all by the changes visible in neighbouring Poland – were taking to the streets more and more actively, demanding reforms as part of the existing system. The largest demonstration at that time took place on 4 November; half a million people went to Alexanderplatz in Berlin. Two days later a similar number of people were protesting in Leipzig¹.

¹ Cf. Christoph Links, Sybille Nitsche, Antje Teffelt, *Das wunderbare Jahr der Anarchie. Von der Kraft des zivilen Ungehorsams 1989/90*, Christoph Links, Berlin 2004.

The SED in an attempt to ease the tension in the country announced that preparations were being made to introduce regulations lifting most restrictions on trips to the West. Günter Schabowski, secretary of central committee, announced at a press conference for foreign journalists on 9 November that East Germany would open its borders immediately². Thousands of residents of East Berlin and other places near the border rushed towards border checkpoints, where the surprised border guards opened the gates after a moment of hesitation. The Berlin Wall, erected 28 years earlier, no longer existed³.

Attempts to save East Germany

The fall of the Berlin Wall on 9 November 1989, contrary to the presently commonly shared belief, did not at all mean that the unification of the two German states was the only possible scenario into which the situation could develop. On the contrary, more arguments for maintaining the division were seen in 1989. The existence of two Germanys was a consequence of the post-war global order and the balance of powers between the West and the communist bloc. The unification of Germany was commonly seen as a potential threat to that order. Hans-Dietrich Genscher, the then foreign minister of West Germany, a day after the fall of the Berlin Wall assured Francois Mitterrand that “unification is not an issue” in order to allay the French president’s concerns resulting from that event⁴.

Bonn was in a way compelled to take more decisive actions as a result of Mikhail Gorbachev’s stance. He suggested on 15 November that he would generally have no objection to a rapprochement between the two German states. Several days later the chancellor’s office received a list of questions from Moscow regarding the details of a possible German ‘confederation’. In response to that Kohl’s

² Schabowski did not intend to announce the date for opening the border. He was taken by surprise when a journalist asked him the question, to which he responded that the borders would be opened immediately.

³ Cf. Patrik von Mühlen, *Aufbruch und Umbruch in der DDR. Bürgerbewegungen, Kritische Öffentlichkeit und Niedergang der SED Herrschaft*, J.H.W. Dietz, Bonn 2000.

⁴ Cf. Alexander von Plato, *Die Vereinigung Deutschlands – ein weltpolitisches Machtspiel. Bush, Kohl, Gorbatschow und die geheimen Moskauer Protokolle*, Christoph Links, Berlin 2003.

famous ten-point plan was developed and was presented in the Bundestag on 28 November. The press proclaimed the document a plan for Germany's unification. In fact it provided for establishing closer economic relations, an adjustment of the law and financial aid to East Germany in exchange for democratisation. The plan did not take into account a possible delimitation of the Polish-German border.

The plan was to be implemented within a time span of at least a few years. However, the economic situation in East Germany made the events develop much faster. The West German chancellor saw the economic slump in East Germany as an opportunity for taking control over the situation there. During Helmut Kohl's first visit to East Germany on 19 December, Hans Modrow, the then East German prime minister, asked him to back his country's economy with 15 billion Deutsche Mark. Kohl's tactical delay made Modrow's cabinet accept the conditions of the economic union developed by the West German chancellor's office. Briefly, they provided for the introduction of the West German currency in East Germany and the takeover of full responsibility and also full control of the East German economy by the West German government. Wanting to avoid a possible renewal of negotiations with Modrow (whose defence of the East German statehood was becoming weaker and weaker due to the fear of his country's bankruptcy), the CDU led by Helmut Kohl became engaged in the campaign of its East German sister party, which wanted an immediate unification, during the elections to the *Volkskammer*. The Alliance for Germany (*Allianz für Deutschland*), in which the East German CDU was the leading grouping, scored a sweeping victory in the election, receiving 48% of the votes. 22% of the votes were cast for the SPD, which was reactivated in East Germany, and 16.4% for the PDS. The elections revealed the weakness of East German opposition movements. The Bündnis 90 coalition consisting of various anti-communist groupings received support as low as 2.9%. The option which wanted as expedient a unification as possible won⁵.

⁵ Cf. Markus Driftmann, *Die Bonner Deutschlandpolitik 1989/90. Eine Analyse der politischen Entscheidungsprozesse angesichts des Zerfalls der DDR*, LIT, Münster 2005.

The four powers

However, the electoral success of the party supported by Kohl still did not decide on unification but only deprived those groups in whose interest it was to maintain East Germany of influence. The decision on the future of Germany was up to the powers which had won World War II. This was an effect of the Allied Declaration as of 5 June 1945 and the Paris Agreements of 1954. In spring 1990 the USA was the only of those four powers to support the unification of Germany, seeing this as a chance for a further weakening of the USSR and pushing it out from Germany. France and the United Kingdom feared the unification and possible rebirth of the German state's power. In turn, the USSR correctly assumed that unification would mean the loss of a part of its zone of influence. France's fears were alleviated when Germany made commitments for continuing European integration, and the USSR had to deal with its internal problems. The British Prime Minister Margaret Thatcher remained alone with her resistance and had to relinquish it.

Following a series of meetings and negotiations lasting from May 1990, the Treaty on the Final Settlement with Respect to Germany, also referred to as the Two Plus Four Agreement (two German states plus the four powers), was signed on 12 September in Moscow to finally open the way to the unification of Germany.

The monetary and economic union. The Unification Treaty

In parallel to the talks with the Allies regarding the international aspects of the unification of Germany, Bonn and Berlin were negotiating internal issues. Talks on the monetary and economic union had begun already on 7 February 1990 and significantly moved forward after the parliamentary elections in East Germany. East and West Germany signed a treaty establishing a monetary, economic and social union on 18 May 1990. The most important provisions of the treaty concerned the introduction of the free market economy and the Deutsche Mark in East Germany.

As the treaty came into effect (on 1 July 1990) and private ownership and free-market competition rules were introduced, the prices were liberated and the state monopolies were liquidated, the new federal state faced an economic ca-

tastrophe. Eastern German companies were unable to compete with the western ones. At the same time, the traditional outlet for East German products, namely Eastern Europe, shrank dramatically due to the economic crisis. According to forecasts, the number of unemployed in East Germany would reach 2 million by the end of 1991. Although 110,000 new firms were established in eastern Germany in 1990, the GDP at the end of the year fell by at least 20% in comparison to the previous year. Nevertheless, the reunification's obvious failure at the economic level did not prevent a political union. The Unification Treaty (Einigungsvertrag) between West and East Germany came into effect on 3 October 1990. It envisaged for example "extending the area governed by the West German constitution" to include the former East Germany according to the procedure set under article 23 of the Basic Law until a new constitution was adopted; moving the capital of the united country to Berlin; and the takeover of East German debt and national property by West Germany⁶. This way East Germany ceased to exist less than a year after the celebrations of its fortieth anniversary. On 3 October 1990, the two countries extremely different in terms of population number, area and level of economic development became one. West Germany incorporated a much smaller area (357,000 km² vs. 108,000 km²), with a population of 16 million (64 million in West Germany). The disproportion was strongest at the economic level. While the GDP of East Germany in 1989 was equivalent to 207.9 billion euros, West German GDP was worth 1399.5 billion euros⁷.

⁶ Cf. Manfred Görtemaker, *Geschichte der Bundesrepublik Deutschland. Von der Gründung bis zur Gegenwart*, C. H. Beck, Munich 1999.

⁷ Cf. Gerhard Heske, *Volkswirtschaftliche Gesamtrechnung DDR 1950 bis 1989, Supplement No. 21* (2009), Zentrum für Historische Sozialforschung, Cologne 2009.

1. Society 20 years after the reunification of Germany

1.1. Society is still divided into two parts

Two German societies are still functioning in parallel 20 years on after the country's reunification. One was formed in the autocratic system of East Germany, while the other in the West German democracy. The new generation born after the reunification of Germany still shares, albeit to a significantly smaller extent, the behaviour models and the mindsets which had developed in the generations of their grandparents and parents. While designing and implementing the reunification process in 1990, the politicians focused primarily on adjusting the political, administrative and economic institutions of East Germany to Western standards. The problem of cultural differences between the two societies either was unnoticed in due time or was disregarded and repressed from consciousness during the euphoria of reunification. However, a few months were enough to revise one of the key slogans chanted during the democratic demonstrations in East Germany: *"Wir sind das Volk. Wir sind ein Volk"* ("We are the people. One people"). This appeared to have been wishful thinking and not a statement of real fact. According to a survey conducted after the reunification of Germany, most residents of the new federal states believe that the reunification and the changes it has entailed have brought them more losses than benefits (see Table 1).

Table 1. Evaluation of Germany's reunification. Answer to the question "How do you evaluate the reunification of Germany 15 years on?"

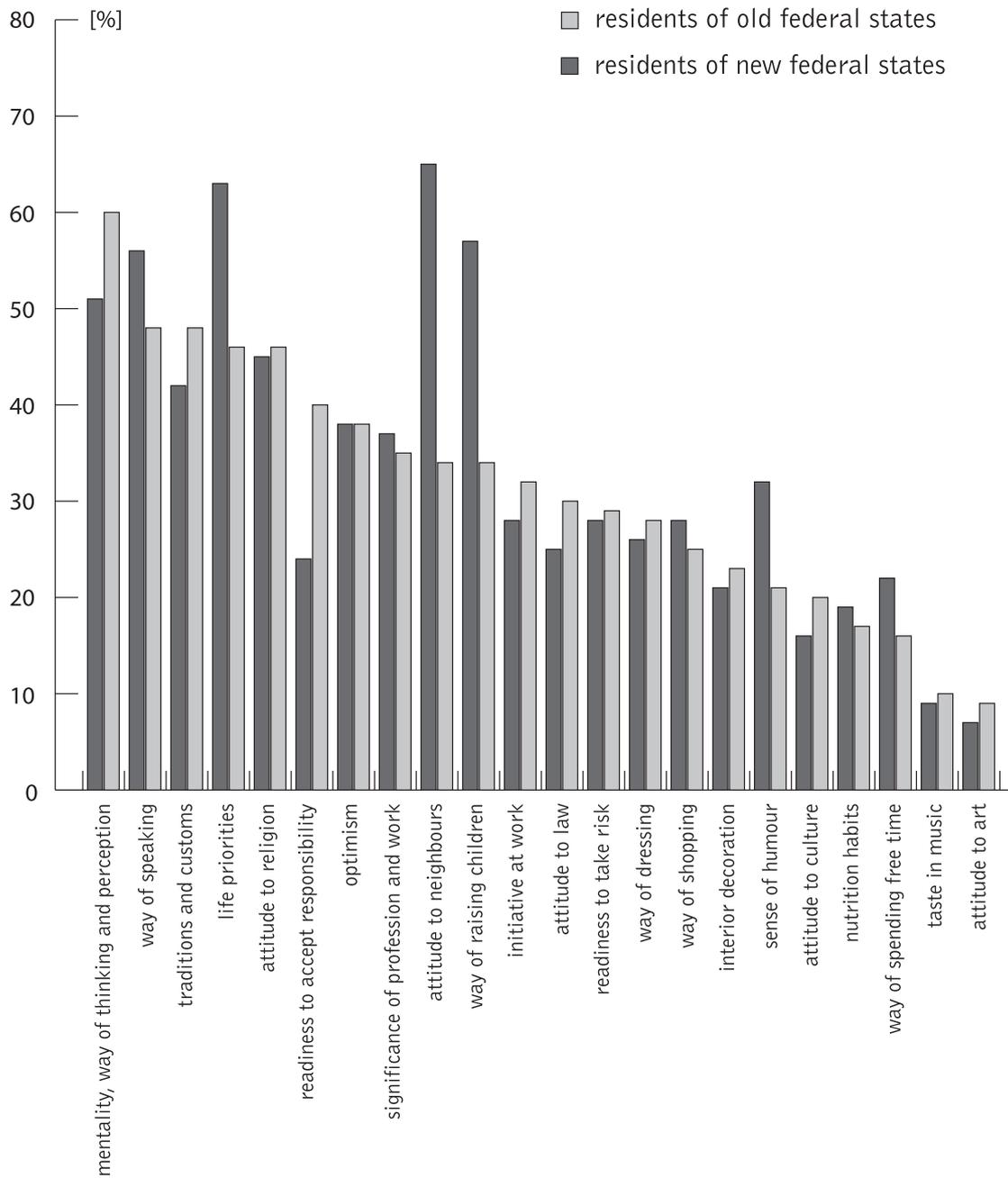
	ages 18–49		ages 50–59		ages 60–85	
	new federal states	old federal states	new federal states	old federal states	new federal states	old federal states
Profit	34%	31%	28%	40%	33%	25%
Loss	36%	36%	42%	30%	29%	29%
Both profit and loss	26%	25%	28%	14%	32%	41%
Not applicable/ no answer	5%	9%	2%	16%	5%	5%

Source: SFZ/Leben 2005 survey

Reunification brought about the transfer of the political system, institutions and business management rules from the west to the east. However, the contact of the two societies in many cases resulted in culture shock, which finally revealed the distance between them. Both societies reacted with disillusionment, and the sense of being different, present long before reunification, became of different nature. The dichotomy ‘we – they’ (previously resulting from the fact of the existence of two countries separated by the Iron Curtain) was reinforced with a number of stereotypes: positive regarding ‘us’ and negative regarding ‘them’. The dislike of the communist regime common among western Germans was transferred towards all residents of the new federal states (‘Ossis’). In turn, the idealised image of the Federal Republic East Germans had cherished was replaced with a mix of disillusionment and the feeling of having been wronged. As early as 1992, 70% of the residents of eastern Germany believed that differences between them and western Germans were prevalent (20% believed that they had more features in common); differences were also chosen by 52% of western Germans (25% indicated similarities). Although some time has passed since then, the belief that eastern and western Germans have more differences than similarities has weakened to a very limited extent. A survey conducted in 2009 indicated that 63% of eastern Germans believed that differences are prevalent between them and the ‘Wessis’ (only 11% were of the opinion that they had more similar features). Similarly, 42% of western Germans saw more differences and 20% saw more similarities⁸. Over those two decades, the mutual prejudices and the sense of difference, which some publicists call a ‘mental wall’, have weakened very insignificantly and are still part of the opinion many Germans share. Therefore, the term ‘reunification’ in this context fails to correctly reflect the real situation.

⁸ Cf. Allensbacher Berichte 7/2009; www.ifd-allensbach.de

Chart 1. Answers to the question “In what terms, precisely, residents of eastern and western Germany are different?” (in %)



Source: Allensbacher Umfrage 2005

1.2. Cultural and social differences

The parallel existence of two German states with extremely different political and economic systems for almost half a century has led to the development of different family models, value systems, ways of spending free time and work ethos – to give only a few examples. Statistical differences regarding the various spheres of public and cultural life are, in the opinion of some researchers, so significant that they have put forward the hypothesis that two different German nations exist and are suggesting that the only thing they shared at the moment of the reunification was the literary language⁹. These are obviously overstatements. Nevertheless, statistical data have proven in many cases that the view that two German societies exist is something more than an oversimplified cliché being popularised by the conservative western German media. Statistical differences between the east and west of Germany prove that the two parts of society are distinct in terms of culture, psychology and mindset.

The most evident divide between the two German societies is present in the area of religion and attitude to faith. Approximately 73% of residents of western Germany are members of one of the two largest Churches (Catholic and Evangelical). In the east of Germany, the share of churchgoers is as low as 26%. Sociologists expected that the proportions of religious people would gradually reach similar levels, namely that the east would be rechristianised. Meanwhile, the trend has been quite the opposite: the percentage of churchgoers in the east is now even lower than at the time immediately after the reunification (28%). Attitudes to religion affect the points of view in disputes regarding significant social issues, for example abortion. 50% of residents of the former East Germany are of the opinion that abortion is admissible if the mother's or her family's financial situation is bad. This view is shared by 30% of the residents of the old federal states¹⁰.

The family models in the old and new federal states have become quite similar in terms of demographic parameters. For example, the average ages for getting

⁹ Cf. Tanja Busse, Tobias Dürr, *Das neue Deutschland. Die Zukunft als Chance*, Aufbau Verlag, Berlin 2003.

¹⁰ Cf. *Allgemeine Bevölkerungsumfrage der Sozialwissenschaften 2008*, GESIS-Leibniz-Institut für Sozialwissenschaften, Cologne 2008.

married and having the first child are almost identical. Before reunification, people tended to get married and have children in East Germany at much younger ages. However, the perceptions of the family shape and the role models are still different. The views regarding the woman's role as well as the models of nursery and kindergarten education which developed in East Germany seem to meet the requirements of the contemporary labour market better than the views of many residents of the old federal states. 56% of western Germans believe that a woman who has a small child should not work. This opinion is shared by 25% of respondents in eastern Germany. According to 40% of residents in the western federal states, the woman should be engaged in homemaking and raising the children for the benefit of her family instead of working professionally, and should let the man earn the family's living. This view is shared by 17.8% of residents in the new federal states. Furthermore, 83% of respondents in eastern Germany are of the opinion that professionally active women fulfil their family obligations in a better way. 53% of residents in the old federal states agree with this opinion¹¹. At the same time, there is a big difference in the percentage of illegitimate children between the west and the east of Germany (around 30% in the western and around 60% in the new federal states)¹². Despite a high internal migration level, only 4% of all marriages in Germany are mixed marriages of people coming from the east and the west of the country¹³.

Differences in everyday culture or slight differences in behaviour give rise to the sense of distinctness, the 'mental wall' and the collection of stereotypes¹⁴. Such everyday life situations in which the sense of strangeness appears include greetings, behaviour at work and conflict situations.

The manner of greeting is different in the east and in the west of Germany. Residents of the former East Germany usually shake hands when they meet on an everyday basis. Meanwhile, in the west shaking hands is a form of greeting reserved for formal occasions. As a consequence of such inevitable misunderstandings people become aware of differences in their models of behaviour and

¹¹ Cf. *Ibid.*

<http://www.destatis.de/jetspeed/portal/cms/Sites/destatis/Internet/DE/Content/Publikationen/Fachveroeffentlichungen/Bevoelkerung/BroschuereGeburtenDeutschland,property=file.pdf>

¹³ <http://www.welt.de/vermischtes/article3820575/Der-Mythos-von-den-Ost-West-Ehepaaren.html>

¹⁴ Cf. Olaf Georg Klein, *Ihr könnt uns einfach nicht verstehen*, http://www.olaf-georg-klein.de/downloads/lp_ihr_koennt_uns.pdf

explain this with stereotypes. Western Germans believe that their way of greeting (without shaking hands) proves that they are friendly and easygoing, while residents of the former East Germany are in their opinion old-fashioned, overly formal and needlessly intrusive. In turn, residents of the new federal states explain the difference by referring to the arrogance of westerners and poor manners as opposed to the pleasantness and sociability of easterners¹⁵.

During small talk, western Germans usually talk in an optimistic and humorous manner about things that are inessential from their personal point of view, such as the weather, the condition of the motorways or politics. In turn, in the east of Germany it is proper to express a critical opinion about the current situation during small talk. It is also not improper to raise personal issues in this context. Both models of small talk are intended to create a friendly atmosphere and serve as an introduction to further topics or as a means of avoiding embarrassing silences during chance meetings. The eastern model is seen by westerners as a tendency towards constant complaining and dissatisfaction. In this context, residents of the old federal states describe themselves as optimistic, bright and discreet. In turn, easterners interpret the difference to their own benefit and see the western residents as superficial, stiff and insincere, and characterise residents of the former East Germany as friendly and tolerant¹⁶.

The two German societies define professional success differently and as a result have different views regarding behaviour at work. Germans from the west are focused on results and task fulfilment. Professional success is identified with good achievements in the fulfilment of their obligations. In turn, residents of the new federal states believe that proper behaviour with regard to their colleagues and taking care of good relations with them are the most essential aspects of work. Success is defined as harmony at the workplace. As a consequence of such differences, Germans from the east are perceived in the west of the country as indecisive, not adaptable, passive and lacking initiative. In turn, western Germans see themselves as decisive, goal-oriented, creative and self-reliant. Residents of the new federal states characterise themselves as those who are able

¹⁵ H. Berth, W. Wagner, E. Braehler, Kulturschock Deutschland, Europäische Verlags Anstalt, Hamburg 2005.

¹⁶ *Ibid.*

to distance themselves from the work routine and see the higher values, readily adaptable and not pursuing success at any price. In their opinion, unreasonable ruthlessness, hunger for power, arrogance, formality and boasting are all predominant in the west¹⁷.

Residents of the old federal states readily engage in disputes and expose differences in various situations. Meanwhile, the avoidance of conflict and emphasising common features is considered perfect behaviour in the east. In effect, western Germans determine themselves as sincere, open-minded and direct, while seeing their eastern neighbours as cowardly, conservative, insincere and opportunistic. In turn, residents of the new federal states see themselves as loyal, friendly, helpful and compromising, while characterising their western neighbours as aggressive rabble-rousers and patronising¹⁸.

The dissonance between the political and the social realities impedes the formation of a pan-German identity. According to a survey conducted in 2009, 60% of the residents of the former East Germany do not see the Federal Republic of Germany as their homeland (although at the same time they would not like the country to be divided into two again). Around 10% of respondents in the new federal states do not perceive the united Germany as their homeland and would like the country to be split. At the same time, 25% of residents of the new federal states see the Federal Republic of Germany as their homeland. A comparable survey regarding the identity of western Germans would be difficult to conduct, given the predominant interpretation of the reunification process as the incorporation of the German Democratic Republic into the Federal Republic of Germany. Thus residents of the old federal states identify themselves with West Germany but often see their compatriots from the east as second-class citizens. This is an effect of the popularity of the phenomenon commonly called *Ostalgie* (i.e. nostalgia for the east) in eastern Germany. In the west, it has a counterpart, albeit not so well-known, called *Westalgie* (i.e. nostalgia for the west), meaning sentiment to West Germany as it was before 1989. In the east of the country, 57% of the residents are of the opinion that East Germany had more positive than negative features (43% of the respondents believe the opposite) and the

¹⁷ *Ibid.*

¹⁸ *Ibid.*

living conditions in general were better than now¹⁹. Almost 65% of residents in the western part of the country long for the Federal Republic in the shape it was before reunification (35% do not declare such a longing), i.e. without the Germans from the east²⁰. Such approaches, especially *Ostalgie*, are characteristic of both the generation who spent at least part of their adult life before the reunification of Germany and young people, who were born in the united Germany. However, young people idealise East Germany mainly because they know very little about what it was really like. While goods imitating those which could be bought in East Germany as well as films and coffee shops styled as those before the unification are very popular, young people's knowledge regarding everyday life in East Germany is surprisingly poor. Over 70% of pupils in Brandenburg, who were surveyed by researchers from the Free University of Berlin in 2007, could not answer 9 of the 18 questions regarding East Germany they were asked. For example, one in two respondents did not know when the Berlin Wall was built and destroyed.

1.3. Attitude to democracy and expectations towards the state

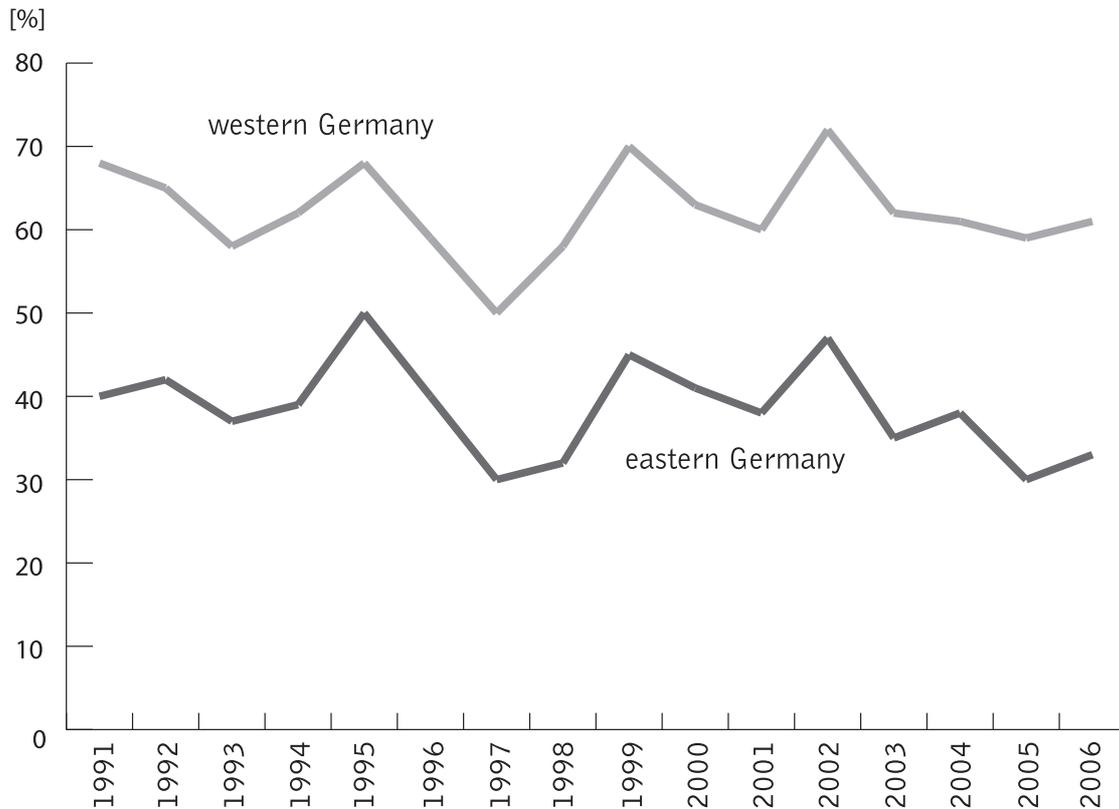
Twenty years after the reunification of Germany, a comparison of citizens' attitudes to democracy²¹ in the old and new federal states shows residents of western Germany in a much better light. A significantly larger number of Germans represent a positive attitude towards democracy in the west than in the east of the country (see Chart 2).

¹⁹ Cf. Sozialreport 2008, http://www.sfz-ev.de/Publikationen/Sozialreport/SR_2008/SR2008.pdf

²⁰ Cf. Allgemeine Bevölkerungsumfrage der Sozialwissenschaften 2008, GESIS-Leibniz-Institut für Sozialwissenschaften, Cologne 2008.

²¹ In this context the attitudes are understood not as an approach to the political system but recognising democracy as the best of the existing political systems or satisfaction with the present condition of democracy in Germany.

Chart 2. Percentage of residents of eastern and western Germany who declare they are satisfied with democracy



Source: Our own analysis based on data from the Federal Statistical Office

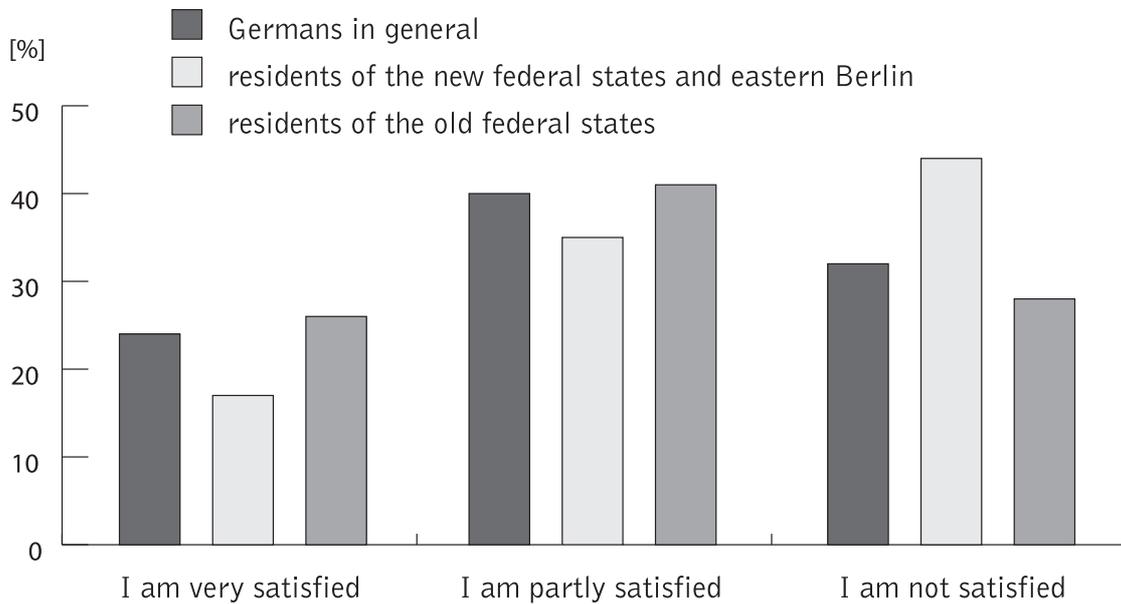
Clear caesuras are noticeable in the attitude of eastern Germans to democracy, which run in parallel to changes in the economic and social situation in the former East Germany. Support for democracy was quite widespread among the eastern German public in the initial period, shortly after reunification (1990–1995). This was an effect of the belief, which was accompanying the reunification process, that the correct direction of the changes in the political system had been chosen and of the hope of achieving similar living standards as in western Germany soon. In subsequent years, as the rapid economic development significantly slowed in 1996 and the consequences of demographic changes²²

²² Such changes include the faster ageing of society there than in the western federal states due to the lower birth rate (also because fewer immigrants settle in the new federal states) combined with the emigration of young, well-educated residents of the eastern federal states to the west of the country. Many less resourceful and old people living in the new federal states could be classified as ‘transformation victims’, whose living standards deteriorated after 1990 and who found it difficult to feel at home in the united Germany.

became more palpable, the level of satisfaction with the new political system rapidly fell in the new federal states. At present, the level of satisfaction with democracy in the east of Germany is changing similarly as in the west of the country. In the case of the western federal states, the scale of satisfaction with democracy reflects the attitude to the policy adopted by a particular federal government and is linked to the global economic slump, which has affected the economic situation in Germany²³. The differences in the approaches to democracy of eastern and western Germans also result from the fact that democracy has been present in the old federal states 40 years longer. They are also an effect of the differences in the socialisation in East Germany, including different values, social standards and behaviours which were developing in the family, at school, in a peer group or via watching and functioning within certain institutional frameworks (for example, children's and youth political organisations, such as Young Pioneers and Freie Deutsche Jugend). The way in which the transformation was taking place, the economic and demographic situation in the eastern part of Germany and personal satisfaction with the present living standards have had a strong impact on the different attitudes to democracy. The lower level of satisfaction with democracy in the east is not an effect of rejecting this form of political system per se but rather of the lack of support for its functioning in Germany. At present, most residents of the new federal states are dissatisfied with the way democracy is in Germany (see Chart 3). This is mainly a reaction to – as many residents of the new federal states believe – too little interest shown by politicians at the federal level to their needs and insufficient attention devoted to their problems (such as high unemployment) in the political strategies adopted by subsequent federal governments.

²³ The decrease in declared satisfaction with democracy has been caused by such factors as a growing unemployment rate in the 1990s, the scandal over the CDU's financing in 1999 and the reform package Agenda 2010 being implemented since 2003.

Chart 3. Answer to the question “Are you satisfied with the way democracy is functioning in Germany?” (in %)



Source: Berlin-Brandenburg Social Science Research Centre 2010 Survey

Much as residents of the new and old federal states differ in their satisfaction with democracy, their understanding of what this notion means, especially with regard to civil rights and freedoms, is very similar. The differences in the perception of democracy concern mainly economic issues and the degree to which the state should intervene in the economy (see Table 2).

Table 2. Understanding the notion of democracy in 2000. Answer to the question ‘What is closely linked to democracy?’

	western Germany	eastern Germany
Political freedoms, e.g. freedom of expression	86%	83%
Multi-party system	80%	79%
Citizens’ right to participate in politics	78%	78%
Equality before the law	72%	72%
Gender equality	67%	58%
Greater social equality	54%	58%
More jobs, lower unemployment	39%	45%
Better economic situation	36%	45%
Government control of banks and private companies	26%	40%

Source: Klaus Schroeder, *Die veränderte Republik*, Bayerische Landeszentrale für politische Bildungsarbeit, Munich 2006

There is also a difference in the perception of the state's role, although the opinion that this has to be a welfare state is predominant in both parts of Germany. While 80% of the residents of the new federal states believe that one of the government's tasks is to assure work to everyone who wants to work, this opinion is shared by 62% of residents of the old federal states. According to 83% of eastern Germans who responded, the state should take efforts to lessen differences in earnings. In western Germany, 66% of respondents agree with this opinion. Furthermore, the opinion that prices should be centrally controlled is much more popular in the east (85% of respondents) than in the west (73%) of Germany. The existence of social inequalities is a positive fact, according to 65% of western Germans. On the one hand, it reflects the unequal skills and work ethic of individuals, and on the other it has a motivating effect and encourages people to make greater efforts to achieve social advancement. In turn, 42% of eastern Germans believe that social inequalities are unjust and, consequently, are a negative fact²⁴.

While placing the responsibility for their living standards on the government, residents of the new federal states are significantly less ready to allow the state to limit their freedom/privacy, even if national security requires that. 40% of them believe that the state should not be allowed to wiretap citizens even if this is done in order to prevent potential terrorist attacks. A similar stance is represented by 26% of the residents of the old federal states²⁵.

1.4. Engagement in public activity

Engagement in public activity and strong civil society structures are one of the main pillars of the German post-war identity. Proofs of that can be found in the well-developed German network of institutions devoted to civil education, i.e. the federal and local Agencies for Civil Education²⁶, and the significance attached

²⁴ Cf. Allgemeine Bevölkerungsumfrage der Sozialwissenschaften 2008, GESIS-Leibniz-Institut für Sozialwissenschaften, Cologne 2008.

²⁵ *Ibidem*.

²⁶ Cf. The report by Krystyna Ewa Sielawa-Kolbowska, Agnieszka Łada and Jarosław Ćwiek-Karpowicz, Edukacja obywatelska w Niemczech i Polsce, Instytut Spraw Publicznych 2008.

to promoting civil society not only among young people but also among adults. According to cyclical public opinion polls, 70% of all German citizens older than 14 determine themselves as publicly active, i.e. are engaged in the activity of various associations, non-governmental organisations, etc. Each subsequent poll reveals an increased number of such individuals²⁷. The areas which attract the engagement of the largest number of Germans are sports, activity related to schools and kindergartens, church and culture. Charity activity is developing at the highest rate. The least number of people are engaged in politics and the activity of interest groups, activity for the elderly and in ecology and animal rights. Those areas of activity are equally popular in both the old and the new federal states, as is the degree of people's interest in them.

According to stereotypes still affecting the perception of both parts of Germany, non-governmental structures are an obvious fact in the old federal states, while their operation in the new ones is still unsatisfactory. This is, according to popular belief, an effect of forcing East Germans before the reunification to be engaged to state-linked activity (e.g. the scouting movement, sport clubs or party membership). After the peaceful revolution, the lack of compulsion to participate in pro-governmental organisations reportedly revealed that most residents of the new federal states were engaged only superficially, have developed a passive approach and are no longer interested in any public activity²⁸. Many residents of the new federal states are active members of various associations and some of them, even if their number was small, were engaged in the activity of democratic opposition in East Germany²⁹, which disproves this stereotype.

²⁷ An increase by four per cent [there is a movement in Britain to introduce percentage points (pp) into the British mainstream. However, the Americans have never heard of it and in Britain it's only mathematicians who care. Most people are confused by this concept. There are two ways we do it: 1. Just say 'four per cent', 2. Say 'by four percent to 9.6 per cent'. I leave the choice to the authors...] in 1999–2004; cf. Thomas Gensicke, 'Bürgerschaftliches Engagement in Deutschland', in: *Aus Politik und Zeitgeschichte* 12/2006.

²⁸ Cf. Horst Poldrack, *Soziales Engagement im Ubruch. Zur Situation in den neuen Bundesländern*, ISAB-Institut für Sozialwissenschaftliche Analysen und Beratung, Cologne 1993.

²⁹ Mainly in the groupings which were operating under the cover of the Evangelical Church, for example Schwerter zu Pflugscharen, Frauen für den Frieden, Grün-ökologisches Netzwerk Arche in der Evangelischen Kirche, Neues Forum, Demokratie Jetzt, Demokratischer Aufbruch – sozial – ökologisch, Initiative „Frieden und Menschenrechte“, etc. The first groupings emerged as early as 1956. However, most of them started operating in the 1980s.

According to a survey conducted by AMB Generali-Studie³⁰, 26.5% of the residents of the new federal states are engaged in public activity, which is ten per cent less than in the case of western Germans. One of the reasons for their lower active engagement can be found in their different socialisation (which particularly concerns the older generation) and the weaker tradition of public activity in the eastern part of Germany. However, the main reasons are the lack of faith that one's personal engagement may influence reality in any way³¹ and a rate of long-term unemployment higher than in the west of Germany, which causes general dejection and passiveness.

This essential difference in the degree of public activity is noticeable not only between the old and new federal states. There is a clear distinction between the north and the south in the western part of Germany. While in the south the percentage of people engaged in the activity of associations and interest groups, such as student associations, trade unions, etc. is over 45% (Saarland being the exception), this share dips below 38% in the north (and in the case of Bremen and Hamburg below 24% and 31%, respectively). Thus it can be concluded that the degree of participation in activities other than professional work depends on the size and economic strength of individual federal states. Furthermore, public activity is significantly more concentrated in non-urbanised areas and small towns than in large cities across Germany. This is true about both parts of Germany and is an effect of a stronger sense of identity with the local community and stronger bonds with religion and the churches in the case of villages and small towns³².

Cf. e.g.: Heino Falcke, 'Unsere Kirche und Ihre Gruppen. Lebendiges Bekennen heute?', in: Detlef Pollack (ed.) *Die Legitimität der Freiheit*, Verlag Peter Lang, Frankfurt am Main 1990.

Cf. Ulrike Poppe, 'Das kritische Potential der Gruppen in Kirche und Gesellschaft,' in: Detlef Pollack (ed.): *Die Legitimität der Freiheit*, Verlag Peter Lang, Frankfurt am Main 1990.

Cf. Erhart Neubert, *Geschichte der Opposition in der DDR 1949-1989*, Bundeszentrale für politische Bildung, Bonn 2000.

³⁰ The survey 'Engagement Atlas 09' conducted by Generali Foundation, Cologne 2009.

³¹ *Ibid.*

³² Cf. Thomas Gensicke, 'Bürgerschaftliches Engagement in Deutschland,' in: *Aus Politik und Zeitgeschichte* 12/2006.

1.5. The different versions of history

One of the consequences of the existence of two German societies and at the same time a factor strengthening this divide is the presence of two different versions of history in the minds of western and eastern Germans. This is partly an effect of their dissimilar socialisation processes and life in opposite political systems, and is partly being preserved by historians who provide various interpretations of German history after 1945. The various stances in this area are closely linked to political views. Over the past two decades it has been impossible to develop a compromise interpretation of German post-war history, and scholars in the two parts of the country are still propagating its versions which cannot be matched.

Research into contemporary history in both West Germany (to a lesser extent) and East Germany (to a much greater extent) met with attempts of being employed for current political purposes. The shape of particular theses, concepts and interpretations strongly depended on the political engagement of the researchers on one of the opposing sides³³. The way in which historical processes and events were explained was to provide grounds for the choice of particular political decisions from among the range of other options³⁴.

Paradoxically, East and West German politicians alike were using history for the same purpose: it was to legitimise the existence of their countries and to provide useful interpretations of the recently ended war. Those interpretations were supposed to give a sort of absolution and to help building a new 'positive identity'. Each of the two German states adopted different ways of attaining those goals³⁵.

One of the key assumptions which was supposed to legitimise the existence of East Germany was the statement that it was an 'anti-fascist' state (as opposed to West Germany). According to this, the founding fathers of East Germany were persecuted and suffered under the Nazi regime to finally overcome evil and

³³ Cf. Mary Fulbrook, *Historical Theory*, Routledge, London 2002.

³⁴ Cf. Mary Fulbrook, *German National Identity after the Holocaust*, Polity, Cambridge 1999.

³⁵ Cf. Mary Fulbrook, 'Approaches to German contemporary history since 1945: politics and paradigms,' in: *Zeithistorische Forschungen* 1/2004.

create a new, better world. The struggle against Nazism, being the main pillar of the state identity, was supported with numerous research programmes and publications regarding the role of the communist resistance movement. The obligatory application of the Marxist interpretation of history resulted in neglecting the research of the Holocaust as a consequence of the National Socialist ideology. A popular interpretation at that time was seeing Hitler's rise to power through the prism of the class struggle theory: Hitler's victory meant the victory of the bourgeoisie over the proletariat (the latter created East Germany after the war)³⁶. The view that National Socialism was the bourgeois ideology inherent in this approach automatically made the 'bourgeois' West Germany fully responsible for World War II, branded it as a shelter for Nazis and incubator of fascism, and at the same time absolved the 'worker' East German nation of all blame for German crimes. Facts which might upset this coherent plot of historical narrative, such as the alliance of Hitler and Stalin at the beginning of the war, were simply omitted³⁷.

In West Germany the same goals were to be achieved by interpreting the history of Nazi Germany through the prism of totalitarianism theory. According to this theory, full responsibility for the recent crimes rested with Hitler and his closest associates, while ordinary Germans had no influence on the decisions that were taken. This explanation was developed in the late 1940s and provided a convenient excuse for West German society's amnesia regarding its role and co-responsibility for World War II. The use of such terms as 'cumulative radicalisation' (meaning toughening the policy with regard to Jews) or 'Führer's order' in academic language enabled a reliable description of the regime's crimes and at the same time made the impression that if the crimes had not been committed by individual people but rather by an entirely passive mass who had been manipulated by one person. The choice of historical interpretation via politics had a directly impact on the lives of individual people. The popularity of totalitarianism theory and the resulting approach to the responsibility of ordinary citizens for World War II in an incomplete denazification and lenient sentences imposed on Nazi criminals in the 1950s and 1960s.

³⁶ Cf. Kurt Pätzold (ed.), *Verfolgung, Vertreibung, Vernichtung*, Reclam, Leipzig 1983.

³⁷ *Ibid.*

The reunification in 1990, gave Germans the chance – which historians deemed a necessity – to write a single version of their post-war history, which would lay the foundations for the identity of the reunited German nation. Initial attempts to impose the West German interpretation of post-war history, where only the West German success story would be described, and East Germany's role would be merely mentioned in a 'footnote on totalitarianism', proved unsuccessful. For obvious reasons such a version was unacceptable for both the eastern German elite and for most of residents of the new federal states, because it was not 'their' history³⁸.

The question of whether or not East Germany was a totalitarian state has been the core of a dispute ongoing for 20 years, and still no compromise has been reached. The goal, which many German historians identify with, is to create one identity of the reunited German nation by developing one version of post-war history. However, this intention still seems far from being fulfilled. History, instead of serving as a basis for a common national identity, is usually used to provide grounds for stances taken by political parties on various current policy issues.

By oversimplifying, one could risk the statement that two approaches are vying to win recognition. On the one hand, conservative and left-leaning liberal historians from the west believe that East Germany was a totalitarian state, no different in any way from Nazi Germany³⁹. They are focusing on describing the government–citizen relationship. Historians from the east tend to take another approach, claiming that East Germany was a sovereign country which did not succeed in the implementation of what was a good idea. Those who support this option are focused on social and everyday life history and accuse their opponents of misrepresenting reality by failing to describe the experience of ordinary people who lived in East Germany⁴⁰.

³⁸ Cf. Jürgen Kocka, *Vereinigungskrise, Zur Geschichte der Gegenwart*, Vandenhoeck&Ruprecht, Göttingen 1995.

³⁹ Cf. Konrad H. Jarausch, 'Die Teile als Ganges erkennen, Zur Integration der beiden deutschen Nachkriegsgeschichten', in: *Zeithistorische Forschungen* 1/2004.

⁴⁰ Cf. Mary Fulbrook, 'Approaches to German contemporary history since 1945: politics and paradigms,' in: *Zeithistorische Forschungen* 1/2004.

One of the arguments used by the supporters of totalitarianism theory is the thesis which states that the origins of the two German states were completely different. It is intended to prove that West Germany has been democratic from the onset (and thus can be used as a founding myth of the reunited Germany), while East Germany was established as a puppet Soviet dictatorship⁴¹. Supporters of this thesis claim that West Germany was established as a democratic state and was the second republic in German history as opposed to East Germany, which was the 'second dictatorship on German soil'. Another argument raised by them is that the founding fathers of West Germany provided it with features deeply rooted in the German political and economic tradition, while in East Germany a regime which had nothing in common with the tradition was imposed. Finally, it is typical of totalitarianism theory supporters to claim that East Germany was a separatist state, which deemed the division of Germany as being permanent, while the constitution of West Germany included a reunification procedure.

In turn, the opinion which is dominant in the new federal states is that in 1949 two states were simultaneously established, and both processes had little to do with democracy. In both cases the states were established on the initiative of occupying forces, and Germans were not asked for their opinion. Residents of the new federal states refute the tradition continuation argument, stating that although both constitutions in the part regarding basic rights made references to the Weimer constitution, their details made both of them strongly different from the original. In turn, responding to the separatism allegation, they quote statements from East German politicians, who on many occasions invited West Germany to join East Germany⁴².

In this dispute, the argument which proves that East Germany was a lawless state deprived of public support is the fact that political opposition, political repressions and an extensive security apparatus existed there. After reunification, no other subject was as popular as the opposition and resistance among historians dealing with East Germany. Historians from the east argue that such an approach is oversimplified and lacking context. This version fails to take into account

⁴¹ Cf. Henning Koehler, *Deutschland auf dem Weg zu sich selbst. Eine Jahrhundertgeschichte*, Hohenheim Verlag, Stuttgart/Leipzig 2002.

⁴² Cf. Christoph Klessmann, *Die doppelte Staatsgründung. Deutsche Geschichte 1945-1955*, Vandenhoeck&Ruprecht, Göttingen 1991.

a greater part of East German society, who were neither in opposition nor represented the communist system. At the same time, historians from the east in their descriptions of German post-war history tend more and more often to write about the two German states as if they were completely comparable regimes. Thus suggestions appear that the Stasi methods were in most cases completely normal and no different at all from the methods used by Western secret services, and that the East German border protection complied with international standards⁴³.

The different visions of history also cause a disagreement between the east and the west in their evaluation of the events of key significance for German history. For most residents of the old federal states, the period of National Socialism and Hitler's regime decided the present shape of Germany. Meanwhile, the predominant view in the east is that the construction of the Berlin Wall and the division of Germany had the greatest impact on the present condition of the state and its global position. At the same time, Nazi crimes committed during World War II play a minor role in the consciousness of eastern Germans. They are certainly not seen as a factor which had a significant impact on contemporary Germany⁴⁴.

A great part of German historians feel responsible for developing the contemporary historical consciousness in Germans. This view is noticeable not only during debates on museums and places of remembrance (the Holocaust Museum or the Foundation Flight, Expulsion, Reconciliation) but also in their appeals for the application of certain academic research standards in papers about German-German history after 1945. This suggests that scholars are to support the reunification process at the very least⁴⁵. However, the existence of two versions of history is a serious impediment in the fulfilment of this task.

⁴³ Cf. Dietrich Staritz, 'Widerstand und Opposition, Dissidenz und Resistenz in der DDR', in: UTOPIE kreativ (Nov./Dez.) 1998.

⁴⁴ Cf. Thomas Koch, 'Ost-Identität. Anker-Anspruch-Anschlussmöglichkeiten', in: UTOPIE kreativ (Nov./Dez.) 1998.

⁴⁵ Cf. Konrad H. Jarausch, 'Die Teile als Ganges erkennen, Zur Integration der beiden deutschen Nachkriegsgeschichten', in: Zeithistorische Forschungen 1/2004.

Against all appearances, discussions on the interpretation of German post-war history are important not only for a small group of historians and politicians. The promotion of one or another version of history is a kind of offer to citizens who could identify with it or use it to brand others. Interpretation of East Germany's history has a strong impact on relations between eastern and western Germans. This was indirectly admitted by Joachim Gauck, who said in an interview in 1994 that "East Germans are unfairly seen as snoopers and traitors in the west, while so many of them refused to collaborate with the Stasi". The existence of two versions of history also causes serious problems in developing a coherent historical policy in this area. If one interpretation is promoted, its rival version will be automatically rejected. This causes the risk that some citizens, who will not be able to identify with it, will simply reject it. For example, 28% of the residents of the new federal states agree with the opinion that East Germany was a lawless state, while 41% of them do not agree with this interpretation.

1.6. The unification of institution and the replacement of the elite

One of the major consequences of Germany's reunification was the transfer of institutions, branded by some political experts as 'structural colonisation'⁴⁶. The process consisted in transferring the West German legal system, creating new institutions modelled on those operating in the old federal states and reorganising the administration, the judiciary, education system, economic institutions, welfare and healthcare systems, law enforcement agencies and political parties. This also entailed the liquidation of institutions which were either inefficient or did not fit into the legal system of the united Germany. The institutional unification also meant the replacement of staff, especially those holding senior positions. Most individuals who had been working for East German public institutions until October 1990 lost their jobs or were demoted. They were replaced with employees transferred from the old federal states. This process was the most evident in the case of university academic staff and the personnel of economic institutions and law enforcement services.

⁴⁶ Cf. Peter Christ, Ralf Neubauer, *Kolonie im eigenen Land. Die Treuhand, Bonn und die Wirtschaftskatastrophe der fünf Bundesländer*, Rowohlt Verlag, Berlin 1991.

1.6.1. Higher education

The first decisions aimed at adjusting the East German higher education system to West German standards were taken under the government of Lothar de Maiziere, prime minister of East Germany between April and October 1990. A common (East and West German) education commission was established in May 1990 to supervise the unification of the two education systems. The real transformation of universities started when local governments were formed in the five new federal states. Experts from the old federal states were employed at the local education ministries. Similarly, professors from West Germany were nominated heads of newly created or restructured university departments. Their tasks included adjusting the eastern education system to western standards, i.e. supervision of investments and the evaluation of academic staff in terms of their independence from the communist dictatorship, and academic achievements⁴⁷. This process was aimed at adjusting the teacher-student proportions to West German standards (one teacher in East Germany had proportionally less students than in the west) and removing individuals who had collaborated with the regime from research and education institutions. In effect, by 1994 over 13,000 positions at universities had been liquidated, and 20,000 more people (including 5,000 professors) had lost their jobs against their will. Additionally, 8,000 scholars were made redundant because the departments they had been working at were liquidated (61% of them were from law, economics and social science departments and 23% from philology and humanities departments). The consequences of the replacement of the academic elite are readily noticeable today. At present only three from among the 88 German university rectors come from the new federal states.

1.6.2. Army

The National People's Army (NVA) had a reputation of being the second best equipped and trained armed force in the communist bloc, after the Soviet Army. Immediately before the reunification of Germany, the NVA had 175,000 soldiers. According to the reunification treaty, which came into effect on 3 October 1990, the NVA was to become automatically part of the Bundeswehr. However, Rainer Eppelmann, minister for defence and the disarmament of East Germany, *de facto*

⁴⁷ Rosalind M. O. Pritchard, *Reconstructing education: East German schools and universities after unification*, Oxford 1999.

demobilised the NVA one day before that date. All officers ranked colonel-lieutenant and above and all women, except for military health service staff,⁴⁸ and people older than 55 were dismissed. 3,200 from among the 36,000 NVA officers were transferred to the Bundeswehr (their ranks were reduced by one or two levels). The only representative of the new federal states among German generals and admirals is Erika Franke, the head of the Bundeswehr's Medical and Sanitary Service Staff. Former NVA officers were classified by the defence ministry as those who 'served in a foreign army' until 2005, and now as those 'who served outside the Bundeswehr'. They may not officially use their military ranks (e.g. 'retired colonel' unlike former Wehrmacht and Waffen SS officers) or expect military funeral honours. The Bundeswehr took over 85,000 military vehicles with trailers, over 1.2 million handguns, 295,000 tonnes of ammunition, around 4,500 tonnes of liquid rocket propellant, 2,300 fighting vehicles, 5,000 artillery, missile and air defence systems, around 700 combat and transport aircraft and 192 warships. Most of the National People's Army's equipment was destroyed under the Treaty on Conventional Armed Forces in Europe⁴⁹.

1.6.3. Diplomacy, economy, the media and politics

Residents of the old federal states are still prevalent in the German elite two decades after the reunification of Germany. The diplomatic corps is a good example: no German ambassador comes from the eastern part of Germany. The new federal states also have fewer representatives in business circles. None of the DAX component companies has a chief executive officer originating from eastern Germany. The 54-member board of the Federation of German Industries includes only one representative of the new federal states. No editor in chief of the influential daily newspapers circulated across Germany (and published in the west of the country) comes from the east. The newsroom team of ARD, the first German TV channel, consists of 29 people, including only 2 from the new federal states. Similarly, 4 of the 34 members of the newsroom team of ZDF, the second German TV channel, are eastern Germans. The situation is similar in

⁴⁸ Women have been permitted to perform military service as armed staff in the Bundeswehr since 2001. Until then they could only perform medical service or work for the military administration or orchestra of the Bundeswehr.

⁴⁹ Andrew Bickford, *Soldiers, 'Citizens and the State: East German Army Officers in Post-Unification Germany'*, in: *Comparative Studies in Society and History*, no. 51, Cambridge 2009.

local media in the new federal states. In Thuringia alone, as few as 3 of the 20 editors in chief and presidents of the dailies published in this federal state come from eastern Germany. Regarding political parties, as many as 14 politicians from the eastern federal states are in the 62-member federal board of the CDU. In the case of the SPD, this proportion is 4 from 46, in the case of the FDP – 5 from 48, the Green Party – 2 from 6 and the Left Party – 9 from 44. In total, the new federal states have been represented by 14 ministers (from 131) and 13 parliamentary secretaries (from 206) in the governments formed since the reunification of Germany.

All major political parties seek potential voters' support in the east of Germany. This has been proven by the parties' election manifestos: all the political parties holding seats in the Bundestag included provisions in their manifestos devoted solely to the new federal states. Those provisions concerned primarily the economy, wage and social insurance system, science and the development of rural areas in the eastern federal states⁵⁰. Each parliamentary faction also has an expert for the development of eastern Germany. The fact that the office of the Federal Government Commissioner for the New Federal States was established in the 1990s (at present, this function is held by Interior Minister Thomas de Maiziere) is another proof of how significant the new federal states are to individual political parties. The commissioner's role is rather symbolic and consists in coordinating the government's policy regarding eastern Germany, mainly through the supervision of the flow of funds allocated for economic modernisation and supporting the creation of jobs in innovative branches of industry, such as green technologies and the chemical industry, as well as co-operation with the interior ministers of particular federal states⁵¹.

⁵⁰ Cf. Election manifestos of the CDU/CSU, the SPD, the FDP, the Green Party and the Left Party in the campaign preceding the parliamentary elections in 2009.

⁵¹ Many residents of the new federal states see the existence of the office of the commissioner for the new federal states as needless and discriminatory. In their opinion, the fact that the east of Germany has been distinguished in the party manifestos and the politicians' special engagement with regard to this region simply emphasise the remaining divides in German society.

2. The political system 20 years after the reunification of Germany

2.1. Differences in voter turnouts vs. changes in the social structure of eastern Germany

Voter turnout in all parts of Germany has been decreasing over the past few years. This especially concerns participation in elections to the European Parliament and, to a lesser extent, local parliamentary elections. German citizens show greatest interest in elections to the Bundestag. The decrease in turnout is not so much an effect of dissatisfaction with the German political system as a consequence of the weakening interest in politics among citizens, the continuing individualisation of society and changes in the perception of political activity⁵². Another major reason is the decline of traditional party electorates in the western part of Germany and the increasing ineptitude of political parties in reaching out to voters. This problem is more evident in the new federal states. In comparison to the first elections after reunification, voter turnout there has fallen on average by 22 per cent in elections to the European Parliament, by 21 per cent in local parliamentary elections and by 10 per cent in elections to the Bundestag. The decrease in turnout is more moderate in the old federal states, respectively 15, 16 and 6 per cent. However, turnout is clearly above 50% in the west and the east alike (see Table 3).

Table 3. Voter turnout in elections to the Bundestag in 1990–2009

Election year	Total turnout in Germany	Turnout in the old federal states and western Berlin	Turnout in the new federal states and eastern Berlin
1990	77.8%	78.6%	74.5%
1994	79%	80.5%	72.6%
1998	82.2%	82.8%	80%
2002	79.1%	80.6%	72.8%
2005	77.7%	78.5%	74.3%
2009	70.8%	72.3%	64.8%

Source: Our own analysis based on data from the Bundestag

⁵² According to sociologists, previously political activity was perceived as membership of political parties. Today, public activity is also more and more often mentioned in this context.

The decrease in voter turnout in the new federal states is to a great extent affected by the changing demographic structure in that part of Germany. Since reunification, many young and well-educated people (especially women) have emigrated to western Germany and abroad to earn money. This process, combined with a birth rate and foreign immigration rate both lower than in the old federal states, is one of the reasons why society ageing is faster there than in the western part of Germany. Since the most active and best-educated people are leaving eastern Germany, a significant part of its society consists of elderly, less well educated and less resourceful people and those who find it difficult to meet the requirements of the labour market. They are often dissatisfied with the situation in Germany and convinced that their participation in election does not change much. This is one of the reasons for lower voter turnout than in the west and for a greater receptiveness to radical views and support for radical ideas and groupings from the right and the left sides of the political scene.

2.2. People's attitude to political parties: membership and models of voter behaviour

The Christian Democrats and the Social Democrats are the predominant parties in both the old and new federal states. The CDU has enjoyed the greatest level of public support in the eastern federal states for years although voters in this part of Germany are seen as attaching little significance to religion and emphasising the significance of social security and the welfare state. Such a set of values differs quite strongly from typical Christian Democrat views and corresponds to the Social Democrat values. Despite that, the CDU enjoyed much stronger public support in eastern Germany than the SPD from the first elections in the reunited Germany in 1990 up until 1998. This was an effect of the positive association of the Christian Democrats as the force which had contributed to the reunification of Germany and also of the CDU's greater opportunities to be ahead of others in building party structures in the east using the foundations laid by the former East German democratic opposition⁵³. In turn, the Social Democrats

⁵³ Eastern German political parties (which at that time consisted predominantly of many small groupings consolidated into blocs before the elections) joined in their western German counterparts as a direct consequence of the country's reunification. This concerned most parties in the new federal

could not make references to the oppositionist tradition and, unlike the CDU, had to respond to political competition from the PDS, the successor of the communist SED party, which was also making efforts to win the support of the left-leaning electorate. After the CDU's electoral defeat across Germany in 1998, the voters' sentiments temporarily grew in favour of the SPD, which, however, dramatically lost support as a consequence of having adopted in 2003 the radical reforms of the welfare state called Agenda 2010⁵⁴.

Unlike in the new federal states, the electorate in the west of Germany for years was clearly grouped according to the division of society into the conservative and the left-wing camps. Workers traditionally voted for the Social Democrats, while representatives of the middle class voted for the Christian Democrats. Those divides could be easily marked on the map of Germany. Depending on the social structure, some federal states clearly supported one of the two dominant political options. The differences between the political camps in the western part of Germany are not so obvious any more. The phenomenon of traditional electorates is vanishing: the Christian Democrats are winning in the states which have been ruled by the Social Democrats for a long time, and vice versa. Admittedly, the Christian Democrats are still dominant in the south of Germany, however their position is no longer strong enough to allow them govern the states independently and forces them to form coalitions. Local election results are also influenced by the performance of the parties at the federal level. The SPD was weakened due to the long-lasting conflicts between various 'factions' inside the party and leadership disputes. However, the greatest role

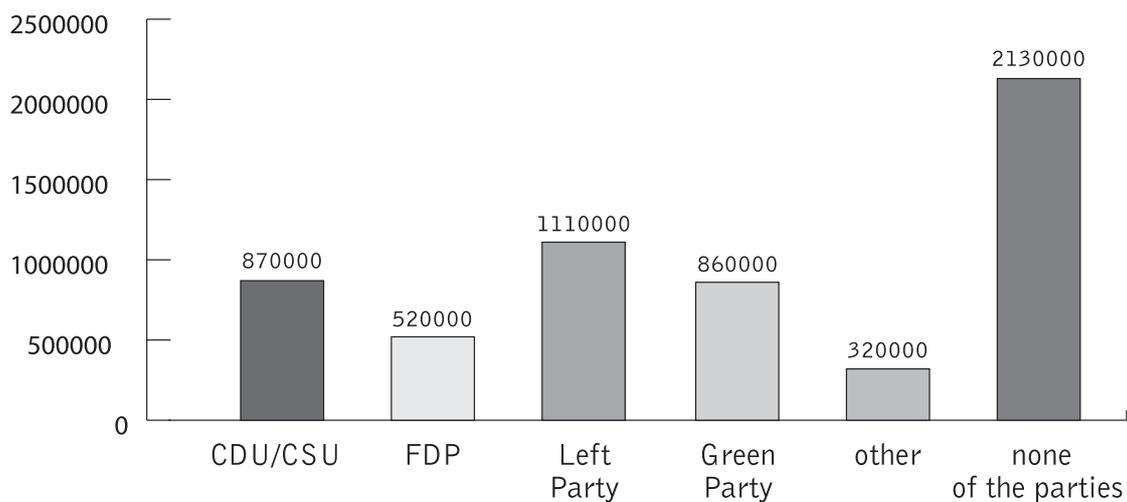
states. At the moment, two political parties originating from the East German democratic opposition exist: the Neues Forum and the Deutsche Soziale Union. However, neither of them plays any essential role in German politics, and the scope of the Neues Forum's activity is only regional. The examples of Bündnis 90, which in 1993 became part of the western-German Green Party, and of the PDS, which, following the merger with the western-German protest movement WASG, formed the Left Party in 2007, prove that they could gain a real say in politics only by joining their already existing counterparts or owing to charismatic politicians from the old federal states. Once the organisational structure of western German parties was adopted and alliances with politicians from the old federal states were forged, most representatives of the former democratic opposition withdrew from active participation in political life and no longer play any major role in the united Germany.

⁵⁴ Agenda 2010 is a reform package in force since 2005, which was adopted by the SPD/Green Party government. It envisages the reduction of benefits regarding welfare and the labour market. The reforms for example changed the rules of paying unemployment benefits, reduced the job loss protection, lowered wage-related costs, increased budget expenses on education and raised the retirement age.

in its fall was played by the courageous, if contrary to the party’s traditional values, Agenda 2010 reform package, which caused a split in the SPD and the emergence of the WASG protest movement. The mergers of the WASG and the eastern German PDS spelt the beginning of the Left Party, the most serious rival for the SPD on the left of the political scene.

A feature which both parts of Germany share is the decrease in support for the largest parties, which nevertheless keep the dominant position as compared to the other political groupings. In addition to such causes as decreasing public interest in politics, individualisation and disintegration of traditional professional and social communities, this process has also been affected by the programmes of the parties, which fail to respond to the current problems and needs of the voters. Another reason for the fall in popularity of the largest political parties is their opening to new electorates, which often meets with criticism and even objection from the traditional electorate. This is especially evident in the case of the SPD, which has been losing the largest share of supporters to other parties (see Chart 4). The main beneficiaries of this process are the Green Party and the Left Party, as well as the CDU, which partly owing to this achieved the best results in the elections to the Bundestag in 2009 in all federal states, with the exceptions of Brandenburg and Bremen.

Chart 4. Votes cast by the SPD’s electorate in favour of other parties in the parliamentary elections in 2009



Source: Infratest Dimap 2009

The greatest differences, as regards the party landscape, can be seen in the popularity of smaller political parties in both parts of Germany. Those differences result from such factors as dissimilarities in socialisation⁵⁵ between the new and the old federal states, varying degrees of identification with current politics and approval of the work of subsequent governments and of satisfaction with living standards. Radical views are observed more frequently in the eastern than in the western part of Germany. This is an effect of negative experiences and public sentiment, a slightly different demographic structure in the new federal states, and differences in the levels of education and the unemployment rate (see chapter 3.4). This is manifested in a significantly higher popularity of ‘protest parties’ from both the left and right sides of the political scene (the Left Party on the one hand and the radical right NPD and DVU parties on the other) in the new federal states⁵⁶. In contrast, voters in the old federal states place more confidence in small political parties targeted at the urban electorate, i.e. people who are well-educated and care for civil liberties and economic liberalism (the Green Party, the FDP and the Pirate Party, see Maps 1 and 2).

⁵⁵ Understood as value system acquisition and the development of social and political views under the influence of family, school, peer group, political parties, etc.

⁵⁶ According to experts, the electorate of the radical right parties consists predominantly of young people representing low education levels.

Map 1. Percentage distribution of votes cast for the Left Party in the elections to the Bundestag in 2009



Source: Federal Electoral Committee 2009

Map 2. Percentage distribution of votes cast for the FDP in the elections to the Bundestag in 2009



Source: Federal Electoral Committee 2009

The fact that western German political parties lack deep roots in the new federal states also causes differences in the political landscape. First of all, however, most of them have failed to reach broad communities of voters and to establish strong electorates. This in particular concerns the FDP and the Green Party. Those parties' manifestos based on issues regarding ecology, liberal economy or the protection of civil rights fail to meet the expectations of the residents of the new federal states, who are dissatisfied with their living standards and are or may become unemployed. Radical right parties are an exception among the smaller parties of western German origin. However, they owe this primarily to their efficient strategies of winning the electorate through capitalising on people's frustration and dissatisfaction with the economic situation and the current politics in Germany and to a much lesser extent reflects eastern Germans' support for neo-Nazi ideology⁵⁷.

The two largest political camps, the Christian Democrats and the Social Democrats, have significantly more members in western Germany (see Table 4). However, the differences in the numbers of those parties' activists in the east and the west of Germany are not so dramatic as in the case of the Green Party and the FDP, around 80% of whose members come from old federal states. Right- and left-wing protest parties, the distribution of whose members is uneven in the two parts of Germany, are an interesting case in point. Contrary to widespread opinion and despite the popularity of radical right parties in the new federal states, most members of the NPD, currently the strongest radical right party, come from western Germany. In turn, the Left Party, which partly originates from the post-communist PDS, has more activists in the east; almost 90% of the Left Party's members come from eastern Germany. In the new federal states, their number differs only a little from the numbers of the CDU and the SPD members. The Left Party is also the second most popular party, after the CDU, in the new federal states. It has developed into a significant political force, a kind of mass party, in the east of Germany. The Left also owes this high level of popularity mainly to its traditions, which are partly rooted in East German times. It is also the only party operating all across Germany which residents of the new federal states see as understanding their needs and not rejecting their achievement from the times before the reunification.

⁵⁷ Edith Ulrich, 'Politisch zweigeteilt?', in: *Bürger im Staat*, 4/2000, Stuttgart.

Table 4. Members of political parties in 2006

	CDU/CSU	SPD	FDP	Green Party	Left Party/PDS	NPD
Share of eastern Germans in the total number of party members	8.56%	6.89%	19.59%	14.46%	89.88%	37.46%

Source: Klaus Schroeder, *Die veränderte Republik*, Bayerische Landeszentrale für politische Bildungsarbeit, Munich 2006

2.3. Radical right sentiments

It is commonly believed that the radical right ideology is very popular in the east of Germany. This is allegedly an effect of the political immaturity of residents of the new federal states and their dissatisfaction with the way the system transformation has been carried out. Young people, who are the most numerous among the followers of the neo-Nazi ideology in eastern Germany⁵⁸, are interested in radical right movements due to unemployment and the feeling of a lack of perspectives also affects them. One proof of that is the occupational structure of the radical right electorate in eastern Germany; these are mainly blue-collar workers, individuals who may lose their jobs, and the unemployed⁵⁹. Consequently, these are the groups who feel neglected by the main political parties, dissatisfied with their lives and, as such, are receptive to populist slogans propagated by radical right groupings. Such groupings know how to capitalise on this negative potential and adjust their political programmes to the frustrations and fears of people who feel like transformation victims. The engagement in radical right movements is rather an expression of protest against the policy of the 'big' parties than a consequence of genuine identification of eastern German young people with radical right ideology. The popularity of the far right groupings in the new federal states, especially among young people, is also boosted by the rapidly developing section of the music industry which propagates neo-Nazi ideas⁶⁰.

⁵⁸ Supporters of radical right ideology in the old states are predominantly old people, whereas in the new federal states they are mainly young people and young adults.

⁵⁹ According to a summary published in 2007 by the Bavarian State Agency for Political Education.

The new federal states are usually high on the ratings in the statistical reports developed cyclically by the Federal Office for the Protection of the Constitution (Bundesverfassungsschutz) regarding acts of violence committed by Neo-nazis in individual federal states. However, crime motivated by neo-Nazi ideology is a problem in all parts of Germany (see Chart 5). The three federal states where the rate of this type of crime is the highest include two old federal states: North Rhine-Westphalia and Lower Saxony. This is linked to the fact that groupings propagating anti-Islamic slogans and mobilising the residents against the constructions of mosques are very active in those regions. Each of those two federal states have a very large population of immigrants (North Rhine-Westphalia has the largest number). Local radical right groupings have launched an aggressive campaign against foreigners in this area. In turn, politically motivated crime in the new federal states results from the fact that there are more neo-Nazis who do not belong formally to any organisation in the east than in the west of Germany⁶⁰ as well as from the intensification of activity by representatives of western German neo-Nazi circles in the new federal states after the reunification of Germany. They are usually members of the subculture unofficially supported by the NPD and the DVU and of officially unregistered organisations, such as pupil and student associations, sports clubs, community centres, etc.

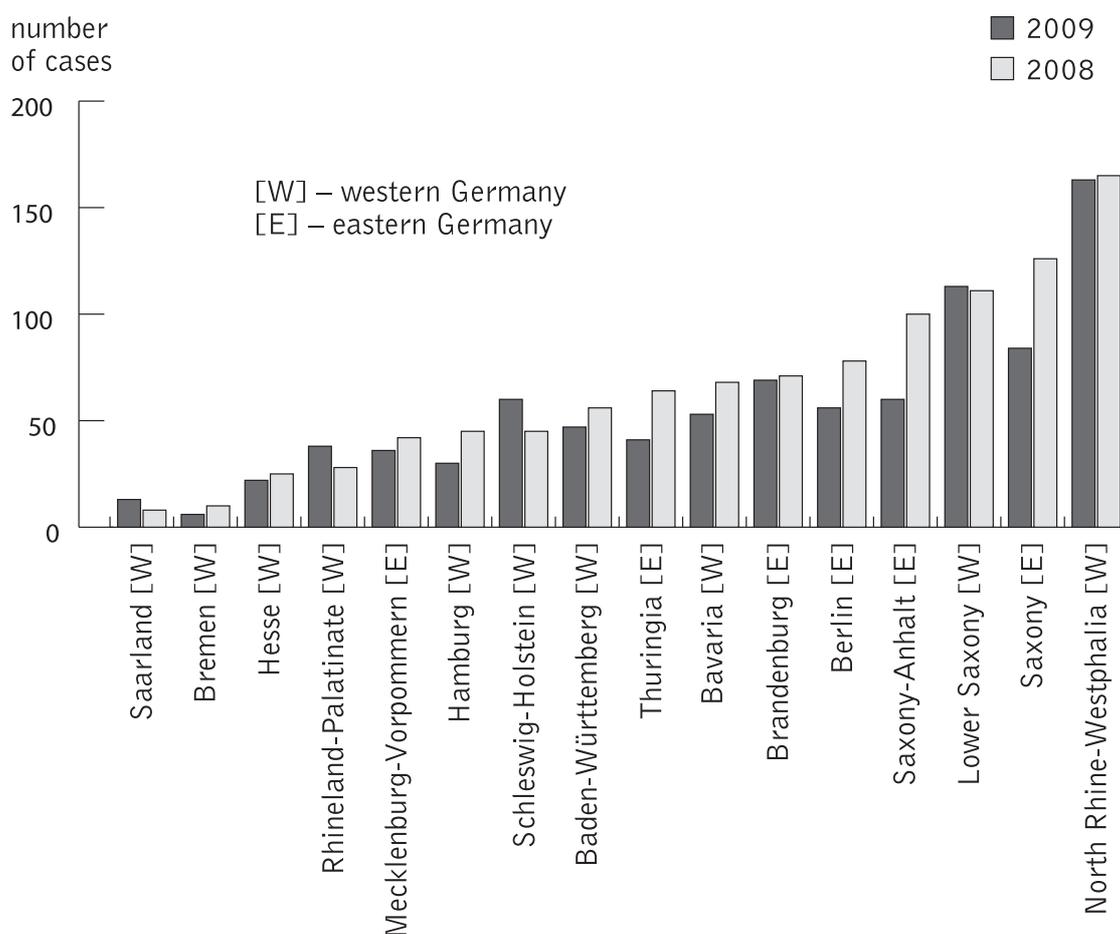
The ideological core of neo-Nazi circles, based on anti-democratic, anti-Semitic and xenophobic views, is the same in both the old and the new federal states. The essential differences between the east and the west of Germany can be found mainly in the distribution of nuances within the ideology, the degree of concentration of radical right circles and their structures. In the western part of Germany, they make political capital predominantly on anti-foreigner and anti-Islamic slogans (with the groupings PRO Deutschland or local PRO NRW and PRO Köln in North Rhine-Westphalia in the lead). This rhetoric is not equally successful in the new federal states, where the population of immigrants is much smaller than in the old federal states. Although hostility to foreigners is also expressed in the east of Germany, it concerns mainly the labour market.

⁶⁰ 2009 Report by the Federal Office for the Protection of the Constitution.

⁶¹ Members of far-right parties, especially those represented in local communities, are less prone to commit acts of violence because since they could risk being discredited as representatives of a 'normal' party.

Far-right groupings consciously modify their programmes by including more and more elements typical of the political left (including labour market protection, strong government control of the economy, and pro-family and welfare policy), thus responding to the expectations of potential voters. At some locations direct references to the East German regime and attempts to rehabilitate the communist party SED have even been made⁶².

Chart 5. Neo-Nazi motivated crime in individual federal states



Source: 2009 Report by the Federal Office for the Protection of the Constitution

⁶² Such statements could be read for example in a leaflet published by a group of Saxonian socialists from the NPD in Saxony.

The reforms which have reduced the welfare role of the state as part of Agenda 2010 introduced by the SPD/Green Party government and the consequences of those reforms, for example restrictions on the payment of unemployment benefits, have contributed greatly to the increase in the political capital of the NPD and the DVU in the east of Germany. Most of those dissatisfied with this kind of Social Democratic policy moved their votes to the PDS and some joined supporters of radical right parties. No similar trend has been observed in the old federal states.

2.4. Radical left sentiments

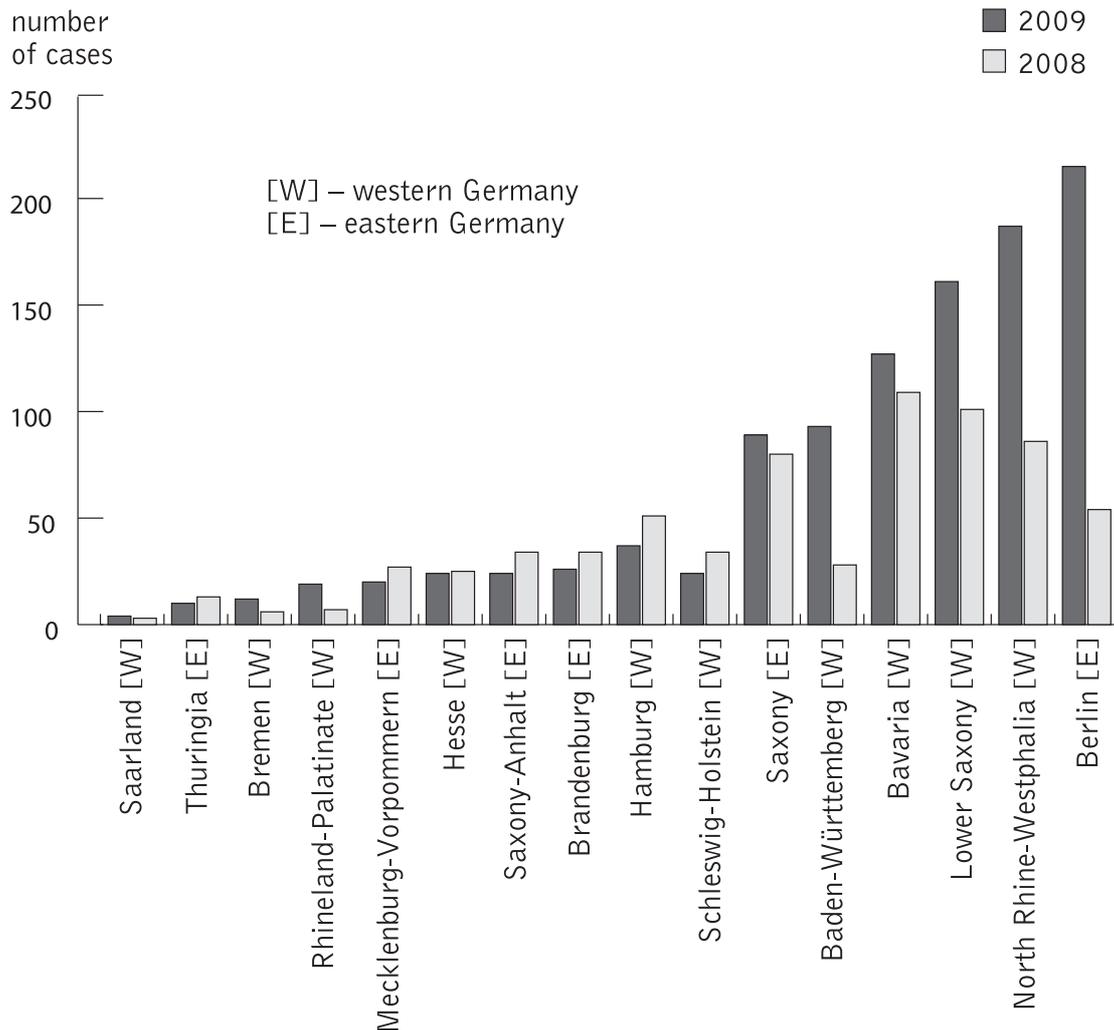
For historical reasons, radical right circles are seen in Germany as a greater threat to law and order than far-left groupings. The latter are also being watched by the Federal Office for the Protection of the Constitution. However, they have been researched to a significantly lesser extent, and have received less attention from experts and agencies dealing with civil education⁶³. The fact that the media and politicians show less interest⁶⁴ in the radical left's activity gives the impression that such activity is made light of or even given tacit consent as being less harmful than membership of neo-Nazi organisations. Meanwhile, it can be concluded from the annual reports of the Federal Office for the Protection of the Constitution that far-left circles show an increasing potential violence for violence⁶⁵. The radical left is more active in the west of Germany because its ideology meets with better understanding in the wealthier federal states. For this reason, the largest number of acts of violence motivated by far-left ideology are committed in the old federal states. Berlin, being the capital city and the place where the key state offices are located, is an exception in this context. The wealthiest new federal state, Saxony, is ranked as low as sixth (see Chart 6).

⁶³ One proof of this is the disproportion in the number of publications and public actions against radical ideologies. The Agencies for Civil Education have held numerous lectures and seminars aimed at increasing public awareness of the threats posed by far-right movements, at the same time paying very little attention to issues linked to the radical left.

⁶⁴ The minister for family affairs, Kristina Schröder (CDU), who was nominated in 2009, was the first senior official to include the issue of combating leftist extremism in her programme. However, her plans are quite vague.

⁶⁵ An increase by over 50 per cent in 2008–2009.

Chart 6. Far-left motivated crime in individual federal states



Source: 2009 Report by the Federal Office for the Protection of the Constitution

The most important of the organised radical left groupings in Germany is the Left Party. This party was created in 2007 as a result of the merger of the PDS and the WASG⁶⁶. The PDS had enjoyed a dominant position on the left side of the political scene in the east of the country even before that, and this position did not change after its merger with the WASG. The establishment of the Left Party, which represents a wide range of views, has made it necessary for most groupings operating in the old federal states (including the Trotskyist faction⁶⁷

⁶⁶ The Left Party is a very non-homogeneous body, which is divided into numerous factions, including the Anti-Capitalist Left, the Communist Platform, the Socialist Left, the Reformative Faction, the Emancipation Left and the Democratic Socialism Forum.

⁶⁷ The Federal Office for the Protection of the Constitution in 2009 registered 20 international Trotskyist groups, which had in total 1,600 members.

and the German Communist Party DKP⁶⁸) to co-operate with it and officially support it. Furthermore, the emergence of a serious political competition has caused a loss of support for the other groupings, disputes about the directions in which their programmes should develop and even financial problems resulting from the decrease in the number of their members⁶⁹. The only grouping to have kept a cool-headed approach towards the Left Party is the Marxist-Leninist Party of Germany⁷⁰, a marginal grouping operating mainly at the local commune level in western Germany (until 2009 it had its representatives on the councils of several communes in North Rhine-Westphalia and Baden-Württemberg). However, it has also lost members since the establishment of the Left Party: by 13% in 2009 as compared to 2008.

Left-wing extremism is significantly less organised than right-wing extremism. It is represented mainly by what are named 'autonomous circles'. Far-left groupings operate in a similar way in both parts of Germany. They are concentrated in big cities and are prone to using violence. They have around 6,600 members across Germany, according to the Federal Office for the Protection of the Constitution. The office sees the greatest threat in their inclination to commit serious crimes, including arson, which may have accidental victims, whose health and lives may be put at risk. The far-left circles, in the west and in the east of Germany alike, share the following four major ideological principles: anti-capitalism and the fight against right-wing extremism, opposing globalisation, anti-militarism and opposing state control of citizens⁷¹. These circles are popular predominantly among young people in the old federal states for similar reasons as the far-right groupings are among young people in eastern Germany: thus they express their protest and dissatisfaction with their personal situation and also with the way the political system is functioning. Unlike radical right movements, leftist circles have a serious intellectual base since far-left activists are better educated and have higher aspirations.

⁶⁸ The party was established in 1968 in Essen and had 4,000 members in 2009. In the 2009 election to the Bundestag it put up candidates only in Berlin, winning 0.1% of the vote.

⁶⁹ 2009 Report of the Federal Office for the Protection of the Constitution.

⁷⁰ The party was established in 1982 in Gelsenkirchen and had 2000 members in 2009. It won 0.1% of the votes in the election to the Bundestag in 2009.

⁷¹ According to the 2009 Report of the Federal Office for the Protection of the Constitution.

The most noticeable areas of activity in which both official and secret far-left organisations are engaged⁷² are anti-globalism and anti-Nazism. The most frequent manifestation of radical left activity in the east of Germany is the fight against right-wing extremism. The strong concentration of informal neo-Nazi groups and their demonstrations often provoke fierce clashes between the two sides (see Table 5). The disproportion in the number of mutual acts of violence between the radical right and left circles has become more evident over the past year. The number of crimes based on such motives has fallen in neo-Nazi circles and has significantly increased among the representatives of the radical left. This trend fits in with the increasing radicalisation of the political left linked partly to the economic crisis and the resulting hostility towards financial institutions and their representatives, as the Federal Office for the Protection of the Constitution has noted.

Table 5. Acts of violence committed by representatives of the radical right against representatives of the radical left and vice versa

	Radical right activity		Radical left activity	
	2008	2009	2008	2009
Attempted murders	0	2	3	0
Bodily injuries	322	251	220	304
Arson	5	5	20	19
Detonation of an explosive	0	0	0	2
Disturbing law and order	24	29	54	59
Disorganising railway, air, maritime or street traffic	1	0	6	4
Deprivation of liberty	1	1	0	1
Robbery	4	4	12	22
Blackmail	1	2	2	2
Resistance while being arrested by the Police	0	6	25	55
Total	358	300	342	468

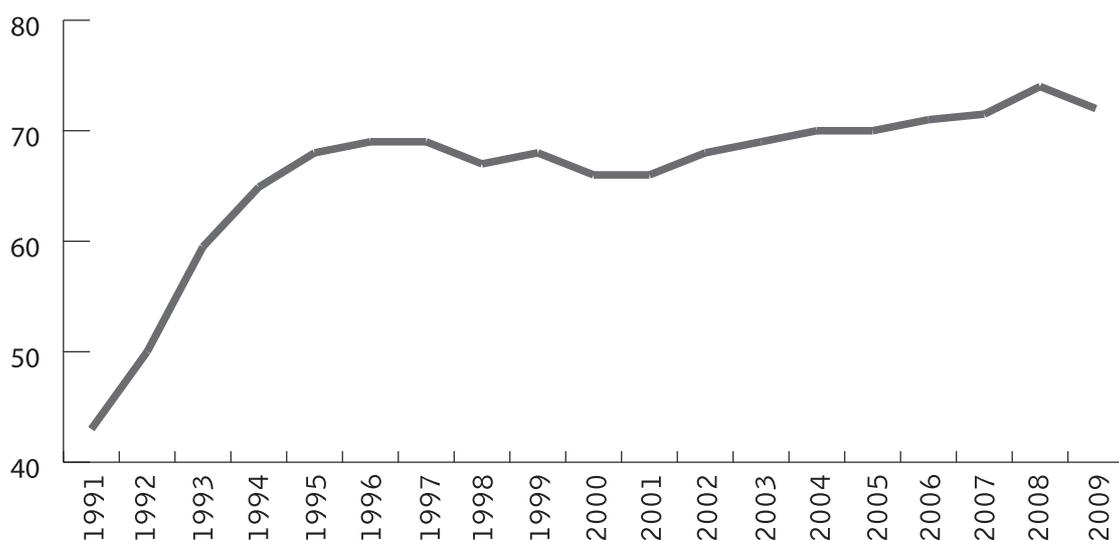
Source: Our own analysis based on the 2009 Report of the Federal Office for the Protection of the Constitution

⁷² This distinction is made in the report of the Federal Office for the Protection of the Constitution, according to which, secret activity is much more dangerous.

3. Economy

Despite the funds the new federal states have received and are still receiving for economic reconstruction, the condition of the economy and the costs of living in eastern Germany are still significantly different from western German standards. One of the assumptions made during the work on the reunification treaty was that the transfer of funds to eastern Germany would result in a large number of new jobs, a modernisation of the infrastructure and, finally, the achievement of similar living standards in both parts of Germany within two decades. At the time of the reunification, East German GDP *per capita* was equivalent to 44% of the West German GDP *per capita*. This difference is much smaller now. In 2010, GDP in the new federal states was equal to 70% of GDP in the old federal states (see Chart 7). In the first years of the transformation the economy in the new federal states was growing at an equal and even higher rate than the old federal states. Between 1990 and 1996, GDP in the new federal states was growing much faster than in the old ones. This was mainly an effect of the rapid development of the construction industry owing to the subsidies for the modernisations of the infrastructure in the new federal states and tax relief on investments in real estate. This caused excessive supply on the real estate market and a breakdown of this sector after tax relief was liquidated. This in turn, in addition to other factors, resulted in a long-lasting slowdown in economic growth in the new federal states.

Chart 7. GDP *per capita* in the new federal states in 1991–2009 as compared to GDP *per capita* in the old federal states (in %)



Source: German government's report on the unity of Germany of 2010

The scenario, according to which the eastern German economy, which had to start practically from scratch in the new reality, would reach western German levels within a time span as short as twenty years, has turned out to be unrealistic. The most optimistic forecast at present states that the new federal states will reach at the most 80% of the western German industrial production level when the transfer of funds as part of the second solidarity package ceases in 2019. The levels are not expected to become totally equal earlier than 50 years from now.

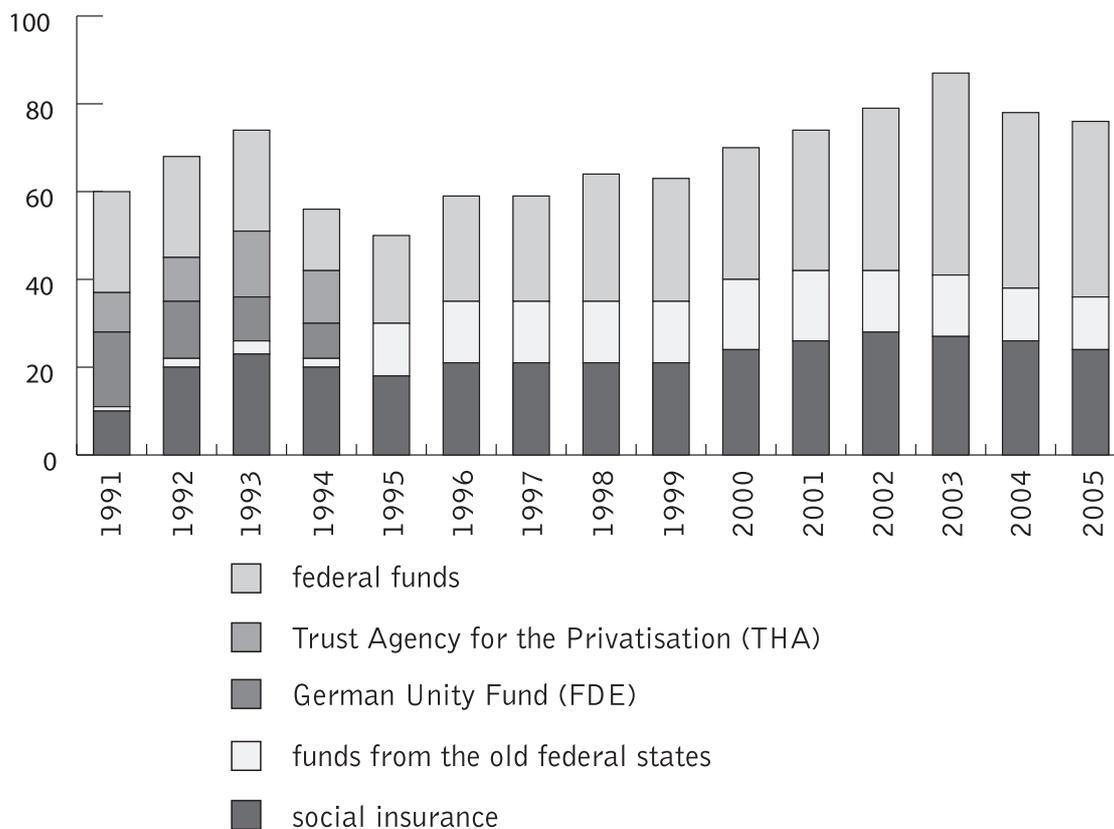
3.1. Subsidisation of the new federal states

In the initial transformation period, funds for the modernisation of the eastern German economy and infrastructure were coming from five different sources (see Chart 8). In addition to money from the federal budget, for example in the form of solidarity packages, and the funds allocated by the better-off old federal states for reducing economic differences between particular federal states, eastern Germany was also granted funds by the European Union starting from 1991. Most of the funds were and still are allocated from the federal budget as part of the ‘reconstruction of eastern Germany’ (Aufbau Ost⁷³).

The first funding source in 1990–1994 was the German Unity Fund (Fonds Deutsche Einheit), which was established with the intention of fulfilling West Germany’s obligations under an agreement with East Germany as of 18 May 1990 and of settling the payment of funds allocated for the support of East Germany. A total of 82.2 billion euros was paid throughout the period of the fund’s operation, almost 49 billion of which came from loans and almost 34 billion – from subsidies funded by the central budget and the budgets of individual federal states.

⁷³ Financial investments aimed at the reconstruction and development of eastern German economy and institutions.

Chart 8. Net funds paid to the new federal states, excluding support from the EU (in billion euros)



Source: Halle Institute for Economic Research (IWH) 2009

The fund was replaced with solidarity packages. The underlying task of these was to contribute to an equal level of infrastructure in both parts of Germany. The first solidarity package, which applied in 1995–2004, was worth around 105 billion euros. Numerous cases in which funds from this package were spent contrary to their intended use (for example, on old-age and disability pensions due from special East German funds and not on infrastructure) provoked sharp criticism of the new federal states from the west of Germany. The old German federal states, in spite of problems with their own budgets, had to co-finance the modernisation of the new federal states. In a debate preceding the creation of the second solidarity package it was even suggested that a mechanism of sanctions be developed which would be imposed on those federal states which spent money for purposes other than those it was allocated for. According to calculations made by the institution in charge of allocating federal funds for

special purposes⁷⁴, in 2003 alone, 71.3% of subsidies were spent contrary to their intended use in Mecklenburg-Vorpommern, 66.6% in Saxony-Anhalt, 54.8% in Brandenburg and 32.5% in Thuringia. Berlin used the whole sum of the subsidy for purposes other than intended. Saxony was the only federal state to have followed the guidelines⁷⁵. Despite that, in 2001 the Bundestag voted in favour of the continuation of the programme and adopted the second solidarity package, which took effect in 2005 and will apply until 2019. The federal budget will allocate 156.5 billion euros as part of this package for the development of eastern Germany. According to estimates made by the Halle Institute for Economic Research, the eastern German economy received a total of approximately 1.3 trillion euros in subsidies between 1990 and 2009. Most of the subsidies were spent on purposes linked to social policy. Investments which supported the modernisation of the economy accounted for around 10% of all subsidies⁷⁶.

According to data published by the German government in the first report on German unity of 1997, the new federal states received 13.64 billion euros in 1994–1999 as part of European structural funds. Approximately 23 billion euros was granted in 1996–2008 to the new federal states for the modernisation of agriculture (which accounted for 34% of all funds granted to Germany in that period). Over 18 billion euros was received as part of structural funds within the same period. By the end of 2013, the new federal states will have received a total of 16.5 billion euros from the European Union's structural funds, including 1.5 billion for the development of infrastructure and around 1.3 billion for labour market revival and education.

Many decisions implemented since the reunification of Germany with the aim of revitalising the economy of the new federal states, such as those regarding swift currency reform, modernisation of industry and privatisation, turned out to be less successful than expected. Not only did they fail to assimilate the living

⁷⁴ Sonderbedarfs – Bundesergänzungszuweisung (SoBEZ) grants funds to those federal states whose financial level, despite the equalising subsidies transferred between individual federal states, is below 99.5% of the average financial level of all the federal states. The allowance covers 77.5% of the difference.

⁷⁵ Klaus Schroeder, *Die veränderte Republik*, Bayerische Landeszentrale für Politische Bildungsarbeit, Munich 2006.

⁷⁶ 2008 Report of the Halle Institute for Economic Research.

standards in the old and the new federal states but they also entailed much higher than planned social costs. This especially concerned the rapid increase in the unemployment rate, including long-term unemployment. Furthermore, the privatisation of eastern German businesses by the Trust Agency for Privatisation, a body established in 1990 by the East German Council of Ministers, also raised numerous controversies. This institution was established for the purpose of privatising East German companies. The economic breakdown in the former eastern bloc resulting in a cessation of orders from Eastern Europe (which had been the key trade partner for those companies) combined with the replacement of the East German mark with the Deutsche Mark at the 1:1 rate put the companies, which had been doing very well before, into serious trouble. The privatisation and transformation of most businesses, especially factories, was also necessary because their equipment was outdated and the technological processes as a rule failed to meet western German standards. The activity of the Trust Agency covered over eight thousand firms employing in total around four million people. The agency was also privatising agricultural land (around 2.5 million ha), assets of the East German Ministry of State Security, part of the real estate previously owned by the army, and political parties' assets. The privatisation of the machine-building, energy, food and construction industries especially adversely affected the lives of the new federal states' residents. The Trust Agency usually split large businesses into smaller entities and sold those to investors. The criterion by which the investor was selected was often not the purchase price offered but rather the tempo of the deal⁷⁷. The agency's staff was on the whole made up of western Germans. Since the commission fee they received depended also on the tempo of the sale of the businesses, most of them focused on selling the East German firms as soon as possible. This offered a good opportunity for western German legal entities to take over firms in eastern Germany at relatively low prices. In many cases those firms were wound up shortly after the takeover. Fraud also happened, the scenario usually being the following: a western German investor took over a firm and received a subsidy for revival of compa-

⁷⁷ For example: Klaus Schroeder, *Die veränderte Republik*, Bayerische Landeszentrale für Politische Bildungsarbeit, Munich 2006; Franziska Augstein, 'DDR: Treuhandanstalt. Ausverkauf der Republik', *Süddeutsche Zeitung* 11 November 2009. This thesis has also been supported by experts from Halle Institute for Economic Research and Dresden Institute for Economic Research.

nies in the east of Germany, and shortly thereafter caused its bankruptcy⁷⁸. Even today, most of the firms operating in the new federal states are owned by either western German or foreign investors. What has changed is the management staff: at present, individuals from the new federal states hold most of the managerial positions in those firms.

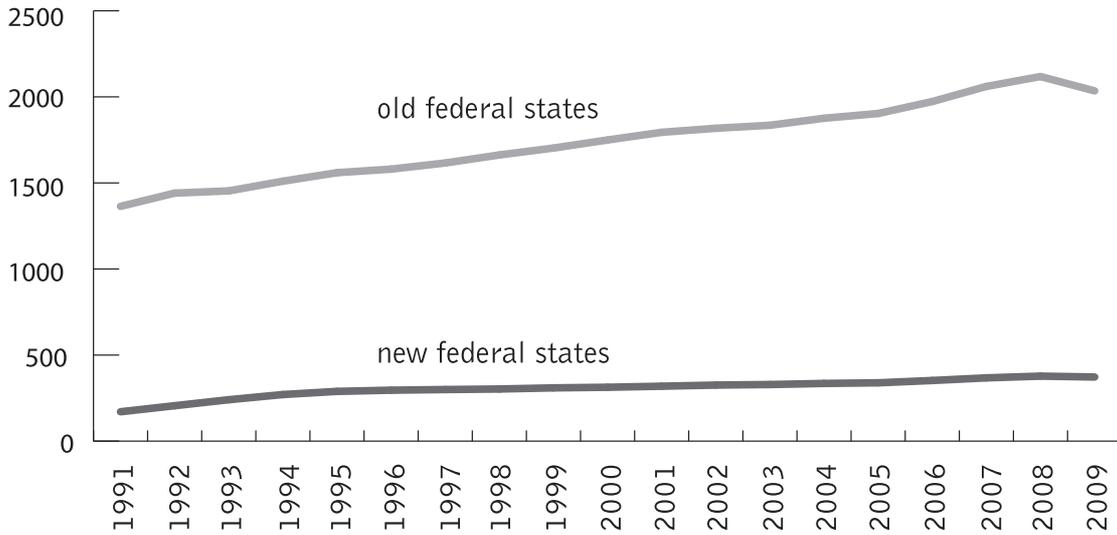
When the Trust Agency was liquidated in 1994, a debt of around 100 billion euros remained, partly resulting from supporting production at the plants and the wage obligations of the eastern German companies. The debt was taken over by the Redemption Fund for Inherited Liabilities (Erblastentilgungsfonds), which was established as part of the first federal solidarity package. The competences of the Trust Agency for the Privatisation were distributed among smaller institutions, such as the Federal Agency for Special Tasks Related to the Reunification (BvS), the Trust Agency's real estate company (TLG Immobilien GmbH) and the company for the usufruct and management of land (BVVG).

3.2. Living standards in the old and the new federal states

The economic indicators prove that the new federal states have made a leap forward since 1990 in terms of the GDP per capita value, wage size, labour efficiency, production efficiency and even the reduction of the unemployment rate. The new federal states' GDP in 2000 was equivalent to around 117% of East Germany's GDP in 1989. Between 2000 and 2009, GDP grew by 19% in the new federal states and by 16% in the old ones (see Chart 9).

⁷⁸ One of the best known examples of intentional activity to the detriment of eastern German enterprises was the takeover of the shipyards in Wismar and Stralsund and of the Diesel factory in Rostock in 1992 by Friedrich Hennemann, the then owner of Vulkan shipyard in Bremen, in order to provide funds for the shipyard in Bremen, which was facing bankruptcy. In 1995 first charges appeared that the corporation's management had used EU subsidies, worth approximately 430 million euros, allocated for the reconstruction of eastern German shipyards, for purposes other than those intended. As a consequence, litigations were started against the directors of Vulkan AG, and the Trust Agency sued the corporation for damages.

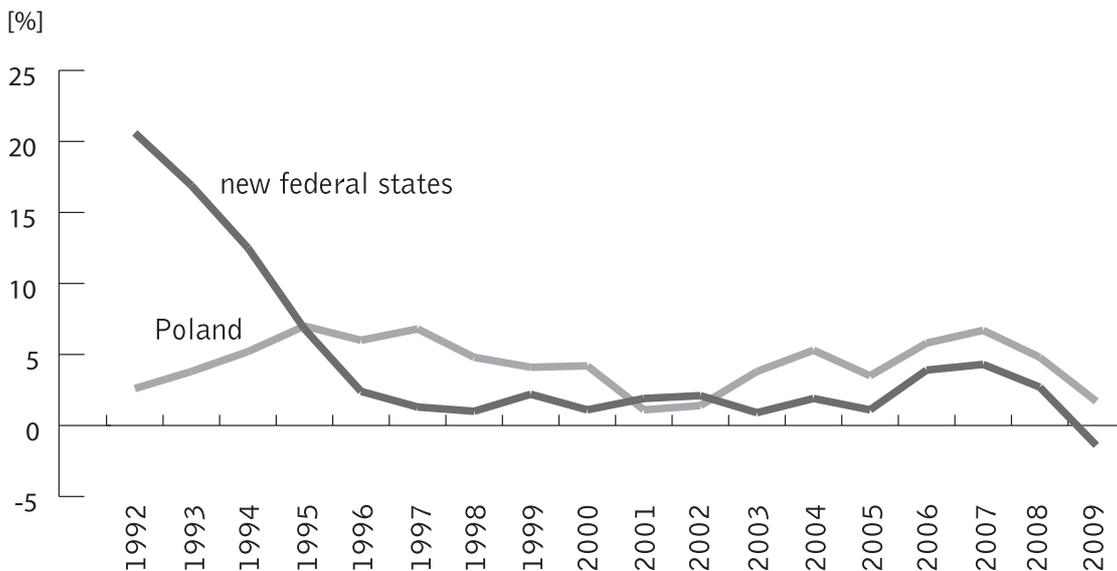
Chart 9. GDP in the old and new federal states in 1991–2009 (in billion euros)



Source: Our own analysis based on data from the statistical offices of individual federal states

Despite that, other countries from the former eastern bloc, for example Poland, were developing at a higher rate than the new federal states. With the exception of the first years following the transformation, Poland’s GDP was growing at a rate twice as high as that of the new federal states of Germany (see Chart 10).

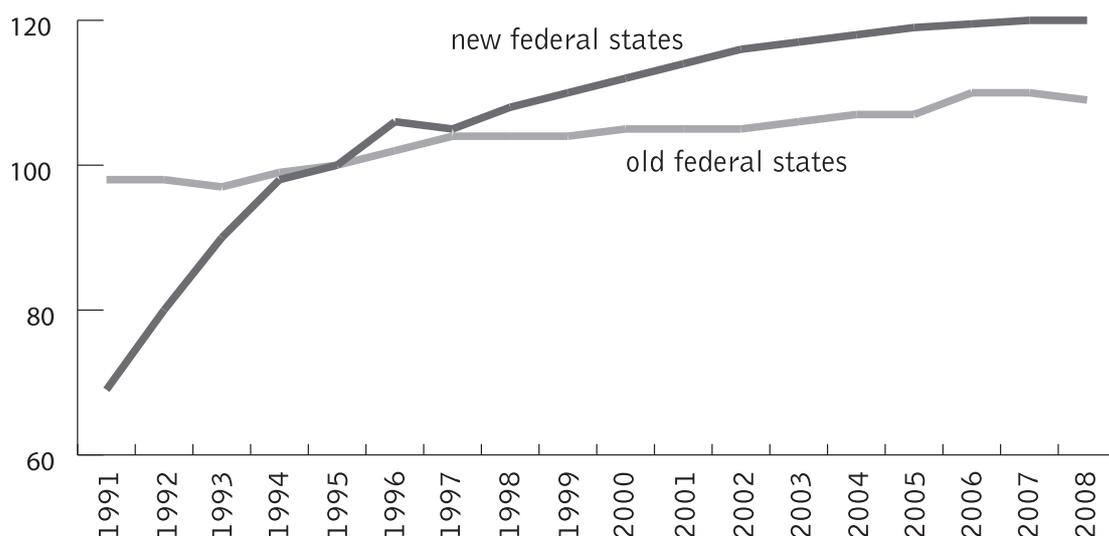
Chart 10. GDP growth rate in the new federal states and in Poland in 1992–2009 (in %)



Source: Our own analysis based on data from the statistical offices of individual federal states and Poland’s General Statistical Office

Export growth rate has been higher in the new federal states than in the old ones. This is so because production in the new federal states is oriented primarily to the domestic market. According to the federal government, production efficiency in the new federal states has reached 79% of the efficiency level in the western federal states⁷⁹. For comparison, this ratio was 25% in 1989 (see Chart 11).

Chart 11. Production efficiency in the old and the new federal states in 1991–2008



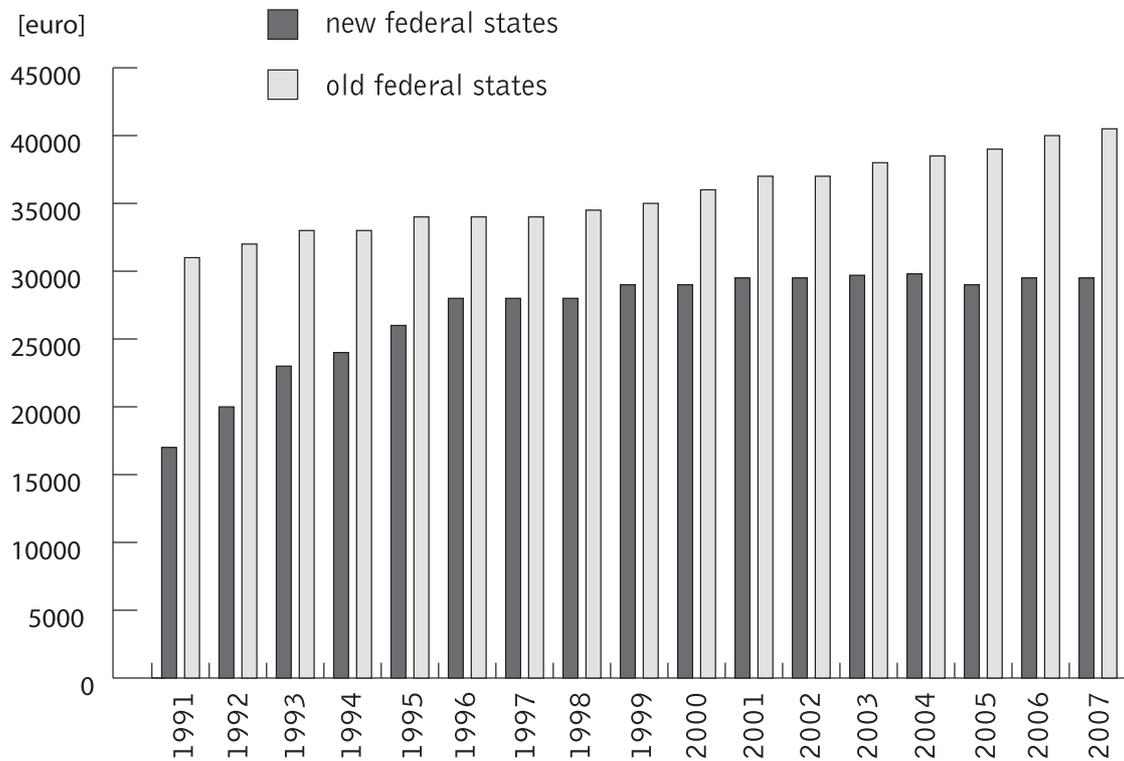
Source: 2010 Report of the Federal Ministry for the Economy and Technology

The difference between the two parts of Germany partly results from the subsidising of uncompetitive branches of industry in the east and the dissimilarities in the structure of the sectors which form the economies of the old and the new federal states. Eastern Germany has to change its economic profile in order to be able to reach the economic level of the old federal states. Although western German firms have their branches in the new federal states, these entities predominantly deal with processing production. Innovation and research centres developing new technologies are still located in the old federal state, which reduces the competitiveness of eastern German companies. All those factors result in lower incomes per capita in the new federal states. Chart 12 illustrates changes in the distribution of income per household in both parts of Germany and a gradual increase in the prosperity of residents of the new federal states,

⁷⁹ According to the federal government's annual report on German unity of 2009.

although the difference in comparison to the level in the western part of Germany is still very large.

Chart 12. Average annual income per household (in euros)



Source: Federal Statistical Office

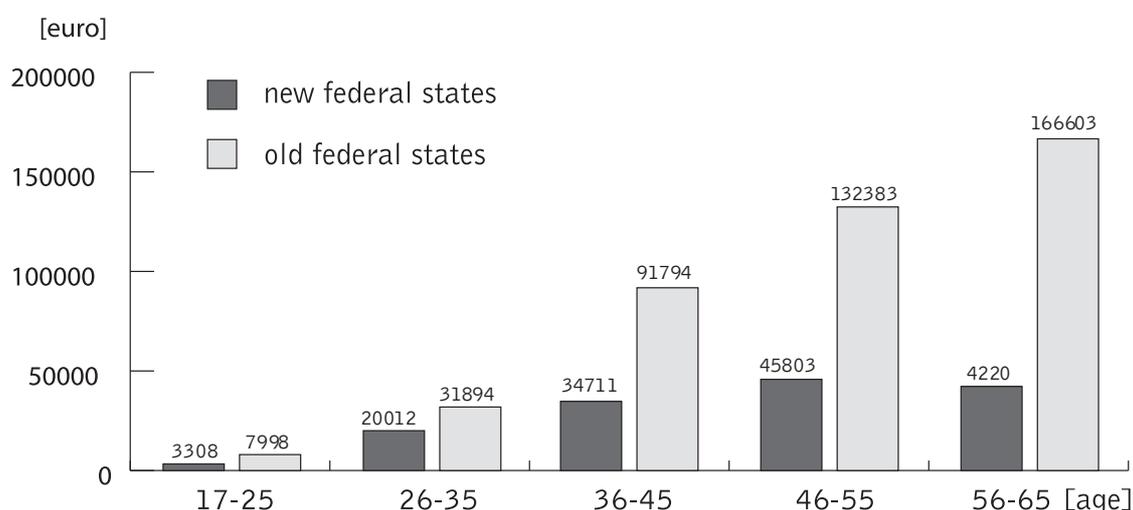
A comparison of the debt levels in individual federal states reveals that the budgets in the new federal states are less indebted than in the old federal states. In 2008, the federal state with the highest debt was Bremen, ranked before Berlin, Hamburg and Saarland. Excluding Berlin⁸⁰, which is a special federal state given its status of the country's capital city, the most indebted federal state in eastern Germany (and the fifth most indebted in Germany as a whole) is Saxony-Anhalt. In turn, Saxony, after Bavaria, is the state which can boast the second lowest debt level⁸¹. The very high debt levels in the old German states result to a great extent from the financial burdens they have to take to help modernise the east of Germany.

⁸⁰ West Berlin depended on subsidies from the federal budget and had no developed industry structure even before reunification.

⁸¹ According to estimates of the Initiative Neue Soziale Marktwirtschaft.

However, economic development and the debt levels lower than in the west of Germany have failed to bring the level of wages and prosperity in the new federal states closer to the western German standards or to durably reduce the unemployment level in the east of Germany. The number of people who have no regular jobs and receive unemployment benefit has remained at the same level for years in the new federal states. The unemployment rate there is almost double the rate in western Germany⁸². Vast differences are also evident in the distribution of wealth. In 2007, the average net savings of residents per person were worth over 100,000 euros in western Germany and around 31,000 euros in eastern Germany⁸³. This gap is especially large between the oldest residents (see Chart 13) of the new and the old federal states.

Chart 13. Savings in the old and the new federal states in 2007 (in euros; per resident)



Source: 2009 Report by the German Institute for Economic Research (DIW)

The average value of old-age pensions in the new federal states is higher than in the old federal states. In the case of men this is on average 1,043 euros in the east and 967 euros in the west, and in the case of women 669 euros and 468 euros, respectively⁸⁴. Those differences result partly from the longer em-

⁸² According to data from the Federal Labour Office, the unemployment rate in May 2010 reached 12.1% in the eastern federal states and 6.6% in the western federal states.

⁸³ Joachim R. Frick, Markus M. Grabka, *Gestiegene Vermögensungleichheit in Deutschland*, German Institute for Economic Research, Berlin 2009.

⁸⁴ Data for 2008.

ployment periods in the former East Germany and are especially large in the case of women.

3.3. Household debt and the cost of living in the east and the west of Germany

To western Germans, life in the new federal states may seem easier because many goods and services are cheaper there. In fact, the difference is not as big as is commonly believed: prices in the east of Germany are approximately 5.6% lower than in the west. Many services and goods have similar prices⁸⁵. Real estate, rent, driving courses, taxi tariffs, craftsman services and medical insurance premiums cost less in the east of Germany. In turn, electricity and gas prices are higher in the new federal states. However, according to calculations made by the consumer portal Toptarif, differences in electricity prices have been undergoing a gradual reduction (from 6.5% in 2008 to 4.9% in 2010 on average) through unequal electricity price raises in the two parts of Germany. Price differences are partly compensated by wage differences; the wages in the new federal states are lower than in the old ones. In 2008, the average annual income per household in the east of Germany was 16% (i.e. 3,500 euros on average) lower than in the west⁸⁶. When income purchasing power (lower in the east of Germany) is considered, it turns out that 19.5% of eastern Germans and 12.9% of western Germans are at risk of poverty⁸⁷. However, there are also clear differences between the wealthier south and the poorer north in both parts of Germany in this context, as well.

Although the average household in eastern Germany is less prosperous, the level of its indebtedness is stable and reaches approximately half the level seen in western Germany. According to data for 2007, average household debt reach-

⁸⁵ For example, the price of a railway ticket, a new car or telecommunication services; cf. Rupert Kawka, 'Regionale Preisunterschiede in den alten und neuen Ländern,' in a newsletter ifo Dresden Bericht 2/2010 published by the Dresden branch of the Munich Institute for Economic Research.

⁸⁶ Cf. Newsletter of the German Institute for Economic Research, no. 51-52/2009, Berlin.

⁸⁷ Data according to the 2009 Atlas of Poverty illustrating the geographical distribution of areas most affected by poverty in Germany, published by the association of social movements Paritätische.

ed 9,477 euros in eastern Germany and 20,815 euros in western Germany⁸⁸. One of the reasons for this uneven distribution of debt are the higher costs of living in the old federal states, including significantly higher prices of real estate, the main purpose for which loans are taken. Thus, the most expensive real estate is located in the best-developed south-western federal states. According to the estimates presented by *Stern* weekly magazine, the average price per square metre of an apartment in Munich in 2007–2008 was 3,190 euros. The price per square metre in Güstrow district (Mecklenburg-Vorpommern) was 470 euros.

3.4. Education level and migration as a determinant of the development of the eastern and the western federal states

The wages of the residents of the eastern federal states do not depend sufficiently on the level of their education. According to a microcensus conducted in 2005 by the Federal Statistical Office, more eastern than western Germans aged 30-60 hold certificates of graduation from *Realschule*, which allows for the continuation of education at *Gymnasium* and taking the secondary school graduation examination and starting university studies.

However, most residents of the old federal states hold a certificate of graduation from a *Hauptschule* (lower secondary school) after which education can be at a vocational level. Despite a noticeable increase in the number of secondary school graduates in the new federal states in 1998–2007 (by 10 per cent, their number is still much lower than in the west (on average 124,000 more western than eastern Germans graduate annually from a secondary school and receive a secondary school graduation certificate)⁸⁹. The number of people with high or vocational high education is similar in the east and the west of Germany. In turn, more people discontinue school education in the eastern than in the western part of Germany: respectively 9.6% and 7.4%.

⁸⁸ According to the survey 'Socio-Economic Panel' (SOEP), which is cyclically conducted by the German Institute for Economic Research (DIW), the difference in household debt levels between the new and the old federal states have remained stable, although the average debt rate in surveyed households has increased in both parts of Germany.

⁸⁹ According to the Federal Statistical Office.

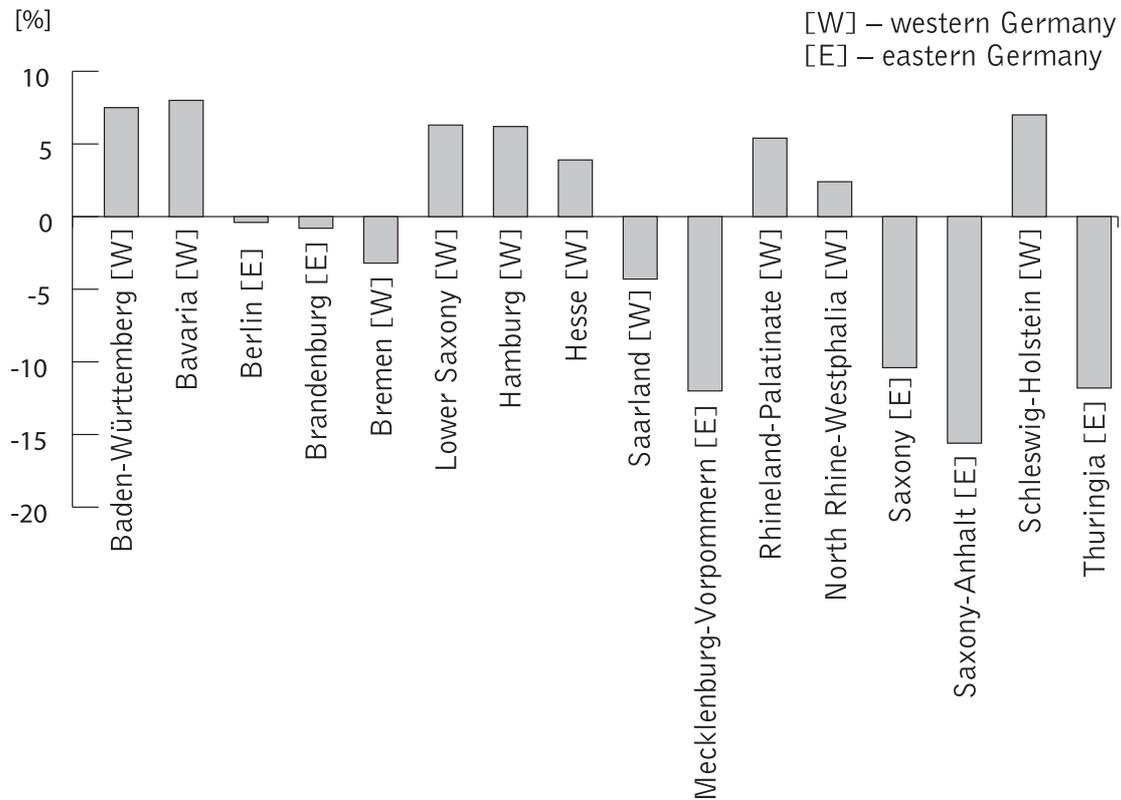
A higher level of education in the new federal states does not guarantee wages equal to those in the old federal states (although incomes in line with qualifications). For this reason, a significant number of well-educated people emigrate to the old federal states. This especially concerns well-educated young Germans; over 60% of Germany's internal emigrants are under 30. Women are predominant in this group, which in the longer term will entail a lower birth rate and significantly faster ageing of society in the east than in the west of Germany. It is estimated that around two million people have moved to the western federal states since reunification. The number of new residents in the eastern federal states does not compensate the number of those who have moved out (see Chart 14). This problem is particularly acute in Saxony-Anhalt, whose population fell by 15.6% in 1991–2008, but is also present in all the eastern federal states. The least number of people emigrate from Brandenburg and Berlin. Emigration in the eastern part of Germany varies in terms of scale and directions, depending on whether those are urban or rural locations and on the level of economic development in a given place. The population decrease in well-developing cities, which are centres of industry, culture and also academic life, is much smaller than in rural areas, which offer little opportunity for career development⁹⁰. Those positive examples obviously do not refer to all big cities in the new federal states. However, this trend, which is beneficial for the development of the new federal states, has been growing noticeably recently⁹¹.

This difference in the development of urban and rural areas in both parts of Germany, also in terms of population numbers, is likely to become entrenched in the next few years. As the offer of universities in the new federal states becomes more attractive, immigration from the old federal states may become more popular. As a consequence, this will cause a more rapid development of some centres in the most prosperous regions of eastern Germany and an increase in the disproportion of living standards between them and the less developed regions in the east of Germany.

⁹⁰ Report ordered by the Tagesschau news service of German TV channel one, ARD, on 3 October 2009.

⁹¹ For example, Magdeburg, the capital city of Saxony-Anhalt, in 2009 had a positive migration balance for the first time since reunification. This trend is expected to continue in the coming years.

Chart 14. Population changes in the new federal states over 1991–2008



Source: Data from the statistical offices of individual federal states

3.5. Pre-school and school education

The new federal states, given their history and economic backwardness when compared to the old federal states, are seen as a region which has nothing attractive to offer and which only copy western German models and solutions. Meanwhile, there are some areas which are functioning better in the east than in the west of Germany. These include nursery and kindergarten care and elementary, secondary and higher education.

The eastern federal states have a much broader offer covering institutionalised childcare⁹²; this being a remnant of the East German welfare system. The sig-

⁹² In the rankings of childcare offer in individual federal states, the best western state, Hamburg, is as low as seventh position.

nificance of care and education of young children is emphasised by politicians at the federal level in the context of the integration of immigrants (including linguistic integration). Furthermore, ministers dealing with family issues in subsequent federal governments have put eastern German nurseries and kindergartens forward as examples of perfectly functioning institutions which contribute to the professional activation of women. In the old federal states, around 4% of children attend nurseries and 75% kindergartens, while in the new federal states these ratios are 14% and 85%, respectively⁹³. The time children spend at nurseries and kindergartens during the day also differs. Parents in western Germany prefer places which accept children for half the day (80% of the children spend only the mornings at nurseries and kindergartens), while parents in the east of Germany prefer places where they can leave their child for the whole day.

Most eastern German federal states have not adopted the school education system applicable in the west of Germany. The secondary education is still divided into *Gymnasium* (for children to age 10, from the fourth grade of elementary school, *Grundschule*) and (depending on the specific federal state) *Mittelschule* or *Regelschule* (to which children go until aged 15-16, after they have completed the elementary education level extended to five years). Some experts believe that this model does not divide children into the better and the worse ones at an early stage of education as happens in the western federal states and offers greater opportunity for pupils who have worse results to catch up with their peers (pupils in the west of Germany usually choose the kind of upper elementary school after the fourth grade). This is one of the reasons why schools from the eastern federal states regularly achieve better results in the Programme for International Student Assessment (PISA)⁹⁴. Successes such as these for pupils from the new federal states make the ministers in charge of school education more inclined to consider a possible reform of school education in the west of Germany⁹⁵.

⁹³ Survey conducted by the German Institute for Economic Research (DIW) in 2002.

⁹⁴ Saxony was ranked first among all federal states in 2008.

⁹⁵ For example, the minister for culture of Baden-Württemberg, Helmut Rau (CDU), who ordered a comparative study of achievements of students from Saxony's *Mittelschulen* and students at comparable ages in Baden-Württemberg.

Additionally, eastern German universities and other higher education facilities are becoming increasingly attractive, including to students from the old federal states. The lack of tuition fees, which is the main reason why students from western Germany decide to study in the east, is not the only advantage⁹⁶. Higher education facilities in eastern Germany also offer better equipment, the possibility of individual contact with the tutors (which is difficult at the overcrowded western German universities) and interdisciplinary studying opportunities as is not the case in universities in the west of Germany. These benefits were appreciated by 7,800 students from the western federal states in the academic year 2006/2007. Admittedly, this is significantly less than the number of eastern German students who move to the west of Germany to study (13,700); a continuing upward trend is noticeable in both of those groups⁹⁷. It turns out that secondary school graduates from the new federal states who choose to study in the west of Germany are guided by such criteria as the reputation of the university, the attractiveness of its location and the faculty offer. In turn, students from the old federal states who choose to study in eastern Germany base their choice on the lack of tuition (students have to pay for studies at most universities in western Germany), university equipment and living costs.

3.6. The infrastructure

Modernisation of the infrastructure is definitely a benefit the new federal states have reaped from reunification. According to calculations by the Halle Institute for Economic Research, 67% of the total amount of funds allocated for the support of economic transformation in the eastern federal states in 1991–2009 was spent precisely on the modernisation of infrastructure, especially roads, but also telecommunication infrastructure and the renovation of buildings. During reunification, according to the estimates presented in the government report,

⁹⁶ Pursuant to the federation reform applicable since 2006, the competences regarding higher education are shared between the federation (to the extent covering admitting candidates to study and conferring academic degrees) and in a greater part the federal state in which a given higher education facility is located. It is up to the parliament of a given federal state to decide whether or not to introduce tuition fees for studies.

⁹⁷ Cf. Christoph Heine, Studienanfänger in den alten und neuen Ländern. Gründe der Hochschulwahl und Bewertungen der Hochschulregionen West- und Ostdeutschlands ordered by Hochschul – Informationssystem GmbH 2008.

only 43% of roads in eastern Germany were suitable for unlimited use, and around 17% of the railway network there was damaged. Approximately 2,000 km of main roads and a network of railroads have been reconstructed or built in the new federal states so far, for which almost 30 billion euros has been allocated. In 1991–2009, subsidies for the development and modernisation of railways in Germany as a whole reached 69 billion euros, including 29 billion euros for the new federal states. In turn, the construction and repairs of main roads in Germany as a whole cost around 88.3 billion euros, including 32 billion euros in the eastern federal states. Since the area of the new federal states is much smaller, the effects of the investments in infrastructural modernisation can be seen much faster than in the case of western Germany. Overhauled railway stations, refurbished towns and cities and a perfectly maintained and organised network of roads are highly prominent in the landscape of the new federal states. Meanwhile, the infrastructure in the old federal states is still mostly outdated and needs to be modernised. This situation, combined with the deteriorating condition in many western German communes as an effect of the global financial crisis, increasingly often meets with objection from politicians and residents in the western federal states. They claim that the financing of renovation and the development of infrastructure should be stopped in eastern Germany, and the funds saved as a result should be spent on the modernisation of the western part of the country⁹⁸. Such claims have been rejected by politicians from the new federal states, who state that they are a manifestation of the lack of solidarity between residents of both parts of Germany. Given the lack of support from many politicians and the unusually tough condition of German public finances, it is likely that subsidisation as part of the solidarity packages will not be continued although, in the opinion of some experts, the new federal states will not be fully self-sufficient when the second solidarity package will have expired in 2019.

⁹⁸ A statement the transport minister, Peter Ramsauer, (CSU) made in 2009, suggesting that it was necessary to provide financial backing for the development of the A1 motorway and a ring road around Cologne instead of subsidising the eastern federal states sparked heated debates in Germany. Many opponents claimed the minister wanted to unleash an 'envy dispute' and appeal to the lowest human instincts. However, Ramsauer's opinion also received noticeable support from some politicians representing the western federal states.

3.7. The benefits reunification has given to each part of Germany

The predominant view in public discourse is that the eastern federal states are the only beneficiary of the subsidies financed by the federal budget and the budgets of individual federal states, among other sources. The media present the western federal states as unselfish contributors which support the development of eastern Germany at the expense of their own modernisation. Beyond all doubt, the subsidies and the funds transferred since reunification from the federal and the local budgets have contributed to the development of the innovative sectors of the economy⁹⁹, which eastern Germany is a leader of: solar and wind technology. It is especially worth noting the solar technology centres are concentrated in Saxony, Thuringia and Saxony-Anhalt, which are also the largest employers in the region. The research companies and institutions linked to the solar energy industry employ approximately 10,000 people in the new federal states and manufacture over 75% of the total quantity of solar modules produced in Germany as a whole. Experts from the key German institutes for economic research agree that these sectors may become the driving force of the eastern German economy in the future. However, they note that the funds paid as part of the second solidarity package have greatly contributed to the success of the businesses linked to solar technologies. It is unclear whether those firms will be able to maintain their position once the programme has expired in 2019.

The subsidising of certain economic sectors in the east of Germany has also offered measurable advantages to western German companies. This in particular concerns the firms which benefited from the operation of the Federal Trust Agency for Privatisation. Additionally, many western German investors (and also foreign investors) received an investment subsidy (*Investitionszulage*) from the state budget which was equal to 6% of the investment value (this was made in the form of a tax deduction which all investors in the new federal states were authorised to receive under the applicable laws). In the initial phase of the transformation this covered for example the banking sector and the construction industry, while at present the subsidies apply only in heavy industry and

⁹⁹ These are companies established from the very start in the new federal states unlike companies in most other sectors, which are simply subcontractors of their western German mother companies.

the services sector. Experts emphasise that the subsidies (including those granted as part of the solidarity packages) have been a serious reason for investors to move their offices to or to establish new firms in the new federal states. However, most of them are simply branch offices of western German corporations specialising in the manufacturing of components, while innovation centres are still located in the old federal states. This is adversely affecting the opportunities of boosting economic growth in the new federal states.

Conclusion

During the first weeks after reunification most people in Germany shared the opinion that “now grows together what belongs together”¹⁰⁰. The then chancellor, Helmut Kohl, promised “blossoming landscapes” in the new federal states within 3 or 4 years following reunification. The reality has turned out to be much more complex. The process of the two Germanys growing into one has proven much more difficult and longer, and its costs – both financial and social – have exceeded even the most pessimistic forecasts. Germany has not managed to achieve total unity twenty years after the reunification treaty date. Deep divides still exist between the old and the new federal states. This primarily concerns mindsets: Germans from both parts of the country still do not see themselves as one nation, which is manifested through mutual stereotypes, differences in behaviour and also in such essential areas as the understanding and interpretation of the histories of the two German states until 1989 (for example, the dispute as to whether the GDR was a lawless state). All this strengthens the division of society, which can be seen for example within the political elite and in the media, which are opening up to representatives of the new federal states very slowly. The remaining differences in self-perception and the perception of their own lives are also reflected in their dissimilar behaviours during elections and in political preferences. Voter turnout is as a rule lower in the new federal states than in the west of Germany. The FDP and the Green Party are less popular, whereas radical right groupings and the Left Party have more supporters in the east of Germany. It has also proved impossible to eliminate the differences in the economic development levels of western and eastern federal states over the last twenty years. Nevertheless, industrial centres have already been established in the southern new federal states (Thuringia, Saxony and Saxony-Anhalt) as in the southern states in the west of the country, which are the strongest in this regard. However, funds transferred from the federal budget and the budgets of individual federal states, as well as EU subsidies, have caused a noticeable improvement in the condition of the economy and infra-

¹⁰⁰ “Jetzt muss zusammenwachsen, was zusammengehört“ – the words Willy Brandt said on 10 November 1989 in front of the Brandenburg Gate in Berlin.

structure in the new federal states. In some cases, there are even disproportions to the disadvantage of the old federal states, where the roads, railroads, railway stations, etc. need to be modernised. While summing up the changes which have taken place since the reunification of Germany, it is also impossible not to mention the fact that western German companies have also tangibly benefited from the subsidisation of the economy of the eastern federal states.

Two decades since the start of the reunification this process is seen much more realistically than in 1990. Nobody expects immediate results any more. The predominant view is that the transformation will take a long time and that it is impossible to predict when it will end. This is accompanied by the disillusionment of many Germans who expected spectacular effects. Paradoxically, such a change in approach may have a positive impact on the reunification of the two societies. From the present point of view, having considered the economic and political changes which have taken place, it is the social divides which seem to be the greatest challenge in the context of a total reunification of Germany. The knitting together of the two societies until they grow into one body will require a great effort and great sensitivity especially from western Germans, since they are the ones who 'accept' the new members. Many eastern Germans are embittered due to the lack of appreciation of the achievements they made in many various areas before the fall of the Berlin wall. Becoming open to fellow citizens from the eastern federal states means admitting them to full participation in the social and political life of the country. Therefore, this requires increasing the presence of eastern Germans as representatives of residents of the new federal states in the media with national coverage, the leadership of political parties, trade unions and interest groups.

The assumption that two different countries would become one body within two decades was wrong as such. It disregarded the fact that the sixteen federal states, with different development levels inherent in their history, were to be unified. The agricultural north and the more industrialised south had for a long time differed in terms of economic development, religious beliefs and even language. As new generations are born and migrations inside the country continues, the differences in the mindsets in eastern and western Germany, understood as two separate blocs, will gradually vanish. What will remain are the regional differences, which are unquestioned by anyone and are perceived as ob-

vious and natural in the east and the west federal states alike. The young generation of Germans does not remember a Germany which is not united. Perhaps when they start their adult lives, the perception of the unification of the two German states will evolve and allow one to look at the changes taking place as part of this process as something positive.

Marta Zawilska-Florczuk

Artur Ciechanowicz

CENTRE FOR EASTERN STUDIES

The Centre for Eastern Studies (OSW) is an expert institution that monitors and analyses the political, economic and social situation in Russia, the Caucasus, Central Asia, Central and Eastern Europe, Germany and the Balkans.

OSW was founded in 1990 and is fully financed from the state budget. In 2006 the Centre was named in honour of its founder Marek Karp.

Our studies are addressed mainly to state institutions including the Chancellery of the President of the Republic of Poland, the Chancellery of the Prime Minister, ministries and government agencies, as well as the Sejm and Senate of the Republic of Poland.

We are particularly active in discussions concerning the European Union's Eastern Policy, challenges to energy security, as well as the political, social and economic transformation processes in countries neighbouring Poland.

Many of our publications are available online at: osw.waw.pl

PUBLICATION SERIES

■ **Policy Briefs** – short analytical studies presenting the opinions of our experts on current policy issues, published in Polish and in English.

■ **OSW Studies** – large analytical studies devoted to major political, social and economic processes taking place in OSW's area of interest; published in Polish and in English.

■ **OSW Report** – presentations of the results of research projects carried out by OSW.

OSW NEWSLETTERS

■ **EASTWEEK** – a weekly analytical newsletter on Russia, Ukraine, Belarus, the Caucasus and Central Asia (published in Polish as **Tydzień na Wschodzie**).

■ **CEWEEKLY** (Central European Weekly) – a weekly analytical newsletter on the Baltic States, Central Europe, Germany and the Balkans (published in Polish as **BEST OSW**).

■ **OSW Commentary** – a series of more in-depth analyses concerning the most important events and developments in our area of interest (published in Polish as **Komentarze OSW**).

OSW newsletters are available free of charge, subject to subscription