The Impact Of Consumerism On Free-Market Consumer Society Of Today's Germany

From early civilization to modern-day society, the economy and currency exchange have ruled who is in power and how lives are led. Germany from the close of World War II to today has proven to be no different. There are clear trends through the documented history of 20th Century Germany on how capitalism and consumerism have influenced the way in which politics and economic systems are formed and guided. East Germany pushed Socialist and Communist propaganda to East Germans in their attempt to provide a convincing way to make communist Germany seem viable as an economic system. West Germany and the United States pushed their own Capitalist propaganda to try and sway the East into a consumer-based economic structure and relent from the current Communist leaders. During expositions in Germany, these economic systems were both flaunted as the way of the future with luxurious displays of the pinnacles of each respective system. After the fall of the Berlin Wall, West Germany in conjunction with the United States provided grants to East Germans upon them coming to the west and continued to do so for many years providing incentives for migration into the west. While these acts helped in securing consumerism as the long-standing norm in Germany, it is not without its side effects. Even today there are disparities between regions that were divided between the west and east, and poverty rates are significantly higher in eastern areas. I seek to show how the use of propaganda from both sides, the incentives after the fall of the wall, and the pitfalls of East German society led to the adoption of consumerism in a united Germany, and how this back and forth affected areas of East Germany today.

The Cold War was fought not just over nuclear supremacy, but also ideological. The Soviet Union pushed many waves of propaganda not only to its own citizens but also attempted to reach the west in hopes of swaying more toward accepting communism as a way of life. They stressed the “trashy and vulgar” (Gershon) aspects of American pop culture. These more down to Earth viewpoints of the Soviet propaganda struck a chord with some Germans who thought the same, particularly in the eastern regions of Germany. The Soviet Union held a festival called the World Festival of Socialist Youth in which themes of socialism such as a production-based society and anti-religious sentiments were pushed. Touted along with these were the luxuries of living in a socialist state. During this festival, the US launched a campaign of consumerist propaganda aimed at fleecing the East of its youth. This campaign ran under the name of “The Marshall Plan” (Gershon). The United States “shipped a six-room prefabricated tract home, complete with furnishings, for display at an exhibition. “Attractive female American Studies majors from West Berlin’s newly-opened Free University … [answered] questions about ‘such household miracles as the… electric washing machine, illuminated electric range, vacuum cleaner, mix master, toastmaster, etc.’” (Gershon). Socialist states responded by arresting any students in East Germany with connections to the West and started a wave of anti-intellectualism. In the same campaign, East Germans were also introduced to color televisions, a wonder of the consumer world which hadn’t been exported to socialist states yet. This was seen as a striking moment to many youths and college-aged young adults as the Soviet propaganda focused around lofty ideological pursuits and a striving towards a more complete state while the West seemed to have it figured out and was reaping the benefits that capitalism and consumerism had given to them in the form of durable products, wider selections, and a free market not directly controlled by the government itself. These key factors led to a shift in

thinking in many East Germans' minds as to whether their own system was flawed and laid the groundwork for the beginning of the collapse of the Soviet states and East Germany.

While Capitalism and Communism battled head to head in the Cold War and up until the early 90s in Germany, consumerism found it's way into both political systems, but in slightly different forms. In typical thinking, capitalism and consumerism seem to go hand in hand as a free market and competition open the doors towards making prices accessible to a wider range of the population. However, communism in East Germany gave consumerism their own spin in the form of Intershops and a wide-spreading black market for western goods. Intershops were state-run shops where the government would decide on which goods were to be sold to the masses and at what points. This system of control was an attempt at bolstering consumerism by treating it as a guise of freedom of choice which also maintained a firm grip on the production and distribution of goods that were deemed acceptable. Many of that time remember getting goods from these shops and smuggling gifts from relatives. One woman recounts that she "loved the smell of Persil and Ariel detergent in the clothes" and "always wanted to keep them unwashed" (Jack). These brief glimpses into free markets with an endless variety of products ended up being a nail in the coffin of East Germany as those who could afford the basic "luxuries" such as cigarettes and chocolate hungered for more, They realized that these could openly be obtained in the West and the ideologies of the West began to spread further and further into East Germany. While consumerism plays into both ideological systems, capitalism succeeds in encouraging a consumer-driven market more than a communist or socialist-controlled state could.

After the fall of the Berlin Wall in 1991, West Germany had an idea to induce an influx of East Germans to the west. Upon them crossing the border, they were welcomed with a present: a grant. Each East German citizen was "paid a grant, initially of 30 Deutsche marks (DM) twice a year, later rising to 100 DM once a year, under a program known as Begrüßungsgeld or 'welcome money'" (Jack). Word spread quickly back into areas of former East Germany and a mass exodus of Germans migrated westward awaiting their free money. This form of propaganda was used as a way to instill consumerist tendencies into East Germans and show them how a free market helped all individuals cope with day-to-day life with luxuries previously not available to them. However, the consumerism in West Germany came from somewhere. In Lerner's paper An All-Consuming History? Recent Works on Consumer Culture in Modern Germany, he states that, after the fall of the Third Reich, "Department stores arrived in Germany… [and] although different stores cater to different demographics, German department stores were more likely to serve the working class and petty bourgeoisie than the more luxurious French stores" (Lerner, 516). The German businessmen of the era realized that, instead of opening specialty businesses to deliver to the upper class, they could open stores more affordable to the masses and attract business from a larger clientele. The J. Walter Thompson Company of Germany, known as JWT, conducted a study in the 1960s of West Germans' opinion on consumerism in their society. They found that citizens "reacted positively when asked about the impact of capitalism on their nation. The main reason cited for this positive effect was an increase in opportunities for employment" (Hachtmann, 6). This increase in employment brought more stable income per household and this translated into a larger budget to spend on luxuries of the day not available in East Germany. JWT also worked alongside the United States in the Marshall plan noted earlier. Memoranda made public later revealed that the "JWT-New York and Director of the Advertising Council in 1950, was instrumental in developing messages such as "Strength for the Free World" to communicate the purpose of the Marshall Plan" (Hachtmann, 6). Between the planned incentives and the

interoperability of the United States and German consumerism, a mass exodus occurred from East Germany to the west and news of the freedom of the new market passed in waves over Germany.

This diaspora of sorts, of course, did not come without its own side effects. The able-bodied working class's migration westward left a void in East German areas that weren't able to be readily filled. Today, poverty strikes at a much higher rate in Eastern German states. In an article published by The Local in Germany, they reference a statistic from the German Federal Statistics Office which stated that "In the past year, 17.8 percent of people in eastern Germany, including Berlin, were at risk of poverty - in western Germany, the figure stood at 15.3 percent" (Local). Similarly, it was found that "The average consumer spending of private households per year in the former East was… about 80 percent of the €2587 average in the former West German states" (Local). The movement of the population out of East Germany left an economic dead zone where there was a need for more production work and skilled labor. Because these regions were controlled by a production-centric government before the collapse of the Berlin Wall, continuing to work there left a sour taste in the mouths of East Germans who would rather more into more developed regions than rebuild their former states. While the difference in poverty rates and consumer spending amounts in decreasing per year, we must keep in mind that reunification was now 30 years ago, and the region is still recovering from its unstable footing in the early 1990s. This, along with the fact that the German Economy Institute found that "the economy in the former East... grew by 1.4 percent last year... whilst GDP increased by 2.3 percent in the former West" (Local), shows that while progress in the East is being made, there is still time required to heal the wounds left by East German policy.

Propaganda, consumerism's relations to multiple societal ideologies, migration incentive programs, and reunification all have played large roles in crafting the economy and free-market consumer society of Germany today. Through the East's attempts to sway the youth towards communism and their inability to connect to the younger generation, they managed to drive more and more away from their own systems. This in conjunction with the United States' Marshall plan as well as the accessibility of inexpensive and quality goods and services in West Germany served as a key facet in determining the success of capitalism in the reunified Germany. We also see that this comes with its downsides as former East Germans were reluctant to stay in areas to work where previous traumas had occurred and their own government held back their ability to live prosperous lives compared to the west. We see this today in the difference in poverty rates and consumer spending habits between east and west states today. Excluding Berlin, east German states have a much slower rate of increase in their GDP compared to the west, and the proportion of people living in poverty between the sides is stark and somber. While East Germany's attempt to instill Communist values in its citizens proved futile, they leave their mark in terms of modern-day economic inequality and social disparities through the region.