

A “SITE OF SURVEILLANCE”: EAST GERMAN RETAIL IN THE *KONSUM*

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This paper examines the transformation of Germany’s co-operative movement into the Union of the Consumer Co-operatives of East Germany (Konsum) in the communist period. This transformation illuminates the process by which the East German co-operative movement became subordinate to the Socialist Unity Party. The state-decreed creation of co-operatives in the German Democratic Republic led to a highly centralized distribution system of rationed goods with the purpose of eliminating non-state-controlled retail. In effect, the Socialist Unity Party hijacked, or “democratically centralized,” the Konsum, turning it into a site of surveillance.

When the Soviets re-established consumer co-operatives in eastern Germany for food distribution and reconstruction, they reached back to pre-war structures and traditions to address contemporary problems. Consumer co-operatives had a significant history prior to the Second World War, which made them highly relevant to both the economic and political challenges of the postwar era. Generally speaking, co-operatives are “autonomous associations of persons united voluntarily to meet their economic, social, and cultural needs and aspirations through a jointly owned and democratically controlled enterprise.”² In Germany, such small-scale communal enterprises emerged around the middle of the nineteenth century under the leadership of Hermann Schulze-Delitzsch (urban, artisanal, and liberal co-operatives) and Friedrich Wilhelm Raiffeisen (rural, agrarian, and conservative).

Growth of consumer co-operatives accelerated in the 1880s and 1890s when they began to develop a following among labouring urban Social Democrats. Large stores in Dresden, Leipzig, and Berlin (in the east) and Hamburg (in the west) led the way. These working-class associations thrived in the 1920s in loose affiliation with the Social Democrats and trade unions, but were sometimes also led by activists from Germany’s new Communist Party. In the mid-to-late 1930s, the National Socialists took over the co-operatives and eventually amalgamated them into the Nazi labour organization called the German Labour Front. However, twelve years of Nazi rule did not wipe out generations of working-class tradition and the co-operatives were re-established in both eastern and western Germany under Allied rule after the war. The re-establishment in the Soviet zone was especially swift and decisive; indeed, the rebuilding of the network and central organization of the Union of Consumer Co-operatives of East Germany (*Konsum*) preceded the creation of the East German state in 1949.

From 1945 onward, co-operatives were places where Germans – socialists, communists, and others – could work with the Soviet occupiers to ensure local needs were met. The Soviet occupying authorities (and after them the ruling party of East Germany, the Socialist Unity Party, *Sozialistische Einheitspartei Deutschlands*, SED) took an interest in the political affiliations and loyalty of co-operative activists and leaders. The *Konsum* rapidly became a massive organization serving multiple social and ideological functions in the German Democratic Republic (*Deutsche Demokratische Republik*, DDR). Its omnipresence is evidenced by it having outlets, factories, or

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² Ian MacPherson, *Co-operative Principles for the 21st Century* (Geneva: International Co-operative Alliance, 1996).

restaurants in nearly every town and village in the country. By 1988, *Konsum* locations served a membership of around 4.6 million and employed a combined (mostly female) labour force of 287,000.³ In 1990, East Germany had a population of just over 16 million, meaning the *Konsum* employed roughly one in fifty working adults.

This paper discusses the “democratic centralization” of the operating structures of the *Konsum*—the process by which the SED hijacked the top administrative branch of the re-emergent co-operative movement in East Germany. Gunther Aschoff and Eckart Henningsen argue that due to this covert SED control, one should be cautious about even associating the word co-operative with the *Konsum* since “co-operative” is most commonly associated with voluntary and autonomous governing structures.⁴ The compulsory state-decreed creation of “co-operatives” in the DDR ensured a highly centralized distribution system of rationed goods, with the purpose of eliminating non-state-controlled retail. In this article, I argue that the SED “democratically centralized” the *Konsum* and used it as a tool to bring *Konsum* employees and the consuming public into a space of surveillance and observation while seeking to eliminate black markets and private retail.

“Democratic centralism” (a term adopted by Lenin, and common currency throughout the Communist bloc) meant that open discussion was only possible until a higher rank of the organization reached a decision. At that point, the decision was binding and all lower party agencies and members were forced to implement it without question.⁵ Although considered “democratic” by the ruling elite, since it supposedly expressed the will of the workers and peasants, this system of rule was generally authoritarian and ensured that the party dominated both state and society. Following the war, the concept of democratic centralism, which was also considered antifascist, formed the basis of political reorganization in the Soviet Occupied Zone in Germany from 1945 to 1949 (*Sowjetische Besatzungszone*, SBZ). Democratic centralism was the basic organising principle of the SBZ/DDR; it was designed to maximise SED domination of political, social, and economic institutions. During the Soviet occupation, all political parties and political organizations were structured hierarchically and in accordance with the guidelines of democratic centralism – the *Konsum* was no exception.⁶

In 1945, the *Konsum* was one of the first institutions to be (re)established by the Soviet Military Administration in Germany (*Sowjetische Militäradministration in Deutschland*, SMAD). The SMAD assigned to the *Konsum* the difficult economic task of dealing with the immediate emergency of the postwar distribution of rationed goods. During this process, the SED stripped co-operatives of nearly all autonomy. Though the consumer co-operative movement in Germany was traditionally representative of the working-class, it became an economic tool of the communist dictatorship during the Soviet Occupation; this subjugation continued until 1989. The SMAD permitted the re-establishment of consumer co-operatives in the closing days of the Second World War. Given their working-class credentials, their plight at the hands of the Nazis, and their large numbers of communist members, co-operatives were perceived by the SMAD as

³ Andreas Herbst, Winfried Ranke, and Jürgen Winkler, "Verband der Konsumgenossenschaften der DDR (VDK)," in *So funktioniert die DDR, Bd. 2: Lexikon der Organisationen und Institutionen* (Hamburg: Reinbek, 1994), 1113.

⁴ Gunther Aschoff and Eckart Henningsen, *The German Cooperative System: Its History, Structure and Strength* (Frankfurt am Main: Fritz Knapp Verlag, 1996), 43-45.

⁵ Archie Brown, *The Rise and Fall of Communism* (London: Bodley Head, 2009), 107.

⁶ Jan Palmowski, "Regional Identities and the Limits of Democratic Centralism in the GDR," *Journal of Contemporary History* 41, no. 3 (2006): 503-04.

a moderately trustworthy working-class and antifascist organization.⁷ By the end of 1945, there were already sixty-two reconstructed co-operatives with over 500,000 members in the SBZ.⁸

With rapidly expanding membership and turn-over rates, the emerging strength of the organization was becoming strikingly apparent to the SED.⁹ Hence, the status of the *Konsum* in the SBZ was elevated to an official organization for trade and production, as well as serving as a practical political partner to the ruling Soviets.¹⁰ The primary function of these newly founded co-operatives was to support the Soviet Military Administration. The consumer co-operatives, according to the SMAD, were to become democratic (i.e., antifascist) organizations in support of the struggle of the antifascist parties against Nazism, militarism and imperialism. The new co-operatives were expected to contribute to overcoming Nazi ideology and spreading socialist ideas, especially within its primarily female clientele, workforce, and members.¹¹

Immediately following the Second World War, consumer dependence on the *Konsum* was particularly apparent, since specialty and department stores had not yet re-opened.¹² Early postwar consumer co-operatives dealt with a precarious supply situation exacerbated by the huge influx of refugees from the former German territories annexed by the Soviets and Poles.¹³ Amid this swelling population, the *Konsum's* distribution of food to German refugees and the general German population proved to be far from fair. The *Konsum* sought to better provide for those specific groups who would make a direct contribution to the establishment of socialism, namely construction workers, whom the *Konsum* provided with warm meals during their shifts.¹⁴

The *Konsum's* ever-increasing economic role as a goods distributor is clearly evident in archival documents in which top SED officials regularly recognize the growing importance of the organization. For instance, on 9 November 1946, Paul Merker reported to Max Fechner, member of the Central Committee and Berlin City Councillor, that consumer co-operatives had become an essential factor in the economy of the Soviet Occupation Zone.¹⁵ Another report, dated 13 November 1946 by Politburo member Helmut Lehmann, Central Secretary of the SED in Berlin, indicates the growing economic prominence of co-operatives in the postwar period:

Given the significant meaning that co-operatives maintained for the working population, it was self-evident that the party would associate itself with this movement. Consumer co-operatives had been significantly revived throughout the

⁷ Brett Fairbairn, "Co-operative Values and the Cold War: The Rebuilding and Undermining of the German Consumer Movement, 1945-1955," *Annals of Public and Cooperative Economics* 71, no. 4 (2000): 9.

⁸ Stiftung Archiv der Parteien und Massenorganisationen der DDR – The archive of Parties and mass-organization of the DDR housed in Berlin Lichterfelde – "SAPMO-BA: DY30 IV 2/2.022/111, SED Zentralkomitee, Sekretariat Paul Merker. Date not given, Genossenschaftswesen," 81.

⁹ Fairbairn, "Co-operative Values and the Cold War," 9.

¹⁰ Andreas Ludwig, "Die Anfänge nach 1945," in *Konsum. Konsumgenossenschaften in der DDR* ed. Andreas Ludwig (Weimar Böhlau, 2006), 14.

¹¹ SAPMO-BA: DY30 IV 2/2.022/111, SED Zentralkomitee, Sekretariat Paul Merker. August 24, 1946 guidelines given to the newly formed co-operatives by Ulbricht and Fechner entitled Richtlinien der SPD und KPD für die Neugründung der Konsum-Genossenschaften., 2.

¹² Mark Landsman, *Dictatorship and Demand: The Politics of Consumerism in East Germany* (London: Harvard University Press, 2005), 21.

¹³ Gareth Pritchard, *The making of the GDR, 1945-53: From antifascism to Stalinism* (Manchester: Manchester University Press, 2000), 14.

¹⁴ Hans-Joachim Herzog, *Genossenschaftliche Organisationsformen in der DDR*, vol. Band 12 (Tübingen: J.C.B. Mohr (Paul Siebeck), 1982), 140.

¹⁵ SAPMO-BA: DY30 IV 2/2.022/111, SED Zentralkomitee: Sekretariat Paul Merker. August 29, 1946, Konsumgenossenschaftliche Richtlinien der SED, 20.

SBZ and in Berlin. In 1932, the co-operative membership amounted to 938,000, whereas in 31 August 1946 it had reached 1,139,000. In 1932, the monthly turnover rate was 19 million Reich Marks. Throughout the course of the year 1946, the monthly turnover rate had increased to 77 million Reichsmark. As of 30 September 1946, the number of sales outlets amounted to 5,272. In 1932, there were only 3,556. These numbers proved the growing significance of the consumer co-operatives and their importance in the provision and distribution of basic goods.¹⁶

While this report suggests the increasing importance of co-operatives as goods distributors, this may not necessarily have been true. In fact, the preceding documents and quotations may also be evidence of the manner in which SED officials communicated with *Konsum* officials and the perceptions that both parties wanted to portray concerning this organization. More broadly, SED and *Konsum* officials were developing socialist discourse in the nascent milieu of the socialist dictatorship during the late 1940s. *Konsum* documents from later decades become even more tied to the linguistic style of the Soviet Bloc: Americans are continually referred to as imperialists, the West Germans as fascists, and the Soviet Union as the benevolent mentor, guarantor of world peace, and communist big brother. In describing this linguistic style, historian Konrad H. Jarausch notes, “it was [the] language – full of Soviet imports, Marxist-Leninist phrases, SED-slogans, and East German regionalisms – that seemed odd.”¹⁷ As part of the process of democratic centralization, the evolution of the language of the *Konsum* reflected the ever-increasing influence of the SED.

The SED also strengthened its hold on the *Konsum* through the removal of non-conformers (usually former Social Democrats) and the insertion of SED functionaries into the organization. In order to democratically centralize the *Konsum*, the SED gave long-standing party members prominent leadership roles within the reformed co-operatives. By directly controlling administrative selection from above, the Soviets ensured that the East German co-operative organization supported the emerging communist regime in the Soviet Occupation Zone.¹⁸ Historian Mustafa Haikal notes that by 1946 the most important personnel decisions already fell outside of the administration of the Leipzig Consumer Co-operative and had to be confirmed by the party.¹⁹ Helmut Lehmann demanded that the consumer co-operatives be filled with SED functionaries in order for the Soviets to officially recognize the organization. He put it this way in a speech on 6 June 1947:

The party acted as a mediator between the workers’ movement and the Soviet occupying power. The party was prepared to help the co-operatives in their attempt to receive recognition by the occupying power and to defend co-operative claims in reference to property that the Soviets sequestered. In return, the co-operatives had to fulfill their duties within the workers’ movement. We, therefore, demand that our members of the SED also become socialist functionaries within

¹⁶ SAPMO-BA: DY30 IV 2/2.022/111, SED Zentralkomitee: Sekretariat Paul Merker. November 13, 1946, Konsumgenossenschaftliche Richtlinien der SED written by Helmut Lehmann, 21.

¹⁷ Konrad Hugo Jarausch and Michael Geyer, *Shattered Past: Reconstructing German Histories* (Princeton, N.J.: Princeton University Press, 2003), 70. Emphasis added.

¹⁸ Fairbairn, “Co-operative Values and the Cold War,” 9.

¹⁹ Mustafa Haikal, *Gute Geschäfte: Die Geschichte der Leipziger Konsumgenossenschaft* (Faber & Faber, 2009), 158.

the co-operatives, which was the only guarantee that the co-operatives properly fulfill their duties and obligations.²⁰

These leading co-operators had to prove that they were politically loyal while under the direct scrutiny of the SED security apparatus of secret police and an extensive network of informers.²¹ The secretary of the Sirow Consumer Co-operative, Comrade Donner, was a case in point. For not "being up to the challenge of his obligations," he drew the attention of the regional administration of the party and was placed under the direct control of Comrade Grohn.²²

The SED displayed skill and patience in the removal of real and perceived opponents.²³ To ensure the loyalty of the Sirow Consumer Co-operative, the SED embedded at least eleven party members in its administration.²⁴ The SED applied these removal tactics to the consumer co-operatives throughout the postwar years by removing "disloyal" employees, demanding the loyalty of co-op managers, and inserting party members into the upper echelons of the *Konsum*.²⁵ An official party document from December 1948 outlines the rationale for this policy:

The functionaries of our party had to attain administrative positions in the consumer co-operatives. Only when the tight coordination of the work of functionaries was successful could the leading role of the party have been further developed in the consumer co-operatives in order to assure that the interests of the workers were met.²⁶

To aid in the party's internal encroachment on the *Konsum*, the SED instructed its party members to uphold the ideals of the party within the co-operative organization. SED functionaries were responsible for the implementation of the party's and the government's will in the co-operative workplace and co-operative members were ordered to become messengers of the party's politics and ideology.²⁷ This ideology aside, it is also likely that most *Konsum* managers became SED members in order to retain their jobs or advance their careers. The difference is that the SED members in positions of management were not necessarily from outside the co-operative. Nevertheless, the number of party members within the *Konsum* increased, thereby increasing the SED's control to around eighty to ninety percent of the administrative positions, all the while eliminating Social Democratic influence.²⁸

²⁰ SAPMO-BA: DY30/IV 2/6.02/74, SED Zentralkomitee: Abteilung Wirtschaftspolitik, Protokoll über die Konferenz der Konsum-Genossenschaftsverbände in der sowjetischen Besatzungszone in Schwerin/Meckl. Am Donnerstag, dem 5. Juni und Freitag, dem 6. Juni 1947, 34.

²¹ Fairbairn, "Co-operative Values and the Cold War," 13.

²² SAPMO-BA: DY/30/IV 2/6.10/133, Handel, Versorgung und Außenhandel. Berlin (Date not given) Wie wird die führende Rolle der Partei der Arbeiterklasse in den konsumgenossenschaftlichen Organisationen des Bezirksverbandes Neubrandenburg verwirklicht., 4.

²³ Pritchard, *The making of the GDR, 1945-53: From antifascism to Stalinism*, 229.

²⁴ Ibid.

²⁵ SAPMO-BA: DY30 IV 2/2.022/111, SED Zentralkomitee: Sekretariat Paul Merker. August 22, 1946, Konsumgenossenschaftliche Richtlinien der SED, 5.

²⁶ SAPMO-BA: DY30/IV 2/6.02/74, SED Zentralkomitee: Abteilung Wirtschaftspolitik, An das Zentralsekretariat der SED, z.Hd. des Genossen Stoph, Berlin N 54, Lothringer Str. 1., 7. Dez. 48, 167.

²⁷ SAPMO-BA: DY/30/IV 2/6.10/133, Handel, Versorgung und Außenhandel. Berlin (Date not given) Wie wird die führende Rolle der Partei der Arbeiterklasse in den konsumgenossenschaftlichen Organisationen des Bezirksverbandes Neubrandenburg verwirklicht., 1.

²⁸ Brett Fairbairn, "Popular Participation and Political Cultures: Co-operative Enterprises and the State in the Two Germanies, 1945-1990" (paper presented at the German Studies Association, 1998), 6.

In the summer of 1948, SED party bosses removed co-operators they deemed to be too Social Democratic or too closely connected with their West German counterparts. In 1949, during a show-trial in Leipzig, many co-operative leaders with Social Democratic ties were removed or imprisoned.²⁹ An illustration of this is the Leipzig Consumer Co-operative, where a complete expulsion of an entire generation of co-operative leaders took place on account of their affiliation with the Social Democrats. In total, five top administrators, eight members of the supervisory committee, five departmental leaders, two sales-outlet inspectors and several lower-level employees of the Leipzig Consumer Co-operative were forcibly removed from their work. Between 1948 and 1950, the SED had primarily removed Social Democratic influences from within the Leipzig Consumer Co-operative.³⁰ Wolfgang Richter, the head-administrator of the Eilenburg Consumer Co-operative and the successive North Saxon Consumer Co-operative from 1974 to 2003, noted that the influence of the party within this organization was incredibly strong. According to him, the SED always ensured that its members maintained a majority in the upper echelons of the co-operative administration. Consequently, when there were crucial votes regarding personnel elections, SED members always toed the party line and SED policies were always implemented without resistance.³¹

To ensure SED loyalty in the lower- and mid-levels of the *Konsum*, the party undertook a number of effective measures. First, it established and inserted sub-party organizations or small party cells (*Grundorganisation*). Members of the sub-party organizations had to take special courses in Marxism-Leninism. In turn, members of these sub-party organizations were charged with spreading these teachings amongst their colleagues.³² Second, the SED increased its influence in the *Konsum* by demanding the political loyalty of those seeking higher promotion. Third, the open presence and constant “gaze” of the SED and Stasi were weapons used to ensure loyalty. For instance, within every individual local co-operative, the *Konsum* inserted qualified party members and Stasi functionaries to solidify the leading role of the party.³³ In fact, the SED actually measured its influence within the *Konsum* based on the level of Stasi infiltration. In August 1960, for instance, the Stasi reported that the influence of the party was particularly strong within the administration of Berlin Central Co-operative. However, the party’s overall influence within this co-operative as a whole, and amongst the workers, was deemed to be weak. Accordingly, to help spread the influence of the party, it used socialist work brigades. As of November 1960, there were eighty-six such brigades embedded in various retail outlets within this co-operative.³⁴

²⁹ Fairbairn, "Co-operative Values and the Cold War," 12.

³⁰ Thomas Adam and Stefan Jaunich, "Die Leipziger Bau- und Konsumgenossenschaften. Ein sozialdemokratisches Traditionsmilieu in der NS-Zeit und der frühen DDR," *Internationale wissenschaftliche Korrespondenz zur Geschichte der Arbeiterbewegung* (2000): 209.

³¹ Jan Bösche, *Die Konsumgenossenschaften in der Wende von 1989/90: Von der Plan- zur Marktwirtschaft am Beispiel der Genossenschaft Sachsen-Nord/Eilenburg* (Hamburg: Heinrich-Kaufmann-Stiftung des Zentralverbandes deutscher Konsumgenossenschaften e.V., 2007), 69.

³² Sächsisches Wirtschaftarchiv is a regional archive in Leipzig which houses the files of the Konsumgenossenschaft-Leipzig from 1884 to 1990 and the files of the Konsumgenossenschaft-Zwickau from 1873 to 1990 – SWA: 21123 SED-Bezirksleitung Leipzig Nr. IV/B/2/3/061, Maßnahmen für den Parteaufbau in den Konsumgenossenschaften des Bezirkes, Leipzig, den 7.11.1968, 1-2.

³³ SAPMO-BA: DY/30/IV 2/6.10/133, Handel, Versorgung und Außenhandel. Berlin (Date not given) Wie wird die führende Rolle der Partei der Arbeiterklasse in den konsumgenossenschaftlichen Organisationen des Bezirksverbandes Neubrandenburg verwirklicht., 5.

³⁴ Bundesbeauftragte für die Unterlagen des Staatssicherheitsdienstes – The East German secret police archive in Berlin contains files regarding the infiltration of the Stasi into the Konsum workforce and Stasi observations of

The *Konsum* leadership initially defended the interests of co-ops against the SED and the state's increasing infringement.³⁵ For example, senior officials complained that they were being ill-treated by the state, and in 1950 they angrily claimed: "officials of the DDR are not acting as democrats and are not making decisions as democrats. Consumer co-operatives have the duty to inform the public of this fact."³⁶ The SED was continually intervening in the affairs of the *Konsum* because it was simply too large an organization for an increasingly totalitarian state to let act independently.³⁷ During this time, *Konsum* leaders were free to determine and develop the Co-operative Master-Statutes and were responsible for every decision that befell co-operative trade. These leaders, however, were increasingly SED members.³⁸

There is also evidence of opposition to SED dominance within the *Konsum*. The consumer co-operative movement in Germany was one of the oldest in the world, so it may have proved somewhat resistant to complete subordination to the Soviet and Stalinist traditions. There is proof of antagonism to the SED and the ideological work of communism during an incident in 1950. At the Arnstadt Consumer Co-operative, there were stormy scenes at a meeting of the SED factory cell when an elderly comrade began to threaten and abuse a younger SED member who had been passing information related to deviant opinions in the group to the local leadership (Kreisleitung).³⁹ Archival sources suggest that there was opposition to the party's invasion of the *Konsum*. For instance, a report from the *Konsum*'s top administrative branch states:

In the working/party organization of the co-operatives in the region of Neubrandenburg, the political and ideological work of the party had been weakly developed. Although 62.5 percent of the leading functionaries in the district organization and co-operatives were party members, and although the district leadership was comprised of party comrades, these functionaries were suffering from a blatant disregard of the party's authority. The party's work in the consumer co-operatives was, in most cases, fully inadequate. Moreover, there were only three party members in the administration. The chief executive and current party secretary, comrade Helburg, went against the will of the party by fleeing to West Germany.⁴⁰

There were multiple instances of party members lamenting the disinterest of co-operative workers and members. In one such example, the party noted that "the scheduled party work in the majority of the consumer co-operatives was inadequate. The leading party members in the co-operative district associations had little interest in the completion of ideological work."⁴¹ Another report written by N. Stiehler, a member of the administrative branch, bemoaned the lack

consumption and consumers within *Konsum* stores in order to gauge the mood of the population. BStU - MfS Zentralarchiv 2493/67, Analyse Konsumgenossenschaft - Mitte, Berlin den 8.11.1960, 30-31.

³⁵ Fairbairn, "Co-operative Values and the Cold War," 7.

³⁶ "Diskussion auf der gemeinschaftlichen Sitzung von Aufsichtsrat und Vorstand des V.D.K. in Berlin am 12.5.50 zum Thema 'Schwerpunktaufgaben der Planung'," in BArch Berlin, DL-1 Nr. 3645, as quoted in Fairbairn, "Co-operative Values and the Cold War," 7.

³⁷ *Ibid.*, 10.

³⁸ Herzog, *Genossenschaftliche Organisationsformen in der DDR*, Band 12, 19.

³⁹ Pritchard, *The making of the GDR, 1945-53: From antifascism to Stalinism*, 173.

⁴⁰ SAPMO-BA: DY/30/IV 2/6.10/133, Handel, Versorgung und Außenhandel. Berlin (Date not given) Wie wird die führende Rolle der Partei der Arbeiterklasse in den konsumgenossenschaftlichen Organisationen des Bezirksverbandes Neubrandenburg verwirklicht., 3.

⁴¹ *Ibid.*, 4.

of political and ideological interest amongst leading comrades and members (*Genossen*) in the *Konsum*. In fact, Stiehler demanded that they develop an improved “socialist attitude” towards their work.⁴² This opposition led to a low turnout at factory assemblies and party and union meetings.⁴³ An internal document from December 1947 reveals the party was frustrated by a lack of participation of women’s groups. According to the document, “The collaboration of women in the consumer co-operatives was below expectations,” and “the creation of women’s groups is still suffering from apparent shortcomings and disinterest.”⁴⁴ A report from the Department of Economics also identifies a dearth of interest in the party’s ideological work that could be perceived as inactive support or perhaps even obstruction. It states that “the fundamental weaknesses of the consumer co-operatives continue to be a lack of ideological clarity amongst the workers and members. Therefore, ideological work needs to be brought to the foreground to garner their support.”⁴⁵

In an interview, Dr. Burchard Bösche, an executive within the Hamburg-based Central Association of the German Consumer Co-operatives, describes the *Konsum* as something akin to a shelter or hideout (*Unterschlupf*) for people with negative political credentials and personal biographies:

There were many people who were critical of the SED system, and they found refuge and work in the *Konsum*. For a long time, I was in contact with the chairman of the Konsumgenossenschaft-Bezirk-Leipzig. Since he was in an American POW camp and suspected to have participated in the 17 June Uprising, he was not allowed to work in other state-owned-industry. Nevertheless, he had a very successful career in the *Konsum*.⁴⁶

Unsurprisingly, some felt a strong sense of loyalty to this organization due to its co-operative principles and goals, as well as its treatment of employees and members.⁴⁷ Nonetheless, the *Konsum* was ultimately forced to adopt a role of surveyor and observer.

The *Konsum* was a site of surveillance and used consumption as a means by which to connect the consumer with the government. To further serve the SED, the *Konsum* opposed what the party perceived as overcharging by private capitalists and worked to eliminate black

⁴² SAPMO-BA: DY/30 8991, Verband der Konsumgenossenschaften der DDR, Berlin, den 11.9.1986, Niederschrift über die Beratung des Vorstandes des VdK mit den Vorstandsvorsitzenden der Bezirksverbände, dem Vorstandsvorsitzenden der KG Berlin, dem Generaldirektor des ZU "konsument" und dem Direktor des Konsum-Bauarbeiterversorgungsbetriebes Berlin am 3. September 1986 im "konsument" - Warenhaus Am Brühl in Leipzig, 189.

⁴³ Corey Ross, *Constructing Socialism at the Grass-Roots: the Transformation of East Germany, 1945-65* (New York: Palgrave, 2000), 99.

⁴⁴ SAPMO-BA: DY30 IV 2/2.022/112, SED Zentralkomitee: Sekretariat Paul Merker, Wiederschrift über die am Donnerstag, dem 11.9. und Freitag, den 12.9.47 in Kühlungsborn/Meckl. stattgefundenen Beiratssitzung des Konsum-Hauptsekretariats der sowjetischen Besatzungszone und des sowjetischen Sektors der Stadt Berlin., 15.

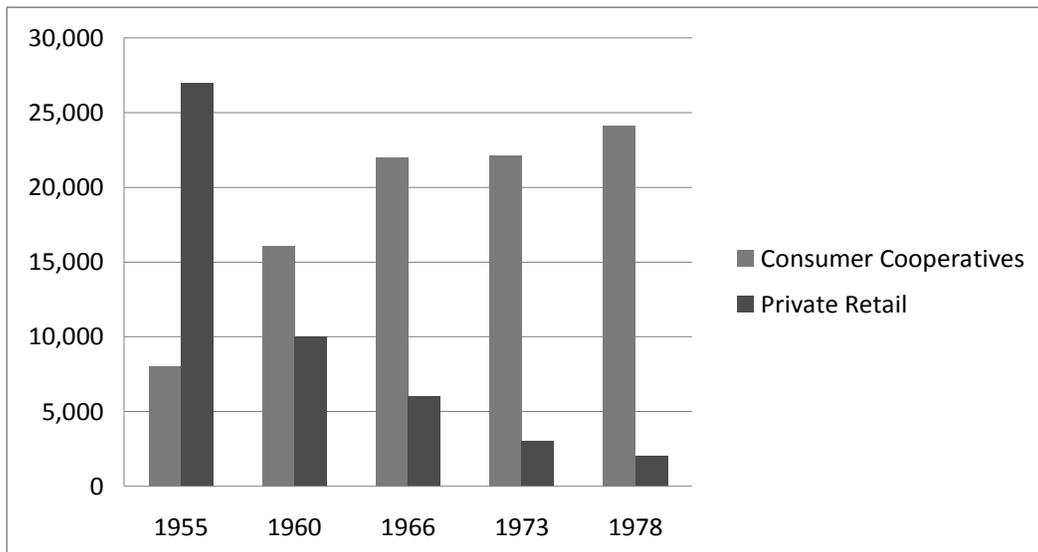
⁴⁵ SAPMO-BA: DY30/IV 2/6.02/74, SED Zentralkomitee: Abteilung Wirtschaftspolitik, DY30/IV 2/6.02/74, Zur Diskussion über die Vorbereitung der Parteikonferenz: “Die Verbesserung der Arbeit der Konsumgenossenschaften“ Berlin, 16. November 1948, 141.

⁴⁶ Author's interview with Dr. Burchard Bösche, Vorstandsmittglied - Zentralverband deutscher Konsumgenossenschaften, Hamburg, Germany, 26 July 2011.

⁴⁷ Author's interview with anonymous (former DDR school teacher and *Konsum* employee), Berlin, Germany, 27 June 2011.; Author's interview with Dr. Burchard Bösche, Vorstandsmittglied - Zentralverband deutscher Konsumgenossenschaften, Hamburg, Germany, 26 July 2011.

market commerce.⁴⁸ As indicated by a 1946 internal party document from the Department of Political Economy, the rural consumer co-operatives, although not a means of realizing the socialist economy, were fully capable of opposing private capitalists in the area of goods distribution.⁴⁹ In Saxony, May 1946, the consumer co-operatives were ordered to conduct a propaganda campaign against black marketers by providing information to functionaries and active members through a regularly published newspaper (*Mitteilungsblatt*). The following year, this department instructed the *Konsum* to directly oppose private industry by providing its members with quality, unadulterated goods at the cheapest price possible, as well as to produce food and consumer articles.⁵⁰ In 1948, the *Konsum* continued to lower prices for textiles and shoes to force private retailers to follow suit.⁵¹ In spite of this, the *Konsum* was incapable of fulfilling the needs of consumers during the postwar years, forcing the party to continue permitting private stores to supply the majority of consumers. However, as Table 1 indicates, with each successive wave of socialist construction in the following decades, the government applied more pressure on private retailers to join the state-run *Konsum* and incorporate private enterprise into the state-controlled retail system.⁵²

Table 1: Number and Type of Retail Outlets in the DDR, 1955-1978⁵³



⁴⁸ SAPMO-BA: DY30/IV 2/6.02/74, SED Zentralkomitee: Abteilung Wirtschaftspolitik, Vortrag für Vorstand-sitzung der Kammer am 27. Oktober 1947: Einzelhandel und Konsumgenossenschaften im Dienste der Verbraucher, 54.

⁴⁹ SAPMO-BA: DY30/IV 2/6.02/74, SED Zentralkomitee: Abteilung Wirtschaftspolitik, Vorlage an das Zentralsekretariat, Betr.: Konsumgenossenschaftliche Richtlinien der SED, 5.9.1946, 1-2.

⁵⁰ SAPMO-BA: DY30/IV 2/6.02/74, SED Abteilung Wirtschaftspolitik, Bericht: Über die Zonenkonferenz der Konsumgenossenschaften in Berlin am 14.9.1948," 19. SEE also "SAPMO-BA: DY30/IV 2/6.02/74, SED Zentralkomitee: Abteilung Wirtschaftspolitik, Vortrag für Vorstand-sitzung der Kammer am 27. Oktober 1947: Einzelhandel und Konsumgenossenschaften im Dienste der Verbraucher, 52-53.

⁵¹ SAPMO-BA: DY30/IV 2/6.02/74, SED Zentralkomitee: Abteilung Wirtschaftspolitik, DY30/IV 2/6.02/74, Zur Diskussion über die Vorbereitung der Parteikonferenz: "Die Verbesserung der Arbeit der Konsumgenossenschaften" Berlin, 16. November 1948, 140.

⁵² Katherine Pence, "'You as a Woman Will Understand': Consumption, Gender and the Relationship between State and Citizenry in the GDR's Crisis of 17 June 1953," *German History* 19, no. 2 (2001): 252.

⁵³ Ina Merkel, *Utopie und Bedürfnis: Die Geschichte der Konsumkultur in der DDR* (Weimar Böhlau Verlag, 1999), 166.

Another aim of eliminating the black market was to bring customers into a readily observable space in which they could be surveyed and controlled. In this sense, *Konsum* architecture became similar to Jeremy Bentham's late eighteenth-century vision of the panopticon prison. One of the essential features of Bentham's prison was that guards would be able to view prisoners at all times, but prisoners would be unable to see guards and so would not know if and when they were under surveillance.⁵⁴ In a similar sense, the *Konsum* created surveillance sites and spaces in the state's security services, and its network of informers easily observed customers.⁵⁵ Labelling the *Konsum* as a Foucauldian disciplinary institution would be an overstatement, but the *Konsum* was certainly a site in which there was a continual presence of what Michel Foucault described as a "normalizing gaze" or "a surveillance that made it possible to qualify, to classify and to punish."⁵⁶ Stasi files support this contention and indicate that there was a great deal of observing and classifying taking place in these stores in order to monitor deviance or dissatisfaction amongst the population. For instance, an unofficial collaborator code named "Barbara Wagner" gave weekly reports on the mood and behaviour of the customers in the town of Bad Elster on the German-Czech border.⁵⁷ In this way, the *Konsum* brought the consuming population away from the black market and into the view of the state, thereby creating a sort of dialogue between the customer and the regime via the communication channel of the embedded Stasi informants.

The Stasi further infiltrated the *Konsum* and kept records on the mundane activities of its employees and consumers. In 1954 Wittenberg, an employee in the electronics department at the local *Konsum* store was evaluated as a positive promoter of socialist consumer culture amongst his co-workers and customers and was described as quiet, polite, and courteous. Through his work in promoting *Konsum* fashion shows, he had "demonstrated a positive interest in his consumer co-operative." His file contains biographical information such as his being a member of the Nazi Party from 1938 to 1945 and being in an English POW camp from May to August 1945. Since his behaviour was apparently calm and disciplined, his biographical background did not, as the document states, "pose any disadvantage for him."⁵⁸ In another 1954 report from the Wittenberg Co-operative, an employee was given a positive evaluation for leading a musical group. This man apparently had "an open character and good relations with customers, and it was unknown if he had connections to the West and West Berlin."⁵⁹

Notably, these reports and biographies were often tainted with personal views and preferences, which led to a highly subjective dissemination of information about the workforce, the state of consumption, and the general mood of the population. Whatever the case, biases expressed within the reports of Stasi informants had the potential to endanger workers and colleagues, and to render the Stasi a less effective instrument of communication between populace and state. Reports flooded the secret police service with endless amounts of what would have been useless information. For example, on 20 August 1979, a Stasi informant code-named Stähr reported to a Major Mühlberg that he was successful in infiltrating a *Konsum* restaurant in Oranienburg and had established contact with an employee over the course of

⁵⁴ Jeremy Bentham, *The Panopticon Writings* (London: Verso, 1995 [1787]); see also Michel Foucault, *Discipline and Punish: The Birth of the Prison* (New York: Vintage, 1975).

⁵⁵ Katherine Pence, "From Rations to Fashions: The Gendered Politics of East and West German Consumption, 1945-1961 - Volume I" (University of Michigan 1999), 613-14.

⁵⁶ Foucault, *Discipline and Punish*, 184.

⁵⁷ BStU - BV-Karl-Marx-Stadt Oelsnitz XIV 1416/76 I/II, Stimmungen und Meinungen, 28.7.82, 433.

⁵⁸ BStU - BV Schwerin, AIM 817/55 P, Beurteilung, Wittenberge Datum: 13.10.54.

⁵⁹ BStU - BV Schwerin, AIM 817/55 P, Beurteilung, Wittenberge, den 9.11.1954, 19.

several visits there. Stähr's report concluded "this employee served various customers from the surrounding areas such as LPG farmers, tradesmen, and youth, although without close relations with them. The employee was a passionate windsurfer and did not receive further holidays for the month of August. He or she was very angry about this!"⁶⁰ In a society with little means of open political expression, the SED may have used monitoring as means by which to gauge the mood of the population. In the end, the story of the windsurfing *Konsum* employee illustrates the wastefulness, ineffectiveness, and general uselessness of the vast majority of such reports.

In 1982, the Stasi determined that it was necessary to recruit more domestic spies (voluntary informers or Stasi informants, *inoffizielle Mitarbeiter*, or IMs) to further infiltrate the *Konsum*.⁶¹ That year, the Stasi recruited a man codenamed Theo Bergner, who reported on his colleagues at the consumer co-operative outlet in Stahnsdorf, a small community just east of Potsdam. His report dealt with a woman who was born in Stahnsdorf in 1943 and conducted technical work at the Stahnsdorf Consumer Co-operative. Bergner characterised her as modest, honest, and politically loyal, but with strong religious beliefs. During a visit to her house, Bergner reported that she was in possession of religious relics. She also had possible Western contacts, but this was not certain. She was in a long-term relationship with a man who Bergner described as a member of the working-class (*Arbeitertyp*). Her daughter and her three illegitimate children also lived with them.⁶² Bergner then reported on a second saleswoman, a twenty-year old living in Potsdam. She was trained and studied at the State Co-operative in Potsdam (*Genossenschaft KG Potsdam-Land*). According to Bergner's assessment, she was a so-called "late developer" (*Spätentwickler*), and he characterised her as friendly and honest:

There were clear inconsistencies not to be overlooked, because she did not inform on a former colleague's alcohol problems. In September 1982, she will receive her qualification certificate to begin work as an administrator of a co-operative retail outlet. She is married and her husband is considered to be a member of the working-class, who has made a positive impression at a party gathering. For her services, she had been honoured with a trip abroad. She is not affiliated with any party and it is believed that she had not conducted any negative political discussions.⁶³

Bergner determined that there was a positive partnership between the two saleswomen. He concluded his report by noting that the women were neither garrulous nor did they engage in interests directly related to their workplace.⁶⁴ The saleswomen likely suspected Bergner of having Stasi affiliations and purposefully remained silent in his company.

By the late 1980s, consumption and the supply situation were rapidly deteriorating in the countryside as the DDR's command economy began to flounder to the point that the Stasi was becoming alarmed. For instance, consumers in Ebersbach, a town of around 8,000 inhabitants, had to deal with severe unpredictability in the availability of goods. In the district of Löbau, there was limited availability of fruits and vegetables. As a result, the Stasi came to the con-

⁶⁰ BStU - Archiv der Zentralstelle: MfS - HA II Nr. 32768, Information zu (Name wurde verdunkelt) der Konsumgaststätte Zehlendorf Kr. Oranienburg, Berlin, 19.09.1979, 120.

⁶¹ BStU - Archiv der Außenstelle Potsdam: BVfS Potsdam Abt. XVIII 189, Vorschlag zur Werbung der IMK/KW „Konsum“, Reg. -Nr.: IV/1173/83, Potsdam, 20.12.1982, 447.

⁶² BStU - Archiv der Außenstelle Potsdam: BVfS Potsdam Abt. XVIII 189, Mündlicher Bericht des IMK/KW „Theo Bergner“ vom 14.07.1982 zum Personal der Konsumverkaufsstelle in Stahnsdorf, 146.

⁶³ *Ibid.*, 146-47.

⁶⁴ *Ibid.*

clusion that it had to collect more information about how the population was reacting to the supply problems. The Ministry of State Security, a highly effective and repressive (albeit paranoid) secret police agency subsequently intensified its surveillance in the sleepy town of Ebersbach and District Löbau.⁶⁵ The likely result of this increased observation was Stasi officers wasting vast amounts of working time and resources.

The SED viewed the *Konsum* as a trustworthy partner and tool to be used during the transition to socialism. Yet, the socialist legitimacy of the *Konsum* was based on its obedience to the party and state, rather than traditional co-operative values.⁶⁶ While the consumer co-operatives had a century of experience and traditions by 1945, particularly in the areas of supply, education, and female membership, the *Konsum* mirrored the hierarchies, suspicions, prejudices, and ambiguities of the ideology and style of governance of the SED.⁶⁷ Even though there were instances of opposition to the SED and its hegemony over the *Konsum*, the process of transforming and democratically centralizing the *Konsum* proved to effectively bring this organization under the direct control of party and state. Moreover, consumer co-operatives served the emergent rule of the SED by allocating goods in an ever-increasing amount for the workers, by supporting the state's economic endeavours, by promoting the solidarity of the workers, and by politicizing and educating the working-class. Ultimately, the *Konsum* became a highly politicized workplace in which employees were under constant pressure to conform to various political demands, such as joining the party, partaking in political meetings, undergoing highly politicized educational courses, and proselytizing customers to the ideology of the SED. This role as a conduit of ideology mutated the once thriving pre-war German co-operative system into a tool of observation and surveillance, incorporating elements of a political organization while outwardly maintaining some features of the traditional co-operative movements.

⁶⁵ BStU - Archiv der Zentralstelle: MfS-ZAIG 20544, Bezirksverwaltung für Staatssicherheit Bereich Auswertung 1, Politisch-operative Einschätzung zu den in der Stadt Ebersbach, Kreis Löbau, aufgetretenen Reaktionen der Bevölkerung zur Versorgung, Dresden, 4. Juli 1988, 66.

⁶⁶ Johnston Birchall, *The international co-operative movement* (Manchester, UK Manchester University Press 1997), 15.

⁶⁷ Witho Holland, *Die Konsumgenossenschaften in der DDR: Rechtliche und wirtschaftliche Entwicklung* (Marburg Institut für Genossenschaftswesen an der Philipps-Universität Marburg, 2008), 1.