

Abstract for the Conference of the Society for the Advancement of Socio-Economics (SASE):

Post-Fossil Capitalism in a Post Socialist Region.

Analyzing Social Transformation from a Regional Perspective

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About 120 years ago, with increasing need for energy from fossil resources in the course of industrialization, the Lausitz, a region on the German-Polish border, was forced to leave agriculture and focus on industrial open pit mining, with more than 80 villages being sacrificed to profit from one of the largest brown coal deposits in the World. During the GDR, state-owned excavation grew, providing jobs to over 100.000 workers. Combined with an important textile industry, the Lausitz had become an industrial center with men and women participating in a socialist working society. It represented a model of modern industrialization and full employment, where a Schumpeterian notion of “creative destruction” had led to unpredicted economic success.

With East-Germany entering the capitalist world economy after unification, importing brown coal and textiles from the Global South led to a fierce deindustrialization. Less than 8.000 jobs in mining and about 2.000 in modernized textile industries survived this turn. The labour market adopted main features of post-industrialism, substituting fulltime positions by part-time work. Today, service sector jobs are prevalent, while a fifth of the population depends on social transfers. Young people, particularly young women, tend to leave in search for better opportunities. This time, “creative destruction” did not cause pollution, land-grabbing and a high growth rate – but the end of industrial labour and social mobility.

Our research looks at the Lausitz as an ideal-type of a region where growth rates have been declining for 30 years. Post-socialist transformation met by deindustrialization and post-fossil energy policies have led to a paradox situation, where the integration of a region into a capitalist mode of production lead to a decrease in jobs and economic performance. In this context, we ask what alternatives actors aim at, and how social actors face ecological, economic and social problems as a regional challenge.

On the one hand, trade unions as well as ordo-liberal and conservative parties interpret the economic transformation as an oppressive dictate by the federal State. Some suspect “green” and progressive groups behind it, willing to sacrifice the region’s economic wellbeing to an imagined climate change. On the other hand, the federal State has started to question traditional energy production which is highly dependent on subsidies. A commission was established in order to organize a multipartite decision-making process on their economic future, but so far, ideas are very abstract and lack a convincing economic and ecological plan.

Based on empirical material from labour market data, qualitative interviews, and documents from the “Commission on Growth”, we trace how fossil energy production has become a highly contested field, with many leaving and a growing part of this former socialist region turning to political answers of the far right. More and more, economic and ecological crises are juxtaposed, and social wellbeing is connected to a time when growth rates and industrialization held the promise of social advancement for everyone. Researching the Lausitz as a model of massive regional transformation from a highly industrial into a deindustrializing region, we develop a framework for understanding the obstacles on the way to regional sustainability.