Producing Modern German Homes

*The Economy of Nation Branding*

In turning the discourse on official aesthetics into economic success both German states engaged in practices of “nation branding.” The term describes a branding effort at the national level that substantially follows similar logics as those that develop the specific properties of a product brand. Such branding evolved in the postwar period from simply harnessing firm reputation to employing symbolic values, such as cultural or historical factors. Coherent communication was crucial for the success of branding. To reinvigorate the “Made in Germany” brand, a network of designers and producers created a narrative of political significance around their products. In the furniture industry, their narrative moved meaning from “the culturally constituted world to the consumer good,” associating established cultural categories and principles with home furnishings. Nation branding is thus part of collective sense-making in economic culture, by which economic actors invoke a “structure of values that reacts to economic indicators and constructs domestic economic mechanisms.” It is a cognitive process that narratively manifests national policy-legitimizing norms and values in consumer products based on cultural perception.

Politicians adopted the practice of assigning greater meaning to everyday objects, because it fit the political climate of the Cold War period, when an important component of German-German relations emphasized competing ways of living. This German Cold War over living standards constituted part of the 1950s East-West confrontation in Europe, as threat of mutual destruction in the ongoing superpower arms race increasingly yielded to a competition for popular support tied to economic prosperity. Both sides had an interest in keeping the Cold War “cold” in Europe and thus sustained a minimal level of communication and exchange. But even here, provocations remained the rule rather than the exception, as Richard Nixon and Nikita Khrushchev showed during the
famous Kitchen Debate at the American National Exhibition in Moscow in July 1959. In short, material well-being became a proxy for political prowess in the East-West conflict.

Similar to a product brand, the products of national domestic culture were intended to offer both German populations a sense of identity as well as promote their cultural achievements abroad. A coherent aesthetic that bolstered that narrative, however, hinged upon strategic cooperation and communication among the political leadership, designers, industrialists, and consumers in East and West Germany respectively—which proved quite difficult to accomplish. Rival ideas about German modern domestic culture undermined the necessary narrative coherence for the promotion of East or West German “corporate identity” at home and abroad, which left the two German states vulnerable to external influences and set the stage in the late 1960s for their unintended aesthetic convergence.

A focus on industry reveals the breakdown of the national aesthetic narrative in practice. The practical dilution of the initial postwar cultural Stalinism in East Germany and rigid functionalism in West Germany in production industries in fact ran in parallel by the 1970s. The problem was one of political rhetoric versus economic reality: Why, after decades of invoking German-German cultural delineation, did both states fail to assert an official style, a particular East or West German “national aesthetic” in workshops and homes? Taking into account the fundamental structural differences between the economic and political systems of the FRG and GDR, this chapter traces how policymakers interacted with the industrial sector to link ideologically conforming ways of living to economic reconstruction and prosperity. Norms and values behind economic and political mechanisms in East and West Germany explain what impaired the consistent implementation of official aesthetics in furniture production. In the process, both Germanys moved toward a shared idea of economical production and comfortable living.

The Role of Economic Success and Political Legitimacy in the West German Struggle for Aesthetic Coherence

It might be expected that the German-German competition for superiority in industrial design and production would have first and foremost a unifying effect on either economy. The East and West German design councils certainly aimed each to define and defend one coherent national aesthetic to strengthen the economic reputation of the FRG and GDR respectively at home and abroad. Yet,
at times, domestic actors—the government, regional administration, and industries—followed differing or even opposing agendas in the national economy. These diverging forces undermined the creation of a cohesive national brand.

Of course, the fact that Germany has always had a regionally diverse culture partially explains the context in which the struggle for national product aesthetics developed. As the tradition of tensions between region and center predated the German partition of 1945, a strong culture of regionalism already existed in both Germanys when they reached statehood. In the years after the war, the cultural element of regionalism was reinforced by the new economies. In contrast to the centralized war economy of the Third Reich, new economic planning organizations were anchored at the regional and municipal level. The significance of regional administrative thinking in the economy also had implications for the implementation of cultural policy in the postwar period, particularly in West Germany. Without local institutional cooperation, the realization of a unified product aesthetic was highly unlikely. Centralized approaches, namely the institutionalization through a design council that defines and executes cultural and economic policies for the entire nation, strove to disable regionalism and activities which economically assisted one region or favored a regional aesthetic identity over a coherent national style in the long run.

From its inception in 1951, the West German design council RfF, as a national institution, stood in direct conflict with the regional reorganization of the economy. The contradictory notion of cultural and economic centralism in a federalist political system was contested by politicians and apparent to contemporaries. “It may seem surprising that government-controlled agencies should act as arbiters of taste in industrial design and assume a frankly partisan or even doctrinaire attitude in promoting modern design,” observed art historian Lorenz Eitner in 1957. “This is possible in Germany (where the State has often played an active role in such matters) because since 1945 the weight of official approval has come to rest on the side of modern art, modern architecture, and modern design.” Indeed, the permissiveness vis-à-vis the RfF based on a social and political consensus on modern design that the council claimed to represent in the 1950s. Initially, it was successful in projecting this image at home and abroad. However, because of the decentralized organization of West Germany’s economy and the fact that much of the council’s funding came from the private sector, informal agreement with industry about which aesthetics could best encapsulate the spirit of a postwar Germany was crucial to the RfF’s success.

To a large extent, the design council’s bid for leadership in the Federal Republic’s material culture was critically linked to the success of the social market
economy. Economic prosperity contributed greatly to public support for the young democracy and thus to West Germany’s internal and external political legitimacy.\textsuperscript{11} Since many Germans had experienced the stock market crash of 1929 and the resulting depression, which made them suspicious about democratic rule in the postwar period, economic progress and the acceptance of a new democratic state went hand in hand.\textsuperscript{12} Therefore, the unprecedented social improvement that resulted from the economic growth of the 1950s encouraged the population to identify with the FRG.\textsuperscript{13} The work of the RfF was part of this project, yet it would have remained inconsequential without the cooperation of industry.

Fortunately for the design council, organized industrial interests, represented by the Federation of German Industries (Bundesverband der Deutschen Industrie, BDI), shared the belief that the state and private interest needed to collaborate to achieve economic recovery. In fact, the BDI became a trusted ally in the conservative Adenauer government’s economic policies early on.\textsuperscript{14} In 1950, a lack of capital, multiple allied production restrictions, and decreased domestic demand caused the unemployment of more than two million workers. As the social market economy experiment threatened to fail, American pressure to institute some degree of state regulation of the economy grew as well. In a step to avoid reversing the liberal elements of the postwar economy, Adenauer turned to industrial associations for help. Consequently, the BDI took on the task of distributing scarce resources and organizing exports.\textsuperscript{15} Corporate traditions thus found their way back into the market economy of the Federal Republic, which raised the question of whether the republic would be able to withstand strong economic corporatism in the long run.\textsuperscript{16} With regard to industrial design, the answer to this question was clearly no.

The role that industry played in West Germany’s cultural revival cannot be overemphasized. The philanthropic committee of the BDI, the Culture Committee (Kulturkreis), awarded fellowships and organized art shows to support the arts in Germany from 1951 onward.\textsuperscript{17} BDI lawyer, art enthusiast, and CDU member Gustav Stein largely initiated this cultural engagement and invoked the historical responsibility of entrepreneurs as patrons of the arts. Convinced that art could function as a social force to connect people, he strived to prevent the negative experience of the Weimar Republic from repeating itself. He strongly believed that infusing everyday life with cultural objects could prevent the disintegration of society.\textsuperscript{18} While the Kulturkreis members’ taste in art was as diverse as its membership, the BDI followed official aesthetics in its award practices and thereby became Germany’s biggest patron of abstract modern art and, later,
industrial design. Big businesses such as Thyssen, Krupp, and Reemtsma reinvigorated the concept of the collector-benefactor in the new republic. Yet the motivation behind this kind of cultural philanthropy was not entirely altruistic. Patronage helped the industry enhance its image, which had been badly damaged during years of collaboration with the Nazi regime.

Evidently, the modernist consensus that the RfF encouraged found approval and support from the business elites, and the relationship became mutually beneficial when the design council connected business and large-scale customers. Holding a gatekeeper role, the RfF served as a source of information in particular for government institutions, which were in dire need of office furniture, mess kits and flatware for cafeterias, and art to decorate the administrative buildings in West Germany’s new capital. By advising to prestigious construction projects in Bonn and numerous international exhibitions, the design council possessed considerable influence between 1952 and 1965. With the BDI and the RfF promoting the same modernist aesthetic, this more or less voluntary cooperation under the leadership of Economic Minister Erhard strengthened the national brand.

Yet early on, the BDI sowed the seeds for an eventual divergence. In 1952, it established an independent project similar to the design council, the Committee for Industrial Design (Arbeitskreis für Industrielle Formgebung). Fourteen of the thirty-six associations represented by the BDI were present at the constituting assembly of the Arbeitskreis, demonstrating industrialists’ considerable interest and work on issues of form and design. This initial success quickly led to the BDI becoming involved in a second, more pragmatic area of design activism. It organized special shows of selected, well-designed products at the annual industrial fairs in Hanover, Frankfurt, and Cologne. And in order to publicize its work more prominently, the BDI Arbeitskreis started the non-profit organization Industrial Design (Industrieform) in the city of Essen, which focused on displaying well-designed products. Gustav Stein became a prominent figure in this process, working behind the scenes to give willing industrialists the opportunity to advertise their wares in these two different venues. In particular Industrieform’s permanent exhibition with industry-sponsored displays aimed at improving sales by educating the public about good design. Within three years of its opening in November 1955, more than 492,000 visitors had viewed the exhibition. This popular demand to learn about the features of modern furnishings and appliances encouraged the industry to maintain its own efforts, in parallel to its cooperation with the RfF, well into the 1960s.
Nevertheless, the increasingly aggressive role of industry in questions of design eventually disrupted the peaceful cooperation between cultural politics and enterprise. Rivaling the mission of the RfF, the BDI Arbeitskreis attempted to take the lead in the education of designers and the promotion of rational and socially responsible industrial design.27 The furniture industry branch of the BDI, for instance, hosted a press reception in 1960 at which presenters elaborated on topics such as “On good and bad taste,” “Serial furniture and its significance for today’s apartment,” “Thoughts on the issue of ‘modern,’” and “On the meaning of furnishing.”28 Such issues were at the core of contemporary debates in the applied arts, a domain that the Werkbund traditionally considered to be their expertise. The industry-controlled initiatives eventually led to diminished commitment to the RfF. Industry’s willingness to cooperate with the Werkbund members in the design council seems to have decreased proportionally as independent BDI projects grew in significance.

By the mid-1960s, the activities of the BDI Arbeitskreis, reconstituted as the BDI Design Committee (Gestaltkreis) in 1965, signaled an eventual divergence between state and business interests.29 Entrepreneurs pinned this on a difference of opinion over the purpose and direction of German industrial design. The secretary general of the Study Group of Industry for Product Design and Product Planning in Stuttgart implicitly criticized Bonn’s lack of practical thinking: “Our study group came together to help members replace abstract intentions with methodological thinking. The group members no longer want to talk about the cultural-political goals of the design concept, but want instead to search for practical ways to realize these.”30 While in earlier years the visions of the RfF and the BDI had overlapped when industry supported the idea of moral recovery via aesthetics, they came apart once repairing the country’s international image was deemed unnecessary and West German products had regained their good reputation in the global market. At this point, the business community returned to a profit-oriented interpretation of design.31 Consequently, West German industry moved away from the dogmatic rigidity of postwar functionalism and toward catering to consumer tastes.

This shift coincided with strife between the Werkbund and BDI factions on the board of the RfF, which came to a head between 1967 and 1969. The design council’s formal restructuring of 1967–68 that brought the RfF under BDI control played out as a hostile takeover. It seems as though the BMWi was largely responsible for the breakdown of the relationship between the Werkbund members and the BDI representatives in the RfF, as the minister’s rejection of
earlier requests for more financial state support left the public design council little choice but to seek money elsewhere and under new terms in order to continue its work. As a result, the mission of the design council became increasingly industry-oriented at the expense of its cultural foundations. Coupled with a weak management since Mia Seeger left as RfF general secretary in 1967, the design council lost its independence. Strictly speaking, the official aesthetic promoted by the RfF henceforth only existed in government-sponsored foreign trade industrial shows or other international exhibitions as part of West German cultural diplomacy.

Regional actors took advantage of the state of distraction that the RfF’s infighting caused. A growing number added their own voices to the debate about good design in the 1960s. Munich’s Neue Sammlung, a tax-supported gallery of modern design, and regional chambers of commerce, especially that in Stuttgart, not only maintained permanent collections of well-designed products but also assembled traveling exhibitions. In addition, West German cities founded a network of Wohnberatungen, information centers equipped with pattern books where interior designers counseled West Germans on how to furnish their apartments. By 1961 Wohnberatungen could be found throughout the Federal Republic, many of them funded by public housing agencies or local chambers of commerce, though the Wohnberatungen in West Berlin, Mannheim, and Munich also received Werkbund money. Most of the initiatives for a modern “German” taste correlated with the furnishing boom of the 1960s, when 40 percent of all households were buying furniture. Fueled by such demand, the 1960s and 1970s became the most exciting decades in West German furniture development. For the RfF, however, this meant ample competition for aesthetic leadership in interior design.

Aside from maintaining their own collections of “good design,” the Länder chambers of commerce created regional design centers that served local industry and rivaled the RfF in influence. Two among them, the design centers in Stuttgart (Baden-Württemberg) and in Essen (North Rhine-Westphalia), developed powerful ideas for industrial development in regions that were already more economically successful than the rest of West Germany. In the 1970s, Stuttgart’s design center even applied repeatedly for independent membership in an international design organization, the International Council of Societies of Industrial Design (ICSID), where the RfF was a founding member and representative of German interests. Relations between the Stuttgart Design Center and the RfF hit a new low when the latter became involved in Stuttgart’s ICSID candidacy process. Throughout the Cold War, most countries appointed only one design
society to this international organization in order to project a cohesive nation brand in the realm of industrial design. Stuttgart’s application triggered an exchange between the ICSID board and the RfF in which information about the relationship between the design council and the Stuttgart Design Center was solicited in an effort to determine membership fees. If the council vouched for a close relationship, the Stuttgart Design Center would pay reduced fees. But Herbert Ohl, RfF’s technical director and ICSID board member, was unwilling to do so. “I should think also,” Ohl sarcastically added, “that they would themselves not like to be regarded as part of the Rat für Formgebung, since we are a national institution.” \(^{35}\) Ohl’s reaction was indicative of irreconcilable differences between the two institutions on the matters of regional and national industrial design policy. The higher membership fees, as Ohl well knew, had not been budgeted for by Stuttgart’s center, and he knowingly jeopardized a stronger West German presence in this international body for the sake of national brand cohesion. Nonetheless, the Stuttgart Design Center reached an agreement with the ICSID and became a member in 1979 without Ohl’s support.

These episodes make it abundantly clear that the West German design council failed to maintain its leadership of the nation brand as time went on. The growing number of participants in the industrial design discourse, the diverging objectives between industry and state interests, and the lack of sustained support from the government undercut RfF activities and curtailed the council’s ability to exert influence over production aesthetics and the West German brand.

**Modernizing the GDR Brand: Streamlining, Mechanization, and Standardization**

In contrast to the Federal Republic, central planning, nationalization of industry, and collectivization of craft businesses in the GDR should have facilitated the creation and maintenance of a coherent nation brand based on socialist realist aesthetics.\(^{36}\) But this process remained incomplete until the very last days of the GDR.\(^{37}\) Moreover, the GDR only belatedly moved industrial design matters from the Ministry of Culture to the German Office for Standardization and Product Testing (DAMW) in 1965, finally anchoring it in the centralized planning structures.\(^{38}\) The fact that this institutional restructuring was done in order to keep industrial designers from further interfering in SED cultural policy, rather than to acknowledge that designers could contribute to savvy economic policy, says much about the limitations that the design council ZfF faced. In fact, the development of economic policy from the 1953 New Course to
Ulbricht’s New Economic System of Planning and Management (Neues Ökonomisches System der Planung und Leitung, NES) rather tells a story of struggle in the creation of a coherent aesthetic in GDR production culture, in which the ZfF only occasionally appears.

While the partition of Germany created favorable conditions for the West German economic miracle, the eastern side was left wanting. Traditional agricultural areas in the east were cut off from industry in the west, especially the Ruhr region, southern parts of Lower Saxony, the Rhine-Main region to the Rhine-Neckar region and the region surrounding Stuttgart in the south. The GDR held industrial centers in Thuringia and Saxony, but northern East Germany had close to none. It also lacked a waterway like the Rhine river system, which easily transported consumer and bulk goods to the northern European ports, thus facilitating West German overseas trade. The shipping industry on the Elbe River, for instance, was disrupted by the inner-German border and predominately served to supply West Berlin.39 Meanwhile, because of its location at the edge of the Eastern Bloc, the GDR lost its importance in the east-west trade once the Iron Curtain came down. Moreover, the Federal Republic possessed most of the coal and ore reserves, while the resource-rich areas in the east had been surrendered to Poland after 1945. West Germany also had a larger percentage of climatically favored and consumer-oriented agricultural areas, as well as ice-free ports.40 Finally, the partition spared the west from having to support the agrarian east. These factors, coupled with a modified free-market economy, left West Germany well positioned to quickly increase production, satisfy consumer demand, and regain foreign markets, which triggered an industrial boom that lasted well into the 1960s.41 The Federal Republic’s success posed a great challenge to the economically weaker GDR, even though it was the most successful Eastern Bloc economy.

The GDR also suffered disadvantages as it shouldered the lion’s share of Soviet war reparation claims.42 After postwar negotiations between the Allies failed, the Soviet Union extracted a minimum of 10 billion dollars’ worth of machinery and products from the eastern zone of occupation. Until 1949, entire factories were relocated to Soviet territory.43 The Saxon furniture company Deutsche Werkstätten Hellerau (DWH) was completely dismantled down to its workshop lamps and light bulbs, which were transported eastward along with expensive machinery.44 The need to pay reparations also led to the restructuring of large-and medium-sized industry, which, together with large land holdings, had been largely nationalized during occupation. As the Soviet Union asked in particular for goods from the automotive and heavy engineering sectors, these
produced with the Plans of 1949–50, 1951–55, and 1956–60, while investments in light industry and food production slowed. Furniture production therefore had to re-establish itself largely without large-scale investment plans in the 1950s. Yet as this industry was central to housing reconstruction, living standards, and consumer satisfaction—topics closely linked to East Germany’s political legitimacy—it offers great insights into how the GDR leadership became increasingly influenced by the West German “other.” Despite SED promises of economic improvement, West German prosperity set an unattainably high benchmark for the GDR. Explanations for the failure of the centralized GDR economy commonly center on often contradictory Five-Year Plans. Politics trumped economics in the planning process, and recent scholarship points to efficiency—or rather the lack of it—as an important analytical category for understanding the role of political leadership in the socialist planned economy. Companies learned to navigate East Germany’s centralized economy by hiding their real capacities with the goal of being assigned the lowest possible production quota with the largest possible resource allocations. The entire system further diminished productivity and encouraged wastefulness by disabling principles of market competition both domestically and internationally, where the state’s monopoly on foreign trade stifled innovation from the outset.

One central problem in enforcing a national brand in the GDR industrial production continued to be individualistic firms and regional identity. While opportunistic behavior of companies and local operatives undermined quantitative goals and labor efficiency, there was opposition to cultural policy in the light industries as well. For instance, one of the country’s largest furniture collectives, the Saxon furniture complex Dresden-Hellerau that had been built around the core company DWH, opposed the SED’s socialist realist diktat and continued to design furniture with its signature simple, modernist aesthetic as long as it could. DWH’s founder, Karl Schmidt, had been an influential leader in the turn-of-the-century workshop movement (Werkstättenbewegung) and a founding member of the Werkbund. Bruno Paul, a famous art nouveau interior designer and architect, had conceived DWH’s first serial furniture program, the “Growing Apartment” (Wachsende Wohnung). It offered different furniture pieces that could be assembled as a living or dining room set according to the customers’ individual needs and brought modern design to the middle classes. Although DWH became nationalized in 1951, Schmidt’s aesthetic philosophy and production ethics remained in force. DWH continued to produce the *Wachsende Wohnung* as Model 558, until it was discontinued because of mounting political pressure in 1958.
To curtail Hellerau’s popular modernist influence, Ulbricht himself became involved early on. In 1953, he personally stopped the publication of a booklet about DWH on the grounds that the furniture photographs in the book contradicted the SED’s official aesthetic guidelines. The market, however, liked the practical furniture that Hellerau produced. For example, when a home furnishing exhibition in East Berlin’s Alexanderplatz in 1953 showed models that tended to bulky proportions and lacked stylistic cohesiveness, visitors asked instead for Paul’s *Wachsende Wohnung* and demanded furniture that they considered to be well-proportioned and affordable. Increasingly, however, producers found their design options limited by the Construction Academy of the GDR (Bauakademie der DDR), a scientific institution in charge of construction and architecture. The Bauakademie took control of furniture design development as well, reviewed product catalogs, and, if deemed necessary, dictated specific models in line with socialist realist style. Following the Minister Council’s order to the furniture industry on January 21, 1954, which required that furniture aesthetics invoke the German cultural heritage, it created development departments, so-called *E-Stellen*, that reported to the Bauakademie with the directive to execute aesthetic guidelines. In order to avoid economic and political marginalization or even closure, DWH started to integrate style elements in line with official cultural doctrine into new designs, a change in strategy to appease the SED. Most of Hellerau’s workers, it seems, disliked the change, as they indicated their preference for modern aesthetics during a viewing of these new furniture designs. That October, the DWH head of development emphasized that, while his department endeavored to follow official guidelines in developing a socialist domestic culture, “it ought to be our goal to maintain Deutsche Werkstätten [Hellerau]’s noted good style or, rather, to win it back.” Surely, DWH was only one site of resistance the SED encountered in the production sector. Yet it offers important insight into the mechanisms that were put in place to control the creative process in the furniture industry and ensure aesthetic cohesion in the national brand. Ulbricht’s censorship of the company and the increasing controls on production aesthetics meant to stifle the individual character of businesses such as DWH were followed by further collectivization of industry in 1958–59.

At the Fifth Party Congress in 1958, Ulbricht declared the new goal for the East German economy: to surpass West Germany in per capita consumption. Workforce mobilization was a crucial part of this plan. Letters to the workers called on them to join the effort to eradicate overlapping production and waste of resources. At the height of the Berlin Crisis in 1959, one of these open letters
was addressed to “Furniture Workmen in the German Democratic Republic”: “In this situation, West Germans look to us. They observe how we live. Our successes in the social and cultural arena are great and lack an equivalent in the Bonn Republic. We have made progress in the field of material consumption as well. And it is in material consumption where we must advance faster to overtake West Germany.” For workers in the furniture industry, the connection between the socialist way of life, expressed in Wohnkultur, and the fruits of their labor was especially evident.

The idea behind accelerating the development and production of a distinctly socialist furniture culture, forward-looking and comfortable, aimed at countering images of abundance coming from West Germany. To this end, Ulbricht announced further integration and concentration of nationalized small and medium industry within their district through the Association of Nationalized Companies (Vereinigung Volkseigener Betriebe, VVB). Since earlier collectivization processes had created even more regional activity, the new association was intended to effectively control regional industry, steer production aesthetics, and maximize efficiency by creating intermediate-level institutions located between the Planning Commission and enterprise that could organize industry transregionally. The new administrative units coordinated production by redistributing “tasks to allow greater specialization, standardization and the use of spare capacity,” and by taking greater control over research and development, which was previously located at the individual company level or, in the case of collectivized state-owned industry, at the core company. However, the introduction of the VVBs ended up creating rivals to the central planning institutions. Focused on their own industry, the VVBs did not uphold a cohesive narrative of nation branding. Furthermore, the VVBs of the same industry remained subdivided in districts across the GDR, a fragmentation that would become increasingly difficult to overcome with growing specialization and compartmentalization between and within districts.

The Thuringian furniture industry was the first to unite private and state-owned furniture companies in the Gera and Jena area under the name VVB Möbel Zeulenroda/Thüringen in 1959. It combined sixteen VEBs and six semi-state owned companies, and twenty-two private enterprises among others in Eisenberg, Gera, Greiz, Jena, Lobenstein, Pößneck, Rudolstadt, Saalfeld, and Zeulenroda. Cooperative relations between enterprises of all ownership forms, the underlying theory suggested, would yield increased resource efficiency and organize entire industries horizontally. The 1959 open letter to the furniture industry workers had already announced Zeulenroda’s future as a Musterbeispiel,
a model for specialization and cooperation among firms of different ownership forms. Zeulenroda had been chosen because its core company specialized in stylistically overwrought furniture (Stilmöbel), a natural fit with the official East German socialist realist production aesthetic of the 1950s. It offered a promising case study for the streamlining of the furniture industry alongside the successful implementation of cultural centralization in the GDR.

Yet by 1962 the myriad of ownership forms in the GDR economy continued to complicate concentration efforts (see table 2.1). Of 14,520 furniture-producing companies, 13,698 were in private hands, of which 13,542 were small crafts and trade. The fragmentation caused labor inefficiency: about 96 percent of smaller furniture companies, employing 48 percent of the manpower, produced only 34 percent of the national production volume. In addition to the apparent untapped labor potential, the fragmentation also caused a technological challenge. As a big portion of companies were artisan businesses, they could rarely be transformed into large-series producers (Großserienproduzenten). However, from the 1950s onward, the ultimate goal of any restructuring of the furniture industry had been mass production to fulfill growing consumer demands.

In 1964, the VVB Möbel began yet another attempt at restructuring furniture production, based on a report which found that, until 1963, furnishings constituted only about 2 percent of the GDR’s total industrial production but showed great promise as an export industry—15 percent of all export consumer products came from the furniture industry. The report pointed out that East Germany’s outdated technological standards and lack of investment had lowered the country’s international competitiveness. Furthermore, it noted, a large variety of styles and models inhibited economies of scale. For example, there were between 1,200 and 1,400 different furniture models in the upholstery sector. Every time a company switched to a new model, processes, machines, and tools needed to be recalibrated, which meant an interruption in production.

The 1964 structural reform aimed at addressing these shortcomings, shifted investment strategies to mechanization and modernization of furniture manufacturing, and opened a new chapter in supplying national retail and foreign trade. It eliminated the fragmentation of production through company mergers, cut down on specialized production by increasing mechanization, incorporated modern processing and manufacturing technologies, used materials that corresponded to international quality standards, and implemented serial mass production. The Planning Committee increased annual investments to the furniture industry from 30 million Ostmark in 1964 to 50 million Ostmark from 1966 onward. The funds were exclusively allocated for machines fit for
serial production; existing factory buildings had to suffice, as the investment plan was aimed solely at raising standards of technology.  

The 1964 reform also deepened the restructuring of regional clusters of industry. It created combines (Kombinate) throughout the 1960s, which basically replaced the VVBs as mid-level control bodies. However, clustering and coordination were only successful in traditionally dense industrial areas. Big companies focused on the mass production of serial furniture, while small crafts businesses were to respond to short-term changes in demand and fill gaps in the product range. Consequently, companies specialized either in a particular model or furniture ensemble, in certain technological processes or steps in the production

<table>
<thead>
<tr>
<th>Form of ownership</th>
<th>Production volume in million MDN</th>
<th>Share (%)</th>
<th>Number of companies</th>
<th>Share (%)</th>
<th>Number of employees; excl. apprentices</th>
<th>Annual average (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>GDR total</td>
<td>1,730</td>
<td>100.0</td>
<td>14,520</td>
<td>100.0</td>
<td>92,250</td>
<td>100.0</td>
</tr>
<tr>
<td>Industry total</td>
<td>1,143</td>
<td>66.0</td>
<td>563</td>
<td>4.0</td>
<td>48,015</td>
<td>52.0</td>
</tr>
<tr>
<td>State-owned (VEB)</td>
<td>866</td>
<td>50.0</td>
<td>178</td>
<td>1.3</td>
<td>32,705</td>
<td>35.5</td>
</tr>
<tr>
<td>Partially state-owned (HSB)</td>
<td>218</td>
<td>12.6</td>
<td>228</td>
<td>1.6</td>
<td>11,670</td>
<td>12.5</td>
</tr>
<tr>
<td>Privately owned</td>
<td>58</td>
<td>3.3</td>
<td>156</td>
<td>1.1</td>
<td>3,590</td>
<td>3.9</td>
</tr>
<tr>
<td>Industrial co-operative</td>
<td>1</td>
<td>0.1</td>
<td>1</td>
<td>0</td>
<td>50</td>
<td>0.1</td>
</tr>
<tr>
<td>Crafts total</td>
<td>587</td>
<td>34.0</td>
<td>13,957</td>
<td>96.0</td>
<td>44,235</td>
<td>48.0</td>
</tr>
<tr>
<td>Crafts co-operative</td>
<td>225</td>
<td>13.0</td>
<td>415</td>
<td>3.0</td>
<td>14,325</td>
<td>15.5</td>
</tr>
<tr>
<td>Private small trade/crafts and small industry</td>
<td>362</td>
<td>21.0</td>
<td>13,542</td>
<td>93.0</td>
<td>29,910</td>
<td>32.5</td>
</tr>
</tbody>
</table>

process, or in assembling certain parts. Where industry was thinly spread out, these attempts at concentration, cooperation, and specialization did not take hold. Nevertheless, the modernization and rationalization measures shifted the emphasis in nation branding activities: Instead of the backward-looking “keeper of German heritage” narrative, the modernization effort reconnected East Germany’s cultural vision to that of other industrialized countries in a forward-looking way.

The 1964 furniture industry reforms were an integral part of the NES (1963–68), which continued in modified form under the name Economic System of Socialism (Ökonomisches System des Sozialismus, ESS) until 1971, when the Politburo aborted this economic program and returned to the authoritative Plan. Ulbricht’s NES program aimed at allowing more flexibility for all levels of planning—most notably by giving individual companies greater discretion—and at working toward greater efficiency and growth. It recognized the limits of socialist economic thinking as the GDR strove to re-enter international markets after a period of extreme isolation following the erection of the Berlin Wall. Economic levers played an important role in NES, which attempted to combine central planning with indirect steering of enterprise via mostly monetary incentives. These economic levers, including net profit deductions, taxes, prices, and the cost and availability of credit and fund formation, became methods for indirectly aligning enterprise with the Plan. Bonuses and other financial incentives were aimed directly at motivating the workforce. Nevertheless, the introduction of market elements stressed quantitative as well as qualitative performance.

The Planning Commission expected the furniture industry to produce a complete and continuous range of functional and modern furnishings to meet domestic demand and export commitments. During the 1964 reforms, it demanded “superb quality, technologically state-of-the-art” furniture that should contain a higher “moral” value, meaning that it should be more durable, have greater functionality, and be simpler and lighter in construction. These new guidelines revised the previous emphasis on ornamentation and arts and crafts techniques in furniture production. GDR furniture industry was thus encouraged to implement simpler aesthetics, which taste reformer Horst Michel and other former Werkbund members and Bauhaus disciples had envisioned back in the late 1940s. Part of the plan was to compensate for a scarcity of natural resources and quality materials by modernizing furniture design. Chipboard and fiberboard, new surface materials, and chemical manufactures were used...
to reach these new standards. Rather than traditional materials like wood, the planners favored man-made materials, such as plastic and synthetics for drawers, doors, frames, and entire chairs.\textsuperscript{77} But more than just an economic program, this new focus on chemistry had cultural aims as well. Horst Redeker’s 1960 pamphlet “Chemistry adds Beauty” (\textit{Chemie gibt Schönheit}) set the tone for this period.\textsuperscript{78} In the furniture industry, synthetic materials were mainly used in finishing treatments and cushion foams. While the ultimate goal was, literally and figuratively, to enhance the socialist surface, this mostly resulted in a glossing over of the lack of quality materials underneath. In this way, the leadership changed the GDR national brand to one of forward-looking synthetic modernity in the mid-1960s.

Eventually, the scientific ideas that accompanied the centralization measures of the 1964 reform impacted industrial design rhetoric. Internal ZfF communication shifted emphasis from cultural directives to questions of socialist scientific progress.\textsuperscript{79} The main prerequisite for the institute’s work remained the improvement and design of the “socialist way of life,” but urgent technological and economic considerations surpassed purely cultural concerns. One challenge that remained was how to define the everyday needs of this “socialist way of life.” Ulbricht vaguely described the function of domestic culture in his presentation on “Basic Tasks for the Year 1970” in connection with the ongoing GDR housing crisis: “The quality of housing influences work productivity and development of the socialist identity. People reproduce their labor mainly in housing areas. With the evolution of a socialist mode of life, though, qualitatively new demands on housing develop.”\textsuperscript{80} The design of the home and of kitchen furniture was to be purposeful and pragmatic in order to free up time to do “more pleasant and useful things, such as cultural activities or educating ourselves.”\textsuperscript{81} Aesthetic considerations too impacted this practical approach: “Bad shape and color effects in tools, home textiles or furniture limit our joy of habitation.”\textsuperscript{82} The government thus understood the home to be an important part of the workers’ state, a place of recuperation and recovery from and for work as well as a space for self-improvement. Aesthetic concepts continued to play a great ideological role in shaping Germans into good socialists. However, determining these visual markers of a socialist way of life more concretely was left to the ZfF. By turning the aesthetic reconstitution of East German material culture into a scientific experiment, the GDR aligned its conception of the human environment with the scientific-economic interpretation of socialism that prevailed in the Eastern Bloc in the 1960s. This was an effort to catch up with Khrushchev’s
rationalization of the Soviet everyday, which proclaimed technology as the locus of communist modernization.\textsuperscript{83}

Alongside the structural reorganization and scientification of the East German furniture industry, more efforts were made to standardize production. Those measures included the standardization of furniture measurements in cooperation with the construction industry, the nationwide streamlining of assortments (\textit{Sortimentsbereinigung})—a specific type of product range rationalization based on cultural and political motivations—and tight quality control.\textsuperscript{84} \textit{Sortimentsbereinigung} dramatically reduced the numbers of models in the market and was a crucial prerequisite for the furniture industry to venture into mass production. In this way, the ZfF hoped to simultaneously achieve greater productivity and conserve raw materials.

This rethinking of furniture included machine-produced boards and self-mounted furniture series. Economic planners found the answer to their problems in modular storage furniture (\textit{Schrankwand}). Ironically, at this point the leading furniture combine Zeulenroda with its stylistically fraught furniture fell out of favor with the political leadership, and the SED reconciled with DWH, which it had previously viewed with suspicion. The furniture “modularization” program that Rudolf Horn designed for the Dresden-Hellerau combine in 1966, called Model German Workshops (Modell Deutsche Werkstätten, MDW), perhaps best embodies this new strategy. Instead of creating one variant of a hundred types, Horn changed the underlying concept to producing a hundred variants of one furniture type, substituting one distinct function with multiple functions for a piece or part of furniture. Wooden boards and panels constituted the basis of the construction concept, which relocated production from the work-and resource-intensive furniture industry to the wood prefabrication industry that simply provided the panels.\textsuperscript{85}

The program was based on a vertical modular grid that optimized storage functionality and warehouse turnover. The pieces measured 96 mm vertically and 600 or 800 mm horizontally and included shelves, doors, tabletops, desks, and drawers. Its aesthetic appeal lay in the combination of matte-finished surfaces on the basic structure and shiny veneers with real-wood visual appearance on the front. MDW became a best-selling item because of its modularization, availability, flexibility, and the degree of customization it allowed the final user. Consumers could assemble the pieces at home themselves. The system’s simple modular assembly and disassembly made it easy to move the furniture to a new location or to add supplementary parts as needed. MDW basically grew, or shrunk, over the course of the consumer’s life. Horn redesigned it twice in
Producing Modern German Homes

**Figure 2.1.** A studio photograph of East German system furniture Modell Deutsche Werkstätten (MDW) with larch veneer. Designed by Rudolf Horn for VEB Möbelkombinat Hellerau in 1967/1972. SLUB/Deutsche Fotothek, Friedrich Weimer, 1976.

**Figure 2.2.** The *Schränkewand* became a popular solution for bed and living room storage in both German states. Hülsta modular furniture series Universa in mahogany and white wood, catalog no. 5002. © Hülsta-werke Hüls GmbH & Co. KG, 1978.
the 1970s and 1980s, ensuring its production until the collapse of the GDR. It eventually incorporated upholstery modules from neighboring companies and combines. MDW and its supplier network thus perfectly embodied the division of labor that rationalization had brought to the modernization of the East German furniture industry. MDW was one of the longest-selling and most successful furniture lines before Ikea products became a global phenomenon.

MDW also entailed a complete rethinking of relations between production, retail, and fitting. Retail had to be reorganized to provide first-time buyers with Wohnberatung, interior design counseling that would create the best solution for any given house, apartment, or room. Stores had to offer assembly in a timely manner, though consumers could choose to assemble the pieces themselves without professional help. However, Horn envisioned close cooperation between furniture stores and industry. He quoted Ulbricht’s guidelines from the Seventh Party Congress in 1967: “It is here that retail fills out its role as contributor to the People’s economy—for the good of the economic efficiency.” Wohnberatungen had existed in the GDR before, but the projected MDW counseling exceeded prior institutions in scale and ambition, revealing a systematic attempt to promote both an aesthetic and a utilitarian vision to the broader public.

Although NES and the Chemical Program incentivized a host of reforms in the furniture industry, enabled investments, and facilitated greater coordination—for which MDW was an exceptionally successful example—not everything went according to plan. In hopes of increasing the potential for innovation, NES gave combines and VEBs more freedom with regard to product development and planning. This leeway, however, made quality control more difficult, and thus necessitated extra incentives for industry to produce goods consistent with the official aesthetic. It is here that the ZfF used its industrial design expertise to participate in the economic planning process. As a unit of the DAMW, it issued a new quality seal for “Good Design” and awarded medals at the semi-annual Leipzig trade fair from 1964 onward. Winning companies could increase prices for their domestic retail and export products and thus reach their annual production quota faster. However, the measure did not achieve the desired effect, because the economic levers introduced by the NES did not eradicate self-interested company behavior. By 1970, the SED party organizations in the furniture industry blamed poor quality of products and lack of innovation on the VEB and combine directors. They requested an end to the “ideology of omission,” the tendency to mass produce only those furniture designs that required the least material and labor resources.
**Family Businesses and Aesthete Entrepreneurs**

The 1964 restructuring of the GDR furniture industry was closely related to the state of West Germany’s furniture production. Investments in mechanization technology had propelled the Federal Republic to the top of storage furniture-producing nations, while education and professional training had given West German products a reputation for quality workmanship and innovation. West Germany’s successes became the implied benchmark for the GDR furniture industry in the 1960s. To complete the modern brand narrative, however, the GDR planners, despite concentration measures that theoretically increased control over the design process, still depended on the cooperation of the industrial sector, just as western design councils needed to work hand in hand with entrepreneurial elites. The results of these efforts were mixed, and both risked losing a key actor in their brand narrative endeavor: the entrepreneur.

In the postwar era, a number of German family businesses that produced furniture grew from small firms that competed in niche markets into international companies. Nonetheless, the families maintained their ownership as well as their influence on business culture and leadership. Alongside big industry, the family business has been identified as one of the two routes to Germany’s industrial modernity. The economic strength of small- and medium-sized businesses, the so-called *Mittelstand*, shaped West German capitalism, while they played a less important role in the GDR. There the social capital and economic prowess of entrepreneurial families were frequently overlooked because of the policy focus on state-owned companies and large production clusters.

Owners’ financial and personal involvement in family and *Mittelstand* businesses often created specific organizational structures. Specialized regional networks of artisanal work emerged through associational cooperation, a “decentralized industrial order,” before and alongside big business, strengthened by the distinctive social ethos of the *Mittelstand* entrepreneurs. In West Germany, most of the furniture industry was clustered in Baden-Württemberg, Bavaria, and North Rhine–Westphalia. Through mechanization and mutual support in regional networks, the industry found creative ways to sustain itself even during economic downturns, such as the oil crises of the 1970s, and the onset of market saturation. Whereas 40 percent of the population in the Federal Republic bought furniture during the furnishing boom of the 1960s, just 20 percent did at the beginning of the 1980s. Yet the expenditures doubled from DM 318 to DM 646 per purchase. This was partially due to collaborations between different branches of the industry. For example, upholstery and storage
furniture manufacturers together created attractive modular programs that offered solutions for the entire house and enticed consumers to spend more money in a single purchase. Technological progress contributed to the sustainability of medium-sized furniture production as well. By the 1980s, the industry mechanized with remarkable speed, resulting in greater output using less manpower. Most of these firms were still medium-sized companies with workforces of less than one hundred.

In the realm of design, the personal involvement of family members and the ability to draw on regional artisanal skills often made family businesses drivers of innovation. The North Rhine–Westphalian furniture company Interlübke exemplifies how timeless designs, quality production, and long product life span became the cornerstone of family business success. Founded by brothers Hans and Leo Lübke in 1937, the company became a household name by the 1960s. Based on the ideas of Swiss interior designer Walter Müller, the Lübke brothers developed an “endless” closet and shelving system in 1963 that revolutionized the West German living room. The *Schrankwand*, a modular furniture system, could be rearranged or added to as needed, just like the MDW storage solution in the GDR a few years later. While there were other people working on similar solutions to provide flexible storage in the living room, the Lübke closet system, called Interlübke 63, won over consumers with its durability and simple elegance. Interlübke did not follow trends or listen to consumer surveys but rather relied on its own taste to create progressive and modern high-end furniture. As trendsetters, the Lübke family represented the ideal type of aesthete industrialists in the Federal Republic: a family business that excelled in quality design and whose interests eventually aligned with the aesthetic mission of the RfF. However, companies that could afford to cater only to a selective and exclusive clientele with expensive, modern taste were the exception also in the Federal Republic.

Even during periods of enormous growth, the *Mittelstand* ethos remained visible in the firms’ political activism. Members involved in the BDI Arbeitskreis often came from small-and medium-sized enterprises and family companies. The smaller scale of their businesses allowed *Mittelstand* entrepreneurs to combine traditional craftsmanship with serial production. They were in general more likely to consider questions of design alongside production ethics that valued premium materials and durability, and less prone to Americanize their business methods than their big business counterparts. In the postwar decades, American production and management methods, such as rationalized mass production to increase profit margins, systematic data collection to maximize productivity, and mass distribution, including marketing techniques, to
create demand, had become influential in German big business. While German industrialists were fascinated by the productivity and prosperity of US industries, they rejected American production practices that consciously cut short product life span with superficial styling and mediocre materials and construction. Instead, German Mittelstand entrepreneurs shared a belief in quality materials and timeless shapes with other European countries that had adopted reform ideas from social design movements, such as the Swiss Werkbund (1913) and the Dutch De Stijl (1917), into their national value system in the first decades of the twentieth century. The furniture industry particularly upheld these standards because technologies of wood processing had not advanced enough to mechanize production entirely, and for the most part small series production prevailed. West German furniture production thus combined aesthetic characteristics with social responsibility by necessity as well as by intention. This value system persisted until well after reconstruction and was reaffirmed in the BDI. Gustav Stein summarized the position as follows: “If everybody took part in the conscious quality reduction coming out of America, then there is only one recipe for success for us: technological quality with its ‘Made-in-Germany’ seal shaped by ‘good design as a quality factor.’ Business elites thus saw their products as part of a national brand that stood for high standards with a commitment to affordable value. From their point of view, German aesthetics and production ethics stood in opposition to those associated with American methods.

Like industrialists in the Federal Republic, the economic planners of the GDR idealized quality design and quality products. East Germans upheld durability and social responsibility as the underlying principles of production. This is supported by the fact that the DAMW established quality control benchmarks and mechanisms with the goal of prolonging product life span. This policy was partially motivated by the scarcity of consumer goods. Increasing demand, so the idea went, could be stemmed if the available goods remained in households long enough. For instance, economic planners expected living room and bedroom furniture to last fifty years, a view they shared with a sizable part of the wider population. As late as 1984, almost a third of East Germans maintained that furniture should be bought only once in a lifetime. The fact that Germans in East and West opposed the American “throwaway society” thus suggests that Americanization cannot explain all facets of Germany’s postwar cultural and economic development.

In East German socialism, the space for entrepreneurial activity shrunk during waves of intensified collectivization and expropriation in the 1950s,
1960s, and 1970s, in spite of the fact that private ownership persisted in segments of the arts and crafts. In response, East German companies steadily migrated westward in search of better economic and more liberal political conditions. As early as 1953, about one in seven East German industrial firms, more than four thousand in total, had moved to the Federal Republic, taking their skilled workers and managers with them. This exodus marked an enormous brain drain, as the average GDR refugee was young, educated, and highly adaptable. Loss of talent hampered the country’s technological-scientific development and damaged its industrial progress. This migration flow was only halted by the construction of the Berlin Wall in August 1961.

Innovation, while desired among East German entrepreneurs and family business owners, found little space in the socialist economy as NES and ESS drew to a close in 1970. The new national brand narrative of synthetic modernity that was deeply anchored in industrial research and development (R&D) put even more pressure on the Planning Commission to keep up with the international industrial competition. With a mix of paranoia and hunger for success, the GDR increasingly fostered its technological development through industrial espionage. However, the practice risked turning away potential allies in the national brand narrative and increasingly undermined the entrepreneurial spirit of Mittelstand business owners.

Such spy activity intersected with entrepreneurial expertise in the family business Bruchhäuser in Güstrow, Brandenburg. The firm was founded by Werner Bruchhäuser and his son Axel joined, after earning an engineering degree, to manage technical development and marketing. During the standardization efforts of the early 1960s, the DAMW took note of the high quality standards and continued improvement of production technology in the Bruchhäuser company. By the late 1960s, this enterprise, a private company with majority state shareholding, produced couches, chairs, and other seating that were successful on the western export market. The case of Axel Bruchhäuser offers an illustration of how a financially well-situated middle-class family that seemed to have come to an understanding with local and national party operatives could feel stifled by the state’s one-size-fits-all policy solutions to advance East German technical production.

In 1969, Axel Bruchhäuser requested assignment as Reisekader, a person who was granted official permission to travel outside of the GDR for business or political purposes without undergoing the long visa process. This would allow him to visit the Federal Republic to meet with his business contacts in the western furniture industry. His father, Werner, had been a Reisekader ever since the
company started exporting furniture to West Germany in 1966, and it may have been either the request for the second travel permit for one firm or the fact that the father had not proven to be a good and reliable Stasi (Ministry for State Security) informant that put the Bruchhäuser family on the radar of the GDR intelligence service. After long deliberations, followed by an extensive background check, the Stasi decided not only to grant Axel the travel permission but also to hire him as an unofficial informant (Inoffizieller Mitarbeiter, IM), a collaborator of the intelligence service. His research in synthetic fillers for upholstery cushions coupled with his engineering knowledge made him an ideal candidate for industrial espionage. Moreover, Axel had never openly criticized the regime, had a clean record in the required socialist youth mass organizations, and had become an expert in chemical technology. Even the fact that he had not been politically active and came from a middle-class family helped his case. The Stasi concluded that this “bourgeois” profile would make western business partners more likely to trust and speak openly with him. Once his IM training was complete, the Stasi showered Bruchhäuser with financial incentives to work for them.

For two years everything went smoothly. Bruchhäuser and his father both went on trips to Western Europe and reported back to the Stasi on the political, economic, and social situations of their host countries. Specifically, Bruchhäuser’s mission consisted of collecting operational intelligence regarding offensive economic activities in the economic realm, the infiltration of the adversary structure, intelligence of adversary companies and their centers of interference, accumulation of scientific-technological information and documents from non-socialist countries, recruitment of western economic cadres, and intelligence on operationally interesting persons from non-socialist countries.

The list reveals that investigating external “interference” in the GDR economy seems to have taken precedence over uncovering foreign industry secrets. But informant Bruchhäuser provided the Stasi mostly with technological information about West German businesses that worked in the field of polyurethane chemistry and not with intelligence about suspected western economic warfare. He also went to the IMM Cologne Furniture Fair in 1970 and 1972 to evaluate and report back on the international standards of technological development in furniture production.

In 1972, after Erich Honecker had succeeded Ulbricht as general secretary of the SED, the entrepreneurial situation in the GDR took a turn for the worse.
Already majority-owned by the state, the Bruchhäuser family business became expropriated under the auspices of a new nationalization policy. Having endured partial expropriation in 1960, this was more than the Bruchhäuser family was willing to accept. A few weeks after the announcement of the nationalization policy, the Stasi inadvertently sent father and son simultaneously on trips to western countries, giving them an opportunity to flee the GDR. Reuniting in West Germany, they joined forces with an old business contact in Lauenförde, Lower Saxony, and proceeded to take over a furniture company called Tecta, which they converted to specialize in Bauhaus designs and other high-end furniture. Taken by surprise, the Stasi tried to force the Bruchhäusers to return to the GDR by holding Axel’s mother and his three sisters hostage. For two years, the Stasi followed their every step but eventually gave up in 1974.

This episode shows to what lengths the GDR went to catch up technologically with the West, especially the Federal Republic. The Stasi risked involving father and son in their IM program and provided transportation as well as funds to enable them to deepen their business contacts in the West. Moreover, Bruchhäuser’s mission also illuminates the suspicion and paranoia with which the GDR leadership viewed the FRG. Nevertheless, the investment in Bruchhäuser could have paid off. Axel did report back on new ideas about how to combine chemical components that could substitute for scarce natural resources such as wood or fillers in cushions. Among the East German projects that his expertise and industrial espionage facilitated were the new synthetics works in Schwedt. In a letter he sent to a friend in Güstrow after he had fled the GDR, Bruchhäuser pointed out that the technological standard in Schwedt was tremendous and that people in the West were “tearing their hair out seeing how little such technological expertise was put to use” in the GDR. This inability to fully benefit from captured industrial secrets may be traced back to shifting power relations in industrial development since the late 1960s. To be in full control of the R&D process and to monopolize information, the Stasi cut official lines of international, and at times even internal, communication and substituted technological and scientific exchange with industrial espionage. Instead of incremental change through experimentation, R&D departments were ordered to copy illegally procured western products. This meant that industrial espionage became the sole source of progress in key industries for the GDR’s modernization, such as microelectronics, and that these industries were always a step behind the international competition. As Bruchhäuser’s story illustrates, this was also true for the chemical industry, an increasingly important contributor to furniture production.
The way in which the SED handled industrial research thus suppressed both home-grown innovation and the entrepreneurial spirit.\textsuperscript{123} Espionage surely informed technological development in the GDR furniture industry, though fully taking advantage of these advances depended on visionary entrepreneurs. However, such figures had been lost to the other side due to the expropriation and surveillance policies of the state. Whether \textit{Mittelstand} industrialists physically emigrated to the West like Bruchhäuser or refused to cooperate, the government lost a crucial building block in the nation branding process.

\textbf{Consumer Reception and Market Research}

Postwar nation branding and the narratives it created around products established a direct link between correct production and the “right” consumption. In the case of West Germany, over the course of the 1950s the brand had become national by design, but shared its modern edge with design work done in other European countries. In the East German case, the branding message changed from presenting the GDR as the keeper of traditional German aesthetics in the 1950s to articulating a socialist synthetic modernity more international in character in the 1960s.\textsuperscript{124} Successful implementation of these narratives in everyday life via consumption necessitated the inclusion of the population in the brand. Here we see the efforts of industry and state-supported design institutions diverge again. Increasingly, industry’s vision for design as part of the national brand had a pragmatic and hence a more inclusive emphasis than that of state institutions when it came to listening to consumer opinion. Meanwhile, the RfF design council in the West and the ZfF, the DAMW, or the Bauakademie in the East attempted to streamline or even control specific interior design aesthetics. The difference in approach was guided by customers’ buying power alongside market research that facilitated producers’ acceptance of different tastes and purchasing decisions.

From the early days of the GDR, design educators made a great effort to include the population in the branding of postwar East Germany. Interior design shows offered an opportunity for design visionaries to directly interact with the general public. In 1952, the Institut für angewandte Kunst (the later ZfF) organized an exhibition of modern household goods that presented the official vision of the SED leadership. At its \textit{Industrial Products of Today} show the institute asked the population to assess the displayed products, considering it an “important democratic cultural task” to judge the current industrial production “with the goal of influencing their further development and of scrutinizing
those distributors and buyers who brought the mediocre and the bad instead of the best into retail.”

The GDR thus strengthened the link between production and consumption by actively involving consumers in writing a national narrative, at least until the Formalism Debate and its aesthetic diktat curtailed the conversation.

Shortly after the Formalism Debate, the GDR design council’s exhibitions often stood in stark contrast to the official style guidelines. Customers left angry comments in response to the displays in the guestbook of the 1956 show *Industrial Products—Functional and Beautiful* at East Berlin’s Alexanderplatz. They felt misled by the modern sample furniture in the exhibit that were not being mass-produced at that time. It further highlighted the drab offerings in stores and uncovered the shortcomings of East German consumer goods production. One visitor even called the exhibition a “smoke screen” hiding the bleak state of the socialist interior design industry.

This guestbook offers testimony to popular discontent by the second half of the 1950s, once it became clear to the population that the GDR leadership would be unable to deliver on reconstruction-period promises. Visitors’ frustration with the apparent inability to put modern products in East German stores resulted in pilgrimages to West Berlin. “It’s always the same. Retail, that is the government, has only to blame itself if we go to the West to see or even buy well-designed products!” one visitor remarked, deeply disappointed after having seen such unattainable furniture displayed in the exhibition. “This [exhibition] is proof that we also have such things. Where can I buy the nice little upholstered lounge chairs from Hellerau?” Consumer comments cleverly employed ideological rhetoric to engage and challenge economic planners: “Fulfilling personal needs is the best cultural education (*Kultur-Erziehung*). How can we benefit from the most beautiful exhibition if everything is destined for export?”

Most of the commentators signed their critique with their full names and addresses, which indicates that they neither feared repression nor punishment for their candor. “This book with its contents can be described as an ‘arraignment’; an arraignment because it uncovers openly and consistently the idleness of retail and partially even that of the industry,” reads one of the last comments, summarizing the general tone of responses in the guestbook.

Ten years later, in 1965, at the furnishings show *Modern Dwelling* in Hoyerswerda, similar comments about retail’s failure to embrace modern furniture again appeared in the guestbook. The show’s visitors especially blamed retail buyers and proposed that “the HO and Konsum buyers of Hoyerswerda should acquire good taste by seeing the original [in this exhibition]. Hopefully then
there will be good products available in our stores.” Assuming buyers had been whiplashed by the Formalism Debate and the oft-changing SED style directives, the public urged them “to buy and act bravely!” Ample evidence exists that many GDR citizens preferred modern idioms to the opulent kitsch of socialist historicism. It is safe to say that the leadership and the populace did not agree on a single style for German socialism in the 1950s and the first half of the 1960s. Representing large state-owned retail organizations, HO and Konsum buyers grew insecure; they either safely complied with the SED guidelines on socialist realism or simply followed their often uneducated personal taste. By the mid-1960s, when the national brand narrative changed to a synthetic modernity that included simpler, functional designs, production and retail had to undergo a complete restructuring in order to fulfill this new vision.

In the long run, economic organization by districts seems to have caused consumption disruption and inhibited modernization. The industry in each district was supposed to cover the consumption needs of the entire region, which posed fewer problems in regard to foodstuffs or articles of personal hygiene and clothes than with furniture. Despite efforts to align the furniture aesthetic across the GDR via cultural policy, each of the furniture combines maintained its own specific style. The inflexible organization by district severely limited interdistrict exchange of goods, which negatively affected the availability of specific furniture sets and add-on systems across the country at the close of the 1950s. For somebody who had decorated a home in the district of Dresden with ready access to the very particular furniture of Hellerau, moving to, for instance, Schwerin at the Baltic Sea coast meant either starting over, going to the expense of furnishing the home with new furniture, or adding pieces of furniture produced in the new home district, potentially compromising the previous aesthetic vision. While these problems might seem trivial, they negatively affected the quality of life in the GDR and the popular support for the national brand.

In an effort to improve domestic economic planning, the GDR established a market research institute in 1962 to coordinate supply and demand. The increasing interest in consumer demand had originated with the New Course and was reaffirmed by the 1958 Fifth Party Congress, which heralded gradual shifts away from an economy exclusively based on heavy industry. As early as 1953 GDR retail sales personnel were already writing down daily comments and criticisms of customers and sending the feedback up the levels of the economic planning apparatus, which were then summarized for the Planning Commission. As paradoxical as conducting market research in a centrally planned economy might sound, the Institute for Consumption Research (Institut für Bedarfsforschung),
renamed Institute for Market Research (Institut für Marktforschung) after 1967, contributed tremendously to the configuration of Five-Year Plans. It conducted polls among consumers, compared past production rates with actual demand, and calculated and analyzed the predicted consumption of goods to perfect the Plan. The institute saw its mission as one of “understanding and explaining the antagonism between production and consumption, supply and demand, communal and individual interests, communal and individual consciousness” via consumer motivation research.\(^{116}\) In this way, market researchers searched for ways to address discrepancies in the socialist “planning of the market.” Foreseeing business landscapes in five-year increments based on this data presented an insurmountable task, yet the planning apparatus continued to attempt to reach budget conclusions and anticipate demand despite recurring proof that both the consumer and the producer estimates were off.\(^{117}\) Nonetheless, the presence of a market research institute in a planned economy speaks to the GDR’s attempt to balance ideological boundaries and the uniformity of standardized materiality with consumer behaviors.\(^{118}\)

By 1971, a period when prefabricated housing blocks had become the preferred building form in the GDR, consumers continued to prefer functionality over pomp and ornament.\(^{119}\) According to a market survey, half of the population liked the new add-on furniture systems, such as MDW. More than 40 percent of the population liked the idea of extra storage for clothes in the living room. Among consumers who had a one-bedroom apartment, where the parents used the living room as their bedroom, this number almost doubled. With regard to interior design taste, the population was split down the middle. While 49 percent favored a cohesive style for their living room furniture, 44 percent preferred to have different styles or shapes in supplemental small furniture, such as side tables or flowerpot stands. Regarding dining tables and chairs, the percentage of consumers preferring aesthetic cohesion with their storage furniture (Behältnismöbel) was even higher at 53 percent. Eighty-two percent indicated a preference for natural materials in their furniture, especially real wood.\(^{120}\) The findings of the study indicated to the economic planners that the population had specific ideas about their living environments, with a preference for modern design idioms made of natural materials that enabled maximum flexibility and practicality.

Synthetic materials, increasingly applied in accordance with the Chemical Program and modernization concepts of the mid-sixties, did not make the list of preferences, indicating that the narrative of synthetic modernity failed to find full support among the GDR population. Antiques and inherited wooden
furniture also continued to be a substantial part of GDR interiors. When the Council of Ministers later encouraged this trend to combat a shortage in raw materials and consumer products in the 1980s, these makeshift solutions were absorbed into the brand narrative. For instance, the interior design magazine *Kultur im Heim* and such articles as “Biedermeier in the Modern Building?” (*Biedermeier im Neubau?) and “Second-hand Furniture” (*Möbel aus zweiter Hand*) promoted the appropriate incorporation of old furniture into socialist living environments. The key to keeping the home “socialist,” they suggested, was to avoid treating the piece as ornamentation, no matter how historic or precious, and instead to assign it a specific function.

GDR consumer research also illustrates how popular attitudes toward home furnishings changed over time. The number of households that wanted to replace their furniture more than doubled from 21 percent in 1971 to 43 percent in 1984. While this figure is still comparatively low, it indicates the growing expectations of material well-being among the East German population in the later years of the GDR. Honecker’s consumption-oriented promises of the Unity of Economic and Social Policy program at the Eighth Party Congress in 1971 had likely spurred expectations. Nevertheless, the planned economy failed to fulfill these hopes for improved furniture availability. While the nonfulfillment of production quotas was one factor here, this was significantly compounded by the fast progress in prefabricated housing that led to increased demand. The public housing programs of the 1960s through 1980s started a large migration from decaying inner-city housing to these new high-rise apartments on the outskirts of cities, which often necessitated the purchase of additional furniture.

Although the production capacity was great enough to cover the unexpected demand even when unfulfilled production quotas are taken into account, East Germany’s increasing dependence on export revenues meant that a large percentage of the national production was instead sent abroad. The furniture industry eventually failed to keep up with both domestic and export demand.

As the supply gaps widened, the population grew increasingly disgruntled. In *Eingaben*, complaint letters to the communal, regional, or national leadership, consumers decried their plights with the retail sector. *Eingaben* were not consistently retained, but from a number of preserved letters it appears that the population mainly used them to criticize and not to compliment the goods supply. They offer insight into how GDR consumers negotiated with the political leadership over its failure to provide adequate material comfort. *Eingaben* performed a particular rhetorical function, with highly stylized content. It followed a general pattern where GDR citizens first presented themselves as
righteous socialist citizens and then threatened to appeal to higher levels of the administration, quoting political leaders to legitimize their appeals. These letters were part of a carefully crafted illusion that suggested to consumers that they could bring their concerns directly to the people in power, an emulation of direct participatory democracy and another “smoke screen” employed by the government to maintain domestic stability. Just like the guestbooks at design exhibitions, Eingaben functioned as pressure valves where consumers could release their frustrations, without the SED having to actually make changes in the slow-moving economic system. They seem to have gained traction only in Prisma, a popular GDR television program that featured complaints and forwarded Eingaben to the responsible people, which annoyed economic planners and policymakers. Ironically, Prisma did more of a disservice to consumers, because it took the focus away from the wrongs in the system and directed it instead toward individual cases that, after some moralizing on national TV, industry and retail were able to fix. For quite a long time, the leadership succeeded in creating the impression that the socialist economy was able to fulfill demands, but the cracks in the facade were exposed in the late 1980s. The Ministry for District and Food Industries, which was responsible for the furniture industry, reported for the first six months of 1987 that the tone of the Eingaben became more acrimonious. Rather than the complaints being framed by the acceptable limits of ideological discourse, some Eingaben openly challenged the purported advances of socialism. In a letter to the furniture collective Dresden-Hellerau, the Licht family from Dresden complained that 15 percent of the delivered parts for a self-assembled children furniture set were faulty and concluded that “we cannot imagine that customers in the non-socialist West would be content with this. Yet we deem the damage that is done to the population’s trust in the products of our socialist industry more severe.” This and other Eingaben show the extent of pent-up frustration among the public and that the SED’s mechanisms of population control began to fail by the late 1980s.

In the market economy of the Federal Republic, consumer demands necessarily shaped attempts to forge a cohesive aesthetic. In 1954, the Institute for Opinion Polling Allensbach conducted a survey about consumer tastes in furniture among females over eighteen years of age. The results revealed the challenge that West German industrialists and official arbiters of taste faced as they dealt with diverse tastes in their quest for aesthetic revival. The overwhelming majority, 60 percent of the women interviewed, preferred flowered kitsch, dark woods, and curved lines on living room buffets and recliners. Thirty percent liked what could be described as subdued modern or Swedish style with clear
lines, blonde woods, and unadorned surfaces, the style closest to the functionalist aesthetic of the national brand. Only 7 percent of the respondents, mostly younger women between the ages of eighteen and twenty-nine, showed interest in the organic shapes of 1950s American-influenced, “international” design. A further breakdown of this group reveals that better educated female wage earners and entrepreneurs from mid-sized towns favored the modern idioms (Swedish and International styles). These numbers revealed a slowly growing trend toward modern, simple aesthetics among wealthier consumer brackets. Industry intended to accelerate this trend through taste education initiatives, such as the Wohnberatungen and industry-sponsored permanent exhibitions of well-designed objects.

Yet attempts to streamline West German taste in interior design met with little success. In 1963, sociologist Alphons Silberman conducted a similar study in the city of Cologne and the small town of Bergneustadt. Respondents again preferred an aesthetic that was bulky and ornamented, especially those in the higher income brackets. A few years later in 1969, the by then industry-led RfF started a quality initiative similar to the economic levers employed by economic planners in the GDR, awarding outstanding designs from industry and design students that reflected official aesthetics with a government-endowed prize, also named “Good Design” (Gute Form) like that of the GDR. The idea was not bad, as West Germans regarded good quality to be the most important factor in their furniture purchasing decision. However, the prize failed to get noticed by West German audiences and was often confused with the much older Good Industrial Design (Gute Industrieform) quality seal awarded annually at the Hanover Fair. Subsequently, the winning designs were showcased in a traveling exhibition sent around Western and Eastern Europe to highlight West German ingenuity, unfolding more impact abroad than at home.

Aside from policies, design, and production, retail played an important role in supporting or undermining nation branding efforts. As in the GDR, the availability of modern designs depended largely on their distribution through buyers and retail organizations, which became the object of inquiry for the Nuremberg Society for Consumption Research (Gesellschaft für Konsumforschung, GfK). In the spring of 1972 the GfK conducted the first research on furniture retail and distribution with a view to offering the industry better data on the challenges ahead. It found that due to increasing production capacities and a growing number of competitors (close to 10,000 retail businesses were counted) the struggle for customers already intensified. Over a period of six years, the market further expanded from over DM 9 billion in sales in 1972 to over DM 15
billion in 1978. The furniture industry grew steadily in the Länder of Bavaria, Baden-Württemberg, and North Rhine–Westphalia; the latter expanded from 2,532 retail businesses in 1972 to 2,990 in 1978. Despite the economic downturn after the 1973 oil crisis, the furniture sector remained highly competitive, which meant that industry and retail increasingly followed consumer tastes, instead of implementing the national brand narrative.159

One of the largest German retailers was the Neckermann mail order business, which sent out catalogs to ten million West German homes in the early 1970s. Asked how Neckermann conceptualized its product line, Eckart Rittmeyer, its head buyer, responded that the company did not perceive itself as educating consumers but rather that it allowed demand to dictate the choices in the catalog. Unfortunately, he continued, designer furniture and low prices seldom matched up, but even if they did, he thought that the RfF jury for the Good Design prize was too avant-garde in its tastes and missed the mark with respect to both the needs and demands of the population.160 Gerhard Krahn, the general manager and partial owner of the small furniture store Gessmann and the larger furniture center Europa-Möbel in Frankfurt, shared Rittmeyer’s view. Whereas the typical Gessmann customer was usually well-to-do, Europa-Möbel catered to the lower-income strata. Asked to speculate about the promises of functional furniture at affordable prices, Krahn said that it would not change lower-income consumer behavior, “because this furniture with clear lines doesn’t offer enough on an emotional level.”161 He also pointed out that even the affluent often preferred stylized furniture over functional furniture. However, Krahn observed that the functional avant-garde designs eventually began to sell at the Gessmann store and, increasingly, at the Europa-Möbel center.162

In the end, despite all the effort devoted to educating consumers about good design, West German policymakers never succeeded in completely eradicating the bulky-style furniture commonly known as Gelsenkirchner Barock, a kind of opulent Biedermeier that came to embody German popular taste during the economic miracle.163 Middle-income groups especially liked to demonstrate their affluence with heavy, wooden furniture, elaborate patterned fabrics, and numerous knick-knacks. To this social group, functionalism and good design represented the scarcity and shame of the postwar years that most Germans wanted to leave behind. While the Federal Republic understood the centrality of prosperity in its postwar narrative of nation branding, the selected aesthetic style did not fit the self-image of a large segment of the population. By the early 1970s, though, a noticeable change in taste took place, as demand for and affordability of modern furniture increased, evidenced by the international success of Ikea.
In both Germanys, then, similar struggles over centralized cultural policy, regional economic organization, and popular reception shaped and necessarily altered the nation branding narrative over the course of forty years. Policymakers, designers, industry, retail, and consumers came to the market with different expectations. Paradoxically, the efforts to create national brands by infusing German homes, East and West, with styles that conformed to their respective narrative continued to bring the two aesthetics closer together, particularly because the underlying norms and values regarding product quality remained similar. The emphases on durability over modishness and technological precision over superficial styling are features with which German product design and engineering have become synonymous. Even if GDR production failed to uphold these principles in practice because of shortcomings in the socialist economic system, officials continued to demand world standard quality. It is, in fact, this proud “Made in Germany” brand that exemplified the aspired economic culture in both Germanys.