



The Effects of Communism on Popular Preferences

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While the common view in the West is that most Europeans who lived under Communism were happy to trade state-run economies for free-market capitalism, it turns out that their Marxist indoctrination may have more staying power than previously thought. In *Goodbye Lenin (or Not?): The Effects of Communism on People's Preference* (NBER Working Paper No. [11700](#)), co-authors Alberto Alesina and Nicola Fuchs-Schündeln find that after being reunited with West Germany, most East Germans have retained a decidedly Communist view of what the government should do in terms of providing a social safety net and redistributing wealth from rich to poor. The authors conclude that the exposure to Communism has made East Germans "much more pro-state than West Germans."

"This effect could arise due to indoctrination (such as teaching the virtues of Communism in the schools) or simply due to becoming used to an intrusive public sector," they write. "A second, indirect effect of Communism is that by making former East Germany poorer than West Germany, it has made the former more dependent on redistribution and therefore more favorable to it."

Alesina and Fuchs-Schündeln see Germany as an ideal laboratory for studying the lingering influence of Communism on a society because, prior to its partition in 1945, East and West Germans were, culturally and economically, almost indistinguishable. Therefore, one can attribute differences in contemporary attitudes to the different systems they lived under until unification in 1990.

The authors observe that after 45 years of living under Communism, one could think of "two possible" outcomes. Given the contrast between their stagnation and the West's prosperity, East Germans could have a strong reaction against state intervention and eagerly embrace free-markets. Alternatively, it could be that more than four decades of "heavy state intervention and indoctrination instill in people the view that the state is essential to individual well being."

Alesina and Fuchs-Schündeln examined comprehensive, contemporary surveys of East and West German residents regarding their views on who should be most responsible for ensuring individual financial security, the state or the private sector. What they discovered is that most East Germans continue to hold the Communist view of the state as the central actor.

"In fact, we find that the effects of Communism are large and long lasting," they write. "It will take one to two generations for former East and West Germans to look alike in terms of preferences and attitudes about fundamental questions regarding the role of the government in society." In that sense, they view West Germany as having received a major "political shock" when it was re-united with East Germany since, almost overnight, the portion of the German population favoring state intervention grew significantly.

And, the citizens' preferences appear to go beyond self-serving beliefs. For example, Alesina and Fuchs-Schündeln find that some of the difference in opinions -- about a third -- "can be explained by the fact

that the East became poorer during Communism and is now a net beneficiary of (state directed) redistribution within Germany, rather than to an effect of Communism on preferences." But, they also find that East Germans are simply much more likely than West Germans to conclude that, "social conditions, rather than individual effort and initiative, determine individual fortunes."

"This belief is of course a basic tenet of Communist ideology," they write. But Alesina and Fuchs-Schündeln find that while Communist attitudes may still linger, they are waning and eventually -- though it may take 20 or 40 years -- the two sides will converge. For example, between 1998 and 2002, the share of East German votes captured by Germany's most leftist party, the PDS, shrunk substantially, "indicating a movement away from the Communist-leaning left toward the center of the political spectrum."

-- Matthew Davis

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