

***Eisenhüttenkombinat Ost* [Steelworks Combine East] in Eisenhüttenstadt (October 1991)**

Abstract

The SED decided to found the *Eisenhüttenkombinat Ost* [Steelworks Combine East] at its Third Party Congress in July 1950. The decision reflected a desire to safeguard GDR steel production and build up heavy industry. During its GDR history, the steelworks was continuously upgraded and expanded, and an entire city – Eisenhüttenstadt, literally “Steel Works City” – was built around the plant from the ground up. In 1988, thirty-eight years after the city was founded on an empty tract of land, Eisenhüttenstadt had a population of 53,000. That year, the *Eisenhüttenkombinat Ost* employed 12,000 people.

The collapse of the GDR, German unification, and the economic restructuring that followed had a dramatic impact on the city’s economy. In May 1990, the *Eisenhüttenkombinat Ost* (or EKO for short) was transformed into *EKO Stahl AG* [EKO Steel Joint Stock Company]. Increased competition from West German steel makers and the collapse of Eastern European markets, in addition to the reorganization of the steel works, quickly led to massive layoffs: 9,300 jobs were cut in 1990 alone, reducing the workforce to 2,700. At the end of 1994, EKO Stahl AG was taken over by the Belgian Cockerill Sambre Steel Co. Ltd.; in the years that followed, it was modernized with the help of European subsidies. In 2002, the steelworks was taken over by the Arcelor Group, which became ArcelorMittal after a merger in 2007. It is now part of the largest steel producer in the world.

Although steel continues to be produced in Eisenhüttenstadt, unemployment rates are high, and the city’s remote location and singular dependence on the industry has proven problematic. In 2005, approximately 20% of city residents were unemployed. A wave of outmigration, particularly among the young, caused a population drop of approximately one-third between 1989 and 2004. As in many other East German cities, population loss led to a huge stock of empty housing units – in July 2003 the vacancy rate hovered around 22%. The situation of the city as a whole has even prompted some to refer to the former GDR showpiece as “Schott-Gorod” – a word formed from the German “Schrott” (“scraps”) and the Russian “gorod” (city).

Since 1993, the city has been home to the “Documentation Center on Everyday Life in the GDR,” which aims to preserve the material culture of the German Democratic Republic.

Source



Source: Steelworks Combine East is being demolished. Photo: Jochen Moll.
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