

## Mapping Eastern Europe

### 1 Introduction

It is a truism to say that the present and its continuation into the future are determined by the past. Post-communist societies, however, have multiple pasts. We may think of, at least, three different pasts exercising their causal influence on the present: the communist period, the more remote pre-communist period, and the very immediate period of extrication from the communist regimes. The critical question then becomes how and to what extent these three pasts have shaped the national transformation paths.

The most popular argument in “transitology” is certainly the one which points at the negative impact of 40 years of communism on mentalities and political culture. People in Eastern Europe, it is argued, have become used to patronage and protection under the old regime; they deeply distrust legal procedures and political elites; they tend to be skeptical of anything new and, thus, resist changes. The egalitarian ideologies of Marxism, sometimes bordering on a culture of envy, are supposed to be an obstacle to economic reforms that will inevitably make some groups better off than others. It is assumed that those attitudes and patterns of behavior will continue at least during the early transition and constrain the speed and direction of reform. Likewise, the economic legacies of communism are supposed to impede current reform efforts. Post-communist societies inherited, among other things, an outdated capital stock, distorted sectoral structures, oversized firms, arbitrarily allocated credits, a substantial monetary overhang, and a huge foreign debt from the past regime. Those “legacies of Leninist rule” (Jowitt

1992a) will render a transition to democratic capitalism rather difficult in Eastern Europe.

Yet the communist decades may well turn out to have been a brief historical episode without a lasting impact. According to the "return of history" argument, the cultural and institutional heritage of the pre-communist period may prove to be momentous to the processes of consolidation in the region.<sup>1</sup> Traditional values and orientations which hibernated during the communist period may emerge again and determine the future of post-communist societies. Likewise, nationalist movements and old ethnic conflicts will revive and spread throughout the region. In this view, the countries of "Central Europe," which had strong cultural and institutional ties to Western Europe before the communist takeover, appear to be in a much better position to establish democracy and capitalism on a permanent basis than other transition countries. At the same time, the importance of communist legacies can be questioned by pointing at the decisive role of the choices and outcomes of the national extrication processes (Bruszt and Stark 1991). Agreements and decisions made in the short "historical moment" when the political regime change was brought about may exercise a causal influence on the speed and direction of later policy choices.

The aim of this chapter is to present comparative profiles of the three (respectively four) countries under analysis at the outset of transformation.<sup>2</sup> We shall provide some background information for subsequent chapters on transformation paths as well as justifying the selection of the country sample. We shall briefly compare the socio-economic and political development of the countries prior to 1989 and try to identify the cultural and legal traditions they share. In order to sharpen the country profiles, the chapter covers all CEE countries: Bulgaria, Czechoslovakia, the GDR, Hungary, Poland, and Romania. We argue that the popular distinction between East Central and South Eastern Europe captures only a small part of the inter-country variations in economic, political, social, and cultural dimensions. Moreover, because of the striking affinities between Czechoslovakia and the GDR, between Hungary and Poland, and between Bulgaria and Romania, our three countries are in fact representative of the whole region.

Section 2 covers the entire period before 1989 and deals with both the pre-communist and the communist periods of the CEE countries. Section

<sup>1</sup> See, e.g., Putnam's instant classic (1993) which convincingly demonstrates the importance of "civic traditions" deriving from the last centuries for successful democratic governance in Italy today.

<sup>2</sup> In this chapter, Czechoslovakia is treated as one entity. Yet we try to hint at the differences between the two republics.

3 focuses on the “annus mirabilis” of 1989 and compares the extrication processes in the six countries. Here, the purpose is to identify patterns of regime breakdown which may have shaped the character of the new political order. Section 4 tries to spell out some of the mechanisms by which the “three pasts” have contributed to the transformation processes.

## **2 Bulgaria, Czechoslovakia, and Hungary at the outset of transformation: comparative country profiles**

### **2.1 The pre-communist period**

World War I brought the defeat of the German, Habsburg, Ottoman, and Russian empires which had dominated the region. These four empires were replaced with a dozen newly created, recreated or reshaped nation states. Czechoslovakia and Hungary were carved out of the Habsburg empire. Hungary became the biggest territorial loser of World War I. With the Trianon Treaty, the country lost about two thirds of its territory. Poland was restored by merging former German, Habsburg, and Russian territories. Bulgaria and Romania which had been independent states since 1878 saw sweeping territorial changes, too. Whilst Romania was significantly enlarged, Bulgaria had to cede territories.

The new territorial settlement was fraught with problems (Rothschild 1993: chapter 1). The new states were heterogenous and suffered from problems of national integration. They were highly involved in quarrels over borders and the treatment of ethnic minorities. In addition, they were in various ways caught between Germany and Russia. The demise of the old empires was also associated with a number of economic problems (Dornbusch 1992; Teichova 1988). New currencies had to be introduced in a turbulent economic environment. Trade and production had to be adjusted to the new borders.

Although they shared a number of problems, the countries in the new Central and Eastern Europe also differed in many ways. Two main division lines ran across the region. On the one hand, there was a fundamental socio-economic and political divide between Czechoslovakia (and Germany) and the other countries. A second demarcation line, located further to the East, separated the Latin part of Eastern Europe from Bulgaria and Romania.

In the inter-war period, Czechoslovakia was the only industrialized country in the region.<sup>3</sup> GDP per capita reached about two-thirds of the

<sup>3</sup> Within Czechoslovakia, however, a huge gap between the Czech lands and the more backward Slovakia existed. In socio-economic terms, the Slovak parts of

German level. In contrast, the other countries clearly belonged to the European economic periphery.<sup>4</sup> Hungary and Poland and even more so Bulgaria and Romania were agrarian economies which suffered from stalled land reforms and a chronic shortage of capital. Due to its more advanced state of economic development, Czechoslovakia was the only country in the region where sizeable and politically conscious bourgeois and working classes as well as mature civil societies existed. It also scored significantly better on socio-economic indicators, such as school enrollment and life expectancy. Finally, Czechoslovakia was also the East European country with the most liberal foreign trade regime and the best stabilization performance during the inter-war years.

This economic divide corresponded with differences in democratic consolidation. All East European countries saw the introduction of the universal ballot after World War I. However, Czechoslovakia was the only country in the region where democracy was not brought to an end from within, but by outside intervention. Even before the shift to authoritarian rule, democracy and parliamentarism remained largely formal outside Czechoslovakia and Germany. The other countries were democratic in form, but essentially bureaucratic in character. They were effectively run by the state bureaucracy which was generally able to produce the desired election results. The existing socio-economic stratification, the weak national integration of the new states, and the prevalence of political-cultural traditions such as the acceptance of state supremacy, messianic concepts of political change, and the disregard of institutions, proved to be inimical to a consolidation of democracy (Bibó 1946; Stokes 1989; Schöpflin 1993: chapter 1).

A second division line separated Czechoslovakia, Hungary, and Poland from Bulgaria and Romania (Giaro 1993; Wieacker 1990: 7f.). Whereas the former countries enjoyed a long tradition of affiliation with the Latin Church and Roman Law and were part of the Austrian sphere of legislative power, the latter had close ties with the East Roman Empire, the Byzantine version of Roman Law, and the Greek Church. The Balkan states turned toward West European constitutional and legal thought and practice no earlier than the second half of the nineteenth century. They took part in the European-wide move toward codification in the late nineteenth century and adopted a body of law built upon West European

Czechoslovakia came closer to the other countries than to Bohemia and Moravia.

<sup>4</sup> Estimates of inter-war GDP regularly arrive at the same ordinal country ranking. Yet it is not clear whether Polish GDP was closer to the (higher) Hungarian or to the (lower) Bulgarian and Romanian level. For different estimates, see Harrison 1994.

models. Yet their law was more eclectic and less firmly established than in the two other countries.

In the inter-war period, standardization and codification of law were seen as essential elements of state building in most East European countries. This particularly applied to the states which had been newly created or significantly enlarged after World War I and had inherited a number of different legal orders. Yet in most of the countries the process never became fully consolidated (Korkisch 1958: 201–5). Standardization and codification were not completed before the sovietization of the countries, thus leaving pre-communist law in a somewhat preliminary state.<sup>5</sup> Hungary, for example, did not even have a written constitution until 1949.

The disparities in socio-economic development and differences in legal traditions also manifested themselves in the inter-war social policy arrangements. Czechoslovakia inherited Austria's social insurance system addressed to the needs of the industrial working class from the Danube Monarchy. The social security net was substantially improved, especially in terms of coverage, during the inter-war period. Czechoslovakia was almost in step with the pioneer country Germany at that point of time (Bohata 1990). In Hungary and Poland, too, inter-war social reforms were essentially patterned on the German–Austrian model. Yet owing to the lower level of socio-economic development, the coverage ratio was much lower in both countries. The schemes covered mainly urban wage earners, while the vast majority of the population working in agriculture remained unprotected in the 1920s. In Bulgaria and Romania, too, the social security system remained very patchy before the communist take-over and left the agrarian population practically uncovered.<sup>6</sup>

## 2.2 The legacies of communism

The end of World War II was again associated with sweeping territorial changes. Germany was eventually divided. Poland was “moved” to the West. Czechoslovakia lost the Carpatho-Ukraine, Romania Bessarabia, and northern Bukovina to the Soviet Union. Bulgaria and Hungary were

<sup>5</sup> For a synopsis of inter-war legal provisions, see Heitger *et al.* 1992: 124–36, 175–92.

<sup>6</sup> Take, e.g., the health insurance coverage. In countries, like Germany, Austria, or Great Britain, more than 30 percent of the population were covered by the national health insurance schemes in the mid twenties. In Czechoslovakia the respective figure amounted to nearly 20 percent, in Hungary to 12 percent, in Poland to 7 percent, and in Bulgaria less than 5 percent of the population were protected (no data available for Romania, see ILO 1927: 182–87).

more or less restored in their inter-war borders. The territorial changes and the related massive resettlements changed the countries' ethnic composition and their balance of internal and external minorities (table 2.1).<sup>7</sup> Poland became internally homogeneous. Relevant internal minorities have continued to exist in Bulgaria (Turks), Romania (Hungarians), and Slovakia (Hungarians). With a quarter of ethnic Hungarians living abroad, Hungary has by far been the most externally heterogeneous country.

The end of World War II brought Eastern Europe under Soviet control (Rothschild 1993: chapter 3; Swain and Swain 1993: chapters 2 and 3). Between 1944 and 1949, communist regimes were installed in all countries. The sovietization of the region meant the forced adoption of a uniform model of communism. The East European countries were incorporated into a system of Soviet-controlled supra-national organisations, such as Cominform or CMEA. The national constitutions were modelled upon the Soviet Constitution of 1936. The planning offices which had been established to handle post-war reconstruction were transformed into Gosplan-type Planning Commissions. Nationalizations were further extended. Save for Poland, agriculture was collectivized. All countries embarked upon forced industrialization along Soviet lines. After Stalin's death, Soviet control loosened and a limited "return to diversity" (Rothschild 1993) set in which gained further momentum in the 1980s. However, this process left the essentials of the system untouched. The suppression of workers in the GDR in 1953 and in Poland in 1956, the invasions of Hungary in 1956 and Czechoslovakia in 1968, and the declaration of martial law in Poland in 1981 again and again stressed the limits to reform.

All countries experienced a massive social upheaval under communism. The industrialization of the East European economies led both to a massive sectoral reallocation of labor and to rapid urbanization. Save for Czechoslovakia and the GDR, the Central and East European countries witnessed a transformation from primarily rural, agricultural societies to industrial, urban ones. The property reforms sealed the end of the old economic elites. Highly stratified societies were transformed into more egalitarian ones with a low degree of stable social differentiation. Although the political leadership formed a new type of elite, the nomenklatura, unlike earlier elites it was not based on the possession of inheritable property. Political power could to some extent be handed down from one generation to the next, but the inheritance was much less secure.

<sup>7</sup> For the distinction between internal and external minorities, see Elster 1991: 450f.

Table 2.1. *External and internal minorities in the CEE countries (millions)*

	Bulgaria (1987)	Czech Republic (1991)	Slovak Republic (1991)	Hungary (1987)	Poland (1992)	Romania (1987)	Others	Total	External minorities (%)
Bulgarians	7.65	–	–	–	–	0.01	0.14	7.80	1.9
Czechs	–	9.40	0.06	–	0.01	–	0.01	9.48	0.8
Germans	–	0.07	–	0.22	0.35	0.54	–	78.11	–
Hungarians	–	–	0.60	9.56	–	1.93	0.66	12.75	25.0
Poles	–	0.08	0.01	–	37.00	–	1.88	38.97	5.1
Romanians	0.01	–	–	0.01	–	19.52	0.29	19.83	1.7
Slovaks	–	0.30	3.99	0.12	0.02	0.02	0.01	4.46	10.5
Turks	0.82	–	–	–	–	–	–	–	–
Gypsies	0.16	0.40	0.40	0.50	0.15	0.50	–	–	–
Others	0.36	0.05	0.21	0.29	0.77	0.22	–	–	–
Total Population	9.00	10.30	5.27	10.70	38.30	22.74	–	–	–
Internal Minorities (%)	15.00	8.70	24.00	10.66	3.40	14.17	–	–	–

Source: Brunner 1993: Annex 1; Kubiak 1993: Table 1; own calculations.

At the same time, however, the traditional economic hierarchy within the region remained largely intact (Ehrlich 1991, 1993; János 1994: 3–6).<sup>8</sup> In the second half of the 1980s, per-capita incomes in Czechoslovakia and the GDR were still significantly higher than in the other countries. At the same time, the gap between Czechoslovakia and the GDR, on the one hand, and the developed OECD countries had widened (Havlik 1992). The greatest leaps forward were accomplished by Bulgaria and Slovakia. Within Czechoslovakia, the economic gap between the two republics was drastically reduced. Whilst in 1948 per-capita income in Slovakia was 40 percent lower than in the Czech lands, this gap was down to 13 percent in 1988 (OECD 1994a: 44).<sup>9</sup> In the 1980s, Bulgaria surpassed Poland in terms of per-capita income and Hungary with regard to life expectancy and health care.<sup>10</sup>

In the political realm, the communist takeovers meant the installation of autocratic regimes. These regimes basically persisted until 1989. Yet governments exercised their rule in different ways and differed in their strategies of regime stabilization and legitimation.

In the 1980s, repression was harshest in Romania, the last totalitarian regime in our sample. The Hungarian and Polish regimes clearly were the most liberal ones, even after the imposition of martial law in Poland in 1981. In both countries, first tendencies toward a separation of state and party occurred. However, the nature of political pluralism differed: whereas in Poland there existed a strong autonomous opposition, pluralism in Hungary was largely confined to the communist party (Frentzel-Zagórska 1990: 762–6). Bulgaria, Czechoslovakia, and the GDR ranked somewhere in between.<sup>11</sup> In Czechoslovakia, the mass exodus in the wake of the suppression of the Prague spring led to a lasting weakening of the oppositional potential. In the GDR, the proximity of the Federal Republic had a similar effect. Also, in both these countries state repression was very harsh.

Bulgaria and Romania were set apart from the other countries by

<sup>8</sup> From a comparative perspective, convergence within the Eastern bloc was apparently less pronounced than convergence among the industrialized market economies (Baumol 1986: 1079f.).

<sup>9</sup> Other estimates arrive at an even stronger equalization of incomes. According to Myant (1993: 222), Slovakia's per-capita income in 1989 amounted to 94 percent of the Czech level. Wolchik (1991: 187–91) reports that an earlier 66:100 ratio was reduced to a mere 96:100.

<sup>10</sup> In 1987, the United Nations' Human Development Index which combines per-capita income with socio-economic indicators was thus higher for Bulgaria than for Hungary (UNDP 1990). For a critical assessment of this index, see Srinivasan 1994.

<sup>11</sup> This ranking is confirmed by various civil liberties indexes (for an overview, see Scully and Slottje 1991).

certain “sultanistic” tendencies and a stronger reliance on nationalist mobilization. In Romania, the personalization of power gave rise to a strange blend of “dynastic socialism” (Tismaneanu 1985). In Bulgaria, similar, albeit less pronounced, tendencies came to a halt with the death of Liudmila Zhivkova in July 1981. Both governments also shared a strong commitment to nationalism (Troebst 1992; Verdery 1991). In the late 1980s, they aggressively promoted the forced assimilation of ethnic minorities.

Outside Bulgaria and Romania, conditions were less favorable to nationalist mobilization. Czechoslovakia and the GDR were countries with a low degree of national integration. The GDR government feared that any tinkering with nationalism would automatically raise the delicate issue of German unification. Likewise, the Czechoslovak government was confronted with the tensions between Czechs and Slovaks which had been present ever since the foundation of Czechoslovakia. In Hungary and Poland, the countries with the highest level of national integration, playing the nationalist card was complicated by the existence of external minorities in communist “brethren” states<sup>12</sup> and the traditional anti-Russian element in Hungarian and Polish nationalism.

In the economic realm, communist regimes remained characterized by the dominance of state ownership and bureaucratic allocation. The insistence upon the maintenance of a political monopoly affected all moves toward market socialism (Kornai 1992). Yet substantial inter-country differences could be observed in the political field. The deceleration of economic growth which set in in the 1970s gave room for economic experiments and tinkering with economic reforms. As the legitimation of the communist regimes became increasingly based upon the promise of a steady increase in material well-being, communist governments desperately looked for a way out. In the late 1980s, differences with regard both to the reform stance and to macro-economic performance loomed large (Fischer and Gelb 1991: 92–4).

As for economic reforms, a clear divide emerged in the 1980s. Whilst the Polish and, in particular, the Hungarian government embarked on economic reforms in order to increase economic performance, the other countries’ governments remained resistant to reforms and committed to the traditional notion of a centrally planned economy. Economic reforms in Hungary and Poland mainly aimed at the decentralization of economic decision making. Core elements included the liberalization of private

<sup>12</sup> The increasing international isolation of Romania made it easier for the Hungarian government to rally domestic support by protesting against the treatment of the Hungarian minority in Romania.

economic activities, a greater tolerance toward the so-called “second economy,” the strengthening of enterprise autonomy and self-management, price reform and subsidies reduction, as well as liberalization of trade and a gradual opening of the economy. From a comparative point of view, reforms were more consistent and comprehensive in Hungary than in Poland (Kozminski 1992: 315–18). In Hungary, economic reforms were initiated in 1968. After a period of recentralization and reform abortion in the 1970s, these reforms were resumed in the late 1970s and gained further momentum in the mid 1980s (Berend 1990; Révész 1990). Among other things, reforms brought the creation of a two-tier banking system in 1987 and the adoption of the Western-style company, bankruptcy, competition, and tax law. In Poland, the post-martial law governments stressed their commitment to economic reforms along Hungarian lines. The reforms introduced in 1982, 1986, and 1988 remained, however, half-hearted (Myant 1993: 59–80).

In contrast, the Bulgarian, Czechoslovak, East German, and Romanian economies remained fairly unreconstructed planned economies until the end of 1989. Here, the measures which were adopted since the early 1970s aimed at the “perfecting” of the system and were largely limited to the reorganization of the planning bureaucracy and the merging of firms. Consequently, these economies were characterized by smaller private sectors, higher degrees of monopolization, less autonomous enterprises, and higher shares of CMEA trade than in Hungary and Poland.

Whereas the GDR and Romania resisted reforms until the bitter end, the Czechoslovak and, especially, the Bulgarian governments, in response to Gorbachev’s “perestroika” and the increasingly visible deterioration of the economic situation, announced and initiated some reforms along Hungarian lines in the late 1980s. The Bulgarian reform attempts culminated in the adoption of the famous Decree 56 which introduced a rudimentary Western-style company law, enlarged the scope for private economic activity, and outlined first steps toward the creation of a capital market, in January 1989 (Wyżan 1991: 85–9). These reforms, as well as their much more timid Czechoslovak counterparts (Myant 1993: 155–67; Wolchik 1991: 239–48), were, however, never really implemented before the end of 1989.

The differences in commitment to central planning partly manifested themselves also in the field of civil law (Brunner 1992: 41f.; Giaro 1993: 342; Westen 1993: 13f.). Ironically, the countries which went furthest in giving up the traditional unity of civil law were the most “Western” ones, Czechoslovakia and the GDR. In Czechoslovakia, even a special Business Code for economic transactions within the socialist sector was adopted. In contrast, Hungary and Poland remained more strongly committed to the Western (and their own pre-communist) legal tradition.

East European countries also differed with regard to their macro-economic records in the late 1980s. These differences were only loosely related to the inclination toward economic reform. Whilst Czechoslovakia and the GDR scored relatively well, reform-resistant Bulgaria faced severe macro-economic imbalances in the second half of the 1980s, as did Poland. Hungary, the forerunner of economic reforms, took an intermediate position. As budget deficits indicate, macro-economic policy in the second half of the 1980s was tighter in Czechoslovakia, the GDR, and Romania than in Bulgaria, Hungary, and Poland. Due to price reforms and the softening of wage policy, open inflation was highest in Hungary and Poland. In the other countries, inflation remained repressed. In Bulgaria, macro-economic imbalances led to the accumulation of a huge monetary overhang.

The deteriorating economic situation of the East European countries also manifested itself in the rise of the foreign debt. With the exception of Romania, all East European countries saw a massive increase in foreign debt in the second half of the 1980s. This particularly applied to Bulgaria where net foreign debt nearly quadrupled between 1985 and 1988. In the late 1980s, Bulgaria, Hungary, and Poland belonged to the group of the most indebted countries in the world. In contrast, Czechoslovak foreign debt, albeit increasing, remained modest. The GDR benefitted from its special relationship with the Federal Republic which provided privileged access to foreign credit. The Romanian Ceausescu government followed a historically unique policy of repaying its foreign debt ahead of schedule at all cost which resulted in an exhaustion of the economy and a dramatic lowering of the population's living standards.

In Hungary and Poland, economic reforms were accompanied by certain cautious social policy reforms. While the Czechoslovak, Bulgarian, Romanian, and East German social policy systems remained fairly unchanged till the end of communist rule, some gradual changes in employment policies could be observed in Hungary and Poland in the 1980s. Well before the demise of the communist regime, a sort of unemployment benefit was set up and a number of employment promotion measures, although insignificant in quantitative terms, were introduced. From the mid 1980s on, the Hungarian and the Polish governments became more open-minded and honest concerning the problems of poverty and hidden unemployment (Ferge 1989: 99f.; Sziráczi 1990: 717f.; Szurgacz 1991: 298).

The Czechoslovak and the Bulgarian social policy systems remained closely oriented toward the Soviet model, set up in the early 1950s, during the communist period. Hungary, by contrast, was the country that went furthest in departing from this model. In particular, Hungary blazed a trail in family policies. The country was the first in the region to set up a

system of paid child-care leave (already in 1967) and, altogether, had a very generous family benefit system (Voirin 1993: 39). This family policy record provides one important explanation, as to why Hungary had by far the lowest female labor force participation rates among the East European countries in the 1980s.<sup>13</sup>

There was a close correlation between reform-readiness and greater income inequalities. Economic reforms tended to allow for wider income differentials within and between state enterprises. Moreover, chances to engage in lucrative private sector activities were unevenly distributed. Hungary and Poland were thus set apart from their neighboring countries by their relatively inegalitarian income distribution. According to most estimates, gross earnings as well as net household incomes were more equally distributed in the latter countries than in the former (cf. Atkinson and Micklewright 1992). Moreover, in Hungary and Poland the level of poverty was significantly higher than in Czechoslovakia (cf. Sipos 1992).

### 2.3 Summary assessment

The analysis leads to the question whether the similarities and differences mentioned permit a clear-cut clustering of the six countries. In the literature an “invisible map” drawing a distinction between East Central and South Eastern Europe plays a prominent part.<sup>14</sup> It underlies the Visegrád cooperation as well as the traditional segmentation of research on Eastern Europe, with most comparative studies being confined either to East Central European or to the Balkan countries. However, the evidence presented above suggests that this distinction with its familiar discriminatory connotations<sup>15</sup> is a rather shaky basis for

<sup>13</sup> While in Czechoslovakia and Bulgaria well over 70 percent of the women at employable age were integrated into the labor market in the eighties, female participation rates amounted to slightly over 60 percent in Hungary; Poland and Romania were equally ranked in between (Boeri and Sziráczi 1993: 244).

<sup>14</sup> For useful summaries of the extensive literature on “Central Europe” which has mushroomed since the mid 1980s, see Fehér 1989; Judt 1990; Míszlivetz 1991.

<sup>15</sup> Agh (1993: 235f.), for example, distinguishes between the Eastern part of Central Europe and “Eastern Europe proper,” thus clearly confirming Míszlivetz’s observation: “To be a Central European means to be neither an East European nor the citizen of a Balcan state. It means to be better than the Russians, the Bulgarians, the Montenegrines. Central Europe became a program which allowed one to distinguish oneself from the ‘barbarians’”. (Míszlivetz 1991: 975) The authors also recall the mixture of surprise and indignation with which several Czech and Hungarian colleagues reacted when being confronted with the fact that the research project provided for a comparison of their countries with Bulgaria.

comparative research on East European transitions. This is not to deny the existence of different cultural traditions in the region. Nor is it to neglect the role of geography which clearly favors the Visegrád countries as against the Balkan states. Due to their geographical location, they are in a better position to benefit from West European economic growth and to attract Western financial support. Yet the distinction captures only a small part of the relevant initial conditions of societal transformation. On the one hand, it abstracts from the different – and not unequivocally positive – pre-communist legacies in Czechoslovakia, Hungary, and Poland. On the other hand, the map neglects the lasting impact of 40 years of communism on these societies, the effective “desertification” (Schöpflin 1993: 256) of traditional ideas, values, institutions, and solidarities under communist rule.

Taking the communist period into account, Hungary is set apart from Czechoslovakia and Bulgaria in having a long tradition of economic reforms and irresolute attempts to liberalize society. Kádár’s “reform communism” had a formative influence on society and paved the way for more far-reaching reforms in the late 1980s. By contrast, Czechoslovakia and Bulgaria were “tough” communist regimes in the 1970s and 1980s. In both cases, the communist leadership remained strongly committed to central planning and authoritarian rule. Yet the imprint of communism on Bulgarian society was much stronger than in the Czechoslovak case (and within Czechoslovakia on the Slovaks than on the Czechs). The reason was that Czechoslovak society experienced the communist take-over at a different stage of socio-economic and political development than Bulgaria. Czechoslovakia had been a highly industrialized and democratic country in the inter-war period sharing the cultural and legal traditions of Western Europe. In contrast, Bulgaria did not catch up with the industrialized world until communist rule and significantly improved its relative socio-economic position in that period. Bulgaria had never truly experienced democracy in its history before the breakdown of the communist regime and was culturally separated from its Western neighbors. Inter-war Hungary has to be located somewhere in between. Like Bulgaria, it had been an agrarian society and lacked a democratic political culture. But Hungary had always had strong cultural ties to Western Europe.

Altogether, both Czechoslovakia and Hungary appear to be in a rather fortunate position at the outset of the transformation process: Czechoslovakia because of its pre-communist traditions and its favorable economic balance sheet in 1989, Hungary because of its reform communist legacies. Bulgaria initially was facing extremely bad conditions: it could not refer to a “golden” pre-communist period, it did not experience

reform communism, and it was severely hit by macro-economic imbalances at the outset of transformation.

Hence, this study's country sample appears to be representative, as it covers relevant variations in important variables that are supposed to determine national transformation paths. To be sure, the discrepancy between the small number of countries and the large number of variables prevents any causal testing in the strict sense. But our sample at least allows us to consider various hypotheses which have been developed within "transitology." In addition, the three cases may be regarded as representative, as it is possible to construct "affinity pairs" (Jowitt 1992: 186f.) of countries which share a large number of relevant characteristics. It seems that for each East European country included in the analysis a complementary country outside the sample exists: Czechoslovakia and the GDR, Hungary and Poland, Bulgaria and Romania make up "twin pairs" prior to 1989 (for this argument, see also Offe 1994: 241-9). Needless to say that affinities at the outset of transformation must not turn into commonalities in overall transformation records.

### **3 The demise of communist rule: modes of extrication**

#### **3.1 Systemic and political revolutions**

Among past periods which have left traces on the structure of the newly emerging polities, the period of extrication is the most short-lived one. Yet, its short duration is probably offset by its density and intensity, which are habitual features of revolutionary situations. Frequently they form the basis of long-lasting elements of the new order. When we speak of extrication we refer only to the political order, not to the economic and much less to the cultural sphere. Extrication means the countries' disentanglement from the main political properties of communist regimes, such as the dominant power position of the communist parties, the pervasive role of the security apparatus, or the comprehensive state and party control and streamlining of the public sphere. Hence, this period started out when the regime was challenged for the first time in full public view by opposition groups, however small, weak, and disorganized they may have been. It was the beginning of the end, the juncture where the old regime lost its total grip on the public sphere and its monopoly to define the field of political action. The period ended when the main features of the new order were established and worked, i.e., immediately after the first free elections of parliaments or presidents, as the case may be. In Poland this period began with the opening of the RTT on February 6, 1989 and ended in October 1991, the time of the first

entirely free elections (Rothschild 1993: 227 ff.; Banac 1992a).<sup>16</sup> In Hungary it lasted from March 1989 (the first huge anti-systemic demonstrations on the anniversary of the revolution of 1848) until March/April 1990 (Bozóki 1993: 277 f.), in Bulgaria from about October 1989 (the first street demonstrations of *Ecoglasnost*) until June 1990, in (what was then) Czechoslovakia from November 1989 until June 1990, and in Romania from December 15, (the first spontaneous anti-regime rally in Timisoara) until May 20, 1990, (the day of the elections of both the president and the parliament) (Rothschild 1993: 226 ff.; Banac 1992).

The impact of this short period of extrication in terms of the risks and chances of creating a consolidated democratic political order cum market economy is ambiguous. There is, of course, the negative historical experience of the last 300 years which teaches us that the overthrow of an existing regime by a violent revolution tends to produce quite unstable democratic systems (Dahl 1991: 13; see also Karl and Schmitter 1991: 280). But this does not tell us whether the non-violent modes of extrication from the communist regimes which have been characteristic of the CEE countries are likely to contribute to the consolidation of the newly emerging polities. In order to understand the contribution of this particular period it seems appropriate to make use of the distinction between systemic and political revolutions offered by Zygmunt Bauman. According to this distinction, political revolutions adjust a political regime to the requirements of the socio-economic system and are launched by agents who represent more or less established collective "transformative" interests which cannot find an appropriate institutional expression in the extant political structure; these interests will immediately gain from the change of the political regime. In contrast, the agents of a systemic revolution do not only dismantle an old regime, but find themselves in the situation that a new society and its actors have still to be constructed (Bauman 1993).

Evidently it is this "systemic" brand which characterizes the regime transitions in the post-communist societies of the CEE. In none of the CEE countries did the old regime generate interests and actors that could easily slip into the institutional forms hastily created after the breakdown of the old regime. Everywhere it was not only necessary to produce new spaces of action and new rules of action, but at the same time the actors who were capable of making use of these new openings. This has several important implications. First, the forces which brought the old system down are not

<sup>16</sup> It might also be claimed that the extrication period ended on December 9, 1990, the date of the runoff presidential elections where Walesa was elected president. Yet we believe that the free election of the parliament is a more significant criterion for the establishment of a new political order.

likely to be those which will benefit from the “revolution,” because they represent merely the dissatisfaction with the old regime which, in contrast to the conditions of a political revolution, does *not* yet bear the new order in its womb. Second and consequently, it is not likely that those united forces which brought the old regime down will continue to be united in the vision of a new order or will be satisfied with the outcomes which the new order yields for them (Bauman 1993: 5 f.). In other words, there is no determinate relation between the forces which dismantled the old regime and the character of the emerging new order. Third, systemic revolutions create an empty space which is left over after the fall of the old regime and onto which the new order has not yet had the chance to instill its mark. In this extremely open situation the actors are truly acting behind a veil of ignorance: they have no knowledge about the actual distribution of power, about the motives, interests, and actions of other (internal or external) actors, and they find themselves in the situation where huge masses of people are easily mobilized, without knowing the focal point of mobilization other than the purely negative resentment against the old regime.

Thus, actions and decisions which in the situation of a political revolution would be ephemeral and negligible because they do not meet the requirements of the “transformative” constituencies and interests, may acquire a thoroughly disproportionate relevance and exercise a lopsided influence on the evolution of the new order simply because there are no forces and structures which would assign them their relative weight(lessness). Conversely, there may be discernible patterns of the downfall of the old regime which pre-establish the boundaries and perhaps even the main elements of the space in which the actors of the extrication make their choices which then may predetermine future structures. These patterns are likely to have been shaped by the particular historical traditions of the relevant countries which, as it were, fill the vacuum which has been left by the waning regime. Hence, it can be surmised that the modes of extrication, by defining the starting point for the creation of the new polity, served as a vehicle for the transfer of historical legacies into the future. Both interpretations suggest that it cannot be ruled out that the distinct modes of extrication in the several CEE countries do matter for the character of the future political order and obtain an importance which is perhaps not inferior to the influence of the pre-communist and the communist pasts.

### 3.2 Different character of the breakdowns, identical causes

In saying this, we presuppose that the regime breakdowns in the diverse countries did not have the same political character, the same

meaning and the same consequences in all pertinent countries. Before 1989 it was justified to speak of a "Soviet Bloc," a term which referred to the homogeneity which had been imposed on the East and Central European countries by the Soviet Union after World War II (Comisso 1991: 123 f.; v. Beyme 1994: 52). After 1989 it became obvious that the homogeneous bloc had encapsulated rather diverse countries. Given the diversity of the pre-communist countries in terms of socio-economic development, political and legal traditions and cultural orientations, the extent to which the Soviet system had been compatible with the respective host societies diverged considerably. For instance, the much appreciated historical role which Russia played in the liberation struggles of Bulgaria against the Ottoman empire, the fact that after World War II Soviet troops were never stationed in the country (Todorova 1992: 159; Rothschild 1993: 212), and that the communist regime has rightly been credited for its industrialization made the imposition of the Soviet system far more acceptable to the Bulgarians than in, say, Poland where strong anti-Russian resentments and feelings of superiority have been common for a long time. Likewise, Slovakia as a more traditional society was more receptive to the "real socialist" system than the more industrialized Czech lands. Thus, the gradual weakening and final abandonment of the coercively homogenizing force of Soviet power did not only allow these countries to retrieve their regional differentiation and to "return to diversity" (Rothschild 1993), but to pursue quite different paths of extrication.

On the other hand, it is of course not by mere accident that all East and Central European communist regimes collapsed almost simultaneously. This suggests the assumption that they all died from the same disease. As has been expounded in more detail in the introductory chapter, these countries were part of a project which aimed at the historically predetermined liberation of mankind from the yoke of capitalism and imperialism. This entailed the establishment of social structures (institutions, habits, values, modes of thinking, etc.) which claimed to be universally valid and beneficial for all peoples and which, consequently, were very much the same in countries which lived under Soviet-type regimes, irrespective of their economic, political, cultural, and historical diversity and geographical dispersion. These common properties have been called the "Leninist legacy." It was imprinted on all pertinent countries and created a number of shared institutional, ideological, economic and social elements (like, e.g., the preference for large-scale heavy industry or the absence of a politically integrating national public realm and of a shared public identity as citizens) (Jowitt 1992a; cf. also Machonin 1993).

There were essentially three common causes which finally led to the breakdown of the communist socio-political systems. First, there was massive economic inefficiency. Second there was a complete collapse of the ideological legitimization of the systems. Third, there was a structural incapacity to adjust to new problems due to the lack of institutional devices for observing and learning. The economic failure of the system, well-known to experts both from the West and the East, became squarely visible for the East European masses through the pictures and information conveyed by the international electronic mass media. Still, economic inefficiency as such need not cause a system to collapse as long as it is accepted as either inevitable or legitimate. The view that the ill-performance of the socialist economy was widely accepted as the price which had to be paid for economic and social equality – one of the pivotal elements of the socialist ideology – is hard to validate empirically. But even if this trade-off was ever accepted as a justification for economic frugality, it lost credibility during the eighties when the principle of equality increasingly failed to meet the test of reality. The gap between the economic and political elite which had privileged access to society's resources and the masses who lived far below the mass consumption standards of the populations of the West became more and more visible (Jowitt 1992a; v. Beyme 1994: 54 ff.).

In itself the erosion of the basic legitimization of weak economic productivity did not necessarily doom the regimes to their eventual breakdown. The most serious problem which they could not solve and which finally left them unprotected was the lack of institutional learning devices which would provide them with the appropriate means to overcome their problems or at least keep them at bay. The communist regimes have become the victims of their alleged strength: the omniscience of the party and the omnipotence of the state deprived them of the capacity to learn, i.e., to adapt themselves to social change and to challenges which could not be answered in the language of state power. Gorbachev's often-invoked decision to refuse the Soviet Union's "fraternal help" for its satellite regimes finally removed a crucial constraint which up until this time had discouraged and repressed opposition tendencies which to different degrees and in different social, cultural, and political forms had emerged during the eighties; after this decision the causes which had undermined the systems long before could become operative (Przeworski 1991: 5 ff.).

Thus, the crises of the communist regimes in East and Central Europe had essentially identical causes. Yet the manifestation and intensity of the reactions were specific to the host country. The questions, then, are whether the mode of extrication in the respective countries led to the

expression of particular “transformative” interests and the emergence of particular constituencies, whether it determined the political, social, religious, or economic actors who controlled the course of events and who survived the extrication period, and whether it has left lasting institutional traces on the new polity.

*Poland* was the only country where a broad social movement not controlled by the regime could emerge and maintain a considerable strength under the communist regime.<sup>17</sup> For the first time in a communist country a device of power sharing between the regime and the opposition emerged, and the novel institution of a Round Table was invented and established. During the transition period it was the main source of legitimate institutional change. Among other things, it produced – also for the first time in a communist state – the recognition of an independent workers’ union, parliamentary elections whose results were not entirely predetermined by the monopoly of the communist party, i.e., an, if limited, electoral competition to which the communists were exposed under equal conditions, and finally a non-communist government in a satellite state of the Soviet Union. Poland remained the only CEE country with a genuine counterforce of the regime rooted in the society. Paradoxically, Poland was also the only country in which initially the negotiations between the regime and the opposition were not designed to abolish the regime altogether, but to reform it, the primary (non-revolutionary) request of the opposition being the legal recognition of the Solidarity Union. Consequently, the disastrous communist performance in the semi-contested elections of June 4 and 18, 1989 created a situation in which the country’s politico-institutional framework was still largely communist, although the spirit of the regime was clearly broken.

In all other countries the opposition consisted of “a set of weak, diverse, and fragmented organizations” (Bruszt and Stark 1992: 30, with respect to Hungary) which could even not think of challenging the power of the regime, much less participate in anything like a power-sharing structure. Yet, in all countries they had an influence on the course of events. In *Hungary* the regime was pulled down mainly by the interplay of a powerful reform wing of the communist party and the opposition which was able to mobilize huge masses in critical moments. The reformers had emerged during a period of gradual economic reform which had been inaugurated at the beginning of the eighties and whose limited results had convinced them of the necessity for major politico-

<sup>17</sup> We dismiss the Catholic Church, another important actor on the Polish scene, because it cannot be counted as an anti-regime force which struggled directly for a downright change of government.

institutional reforms. The opposition had, as in Bulgaria, been organized mainly around environmental causes. Mutual support between the reform wing of the party and the weak opposition was essential to the Hungarian way of extrication. The former needed the voice (and at least the appearance of strength, as expressed in their capacity to mobilize more masses in the streets than the regime) of the latter in their struggle against the orthodox hardliners of the party, and the latter needed the protection of the reformers within the party for their survival (Bruszt 1991; Bruszt and Stark 1992; Bozóki 1992). As in Poland, these interactions took place (at least initially) under the shadow of possible Soviet intervention.

The *GDR*, suffering from the congenital defect that it was not an entrenched nation-state ruled by a communist regime, but rather a communist regime ruling over a more or less randomly shaped territory and its population, had to cope with two difficulties which were absent in the other countries: first, it had to prove itself successful in order to legitimize not only the regime, but the existence of the country itself as an independent state; second, it was exposed to the unique threat of an attractive exit option for its citizens, namely the alternative to escape the rule of the regime without at the same time being forced to take the heavy burden of emigration into a foreign country. The impossibility to draw a distinction between the regime and the country, i.e., between ideological and national interests may be one of the reasons why after 1961 the communist party of the *GDR* did not generate a reform wing that struggled for liberalization of the regime. Not surprisingly, the regime finally became the victim of this particular weakness, viz. mass exit which merged with mass mobilization in the streets.

While the *GDR* was probably the regime most dependent upon the Soviet Union's promise of "fraternal help," in contrast, the *Bulgarian* regime was least vulnerable to Gorbachev's abandonment of this guarantee. Due to the traditionally friendly relations between Bulgaria and Russia, the communist regime was not seen as being imposed by an unfriendly foreign power and therefore did not stir up questions of national sovereignty and anti-Russian sentiments. Also its authoritarian character was barely challenged. The opposition was extremely weak, consisting of a loose coalition of small groups with almost no national organization, incompatible political goals and platforms and more or less amateurish leaders (Todorova 1992; Rothschild 1993: 250 ff.; Kolarova and Dimitrov 1994). Hence, the turnabout of the regime started with what was largely regarded as a coup, namely the deposition of Zhivkov on November 10, 1989. Despite the establishment of Round Table Talks between the regime and the opposition, the change was by and large

pursued as the politics of perestroika, i.e., as a reform of the regime from above.

In *Czechoslovakia* the regime was as orthodox, rigid and inflexible, and at the same time clearly as vulnerable to the Soviet Union's abandonment of its survival guarantee as that of the *GDR*. Thus it is not surprising that this regime, being the second last domino to fall (just before Romania), was the only one which simply capitulated before peaceful mass rallies in the streets and simply collapsed. It is part of the weakness both of the regime and of the opposition that the negotiations which they conducted during the short period between November 17 and mid-December did not deal with the institutional structures of the transition period, but with the changes in the party leadership, the executive and the parliament. Another reason which would put this country still closer to the *GDR* may also apply. Whilst the regime breakdown in the *GDR* gave rise to the dissolution of the state and its unification with the Federal Republic, which was regarded as the single legitimate German nation-state, in *Czechoslovakia* the same regime collapse was soon overshadowed by the conflicts between the new Czech and Slovak political elites over the appropriate structure of a Czechoslovakian bi-national state. Eventually the overthrow of the regime entailed the separation of the Czech and the Slovak parts of the country into two distinct nation-states. For some it was simply a secession. At any rate, as in the case of the *GDR* the breakdown of the regime caused the foundering of the state itself.

*Romania* was the only country among the communist regimes of East and Central Europe which did not enjoy a completely non-violent path of transition to a democratic form of government. One may even doubt whether this country is really an exception to the rule, since it is plausible to assume that the formerly communist character of the Romanian dictatorship had changed into a personal, almost sultanistic dictatorship in which not the party and its historical mission, but the "individual leader is the source of the authority" (Huntington 1992: 581). Perhaps the personal character of the dictatorship is the reason why the old regime did not surrender peacefully. The official version of the events claims that in December 1989 a popular uprising was supported by the army which heroically defended the people against the armed and brutal attacks of the notorious *Securitate* which had remained loyal to Ceaucescu. According to a less heroic assessment the popular uprising was successful only because it was supported by a simultaneous *coup d'état* conducted by the alienated elites of the old regime (Verdery and Kligman 1992; Rothschild 1993: 247 ff.).

### 3.3 Institutional effects

This sketchy overview shows that the CEE countries clearly add to the diversity of the modes of extrication from authoritarian rule which have occurred in the twentieth century in other parts of the world. A few general observations seem appropriate. First, in the broad scope of configurations of extrication – involving cases with strong independent actors who were already prominent under the old regime and the opposite cases of the complete absence of such actors even in the advanced phases of the extrication process (viz., Poland and Romania, respectively), or cases with and without major mass mobilization in the streets (viz., Czechoslovakia and Bulgaria, respectively) – it is not easy to identify cases where the political actors of the opposition, who had played a major role in the overthrow of the regime, survived and became the representative of “transformative interests.” Characteristically “the opposition” had consisted of umbrella organizations of the Forum-type (Hungary, Czechoslovakia, GDR, Bulgaria) which soon after the first free elections disintegrated into small and often irrelevant groups. This fate even fell on the Solidarity Movement which under the old regime had mainly represented workers’ interests and which one would have expected would most easily and most likely represent “transformative interests,” i.e., become the core of a workers’ party in the framework of the newly emerging democratic government.

A second observation pertains to the institutional heritage of the extrication period. Some authors have claimed that the particular mode of extrication in a country is an important explanatory variable for the institutional outcomes which eventually shape the new polity (Bruszt and Stark 1992; Alexander and Skapska 1993). Indeed, it may be part of the paradoxical character of the “systemic” revolutions in the CEE countries that in the absence of entrenched transformative interests and constituencies the contingencies of the extrication process and its events may have a more significant influence on the institutional structure of the new order than would be the case in “genuine” revolutions.

The most profound institutional trace which is conceivable is of course the dissolution of the state itself as an effect of the breakdown of the regime. This is likely to happen after a violent change of regime, be it a war or a civil war. In our sample of countries which includes only peaceful transitions (Romania being no real exception) two such cases occurred (GDR, Czechoslovakia). It is striking that these two countries were also those in which the regime simply collapsed, i.e., was overturned without negotiating the institutional conditions of the change. There is obviously an interdependence between the downfall of a regime and the

dissolution of a country. The precarious status of the country as an entrenched nation-state weakened the regime's capacity and resources to defend itself by arranging at least a negotiated transition which would include basic institutional provisions. Conversely, the regime was the major force to maintain the country as an independent state. When the regime eventually collapsed, there was (almost) nothing left to keep up the state.

Leaving these two extreme cases of state dissolution aside, the mode of extrication may positively affect the institutional devices of the polity under construction. The hypothesis that initial institutional choices are not easily changed once a new system has been established (Lijphart 1992: 99) has clear implications for the fate of the new polity. Did the particular mode of extrication create specific institutional devices that imposed a distinct logic on the decisions of the actors? There is one element of the extrication process which all countries with the exception of Romania have in common, namely Round Table Talks. These had considerable influence, albeit to varying degrees in the respective countries, both on the extrication process itself and on the institutional fate of the future polity. With regard to the former, they helped to avoid violent forms of the downfall of the old regime and hence provided the most important conditions for the peaceful formation of a democratic order. Moreover, in many cases they laid the institutional foundations for the future order, most visibly by creating the institutional framework for free, fair and competitive elections. Hence, so far the answer to the question whether the mode of extrication has affected the structure of the newly created polities is affirmative. Although this result is not surprising, the more interesting question is whether the particular mode of extrication in the several countries have generated particular institutional outcomes.

Of course, in all countries we can identify decisions or actions which were shaped by the particularity of the situation. For instance, the decision of the Civic Forum in Czechoslovakia to opt for proportional rather than for majority voting for the parliamentary election in 1990, although the latter would have guaranteed a clear victory for the Civic Forum and the choice of the former would have guaranteed the survival of the communists, or the decision to limit the term of the first assembly to two years (Elster 1995), did not reflect strategic interests of any of the involved individuals, groups or constituencies. Both decisions were the result of the transitory situation of extrication which did not necessarily follow from the particular mode of extrication in Czechoslovakia. A quite similar counter-intuitive decision with regard to the electoral system can be observed in Romania. According to a well-established hypothesis (Rokkan 1970: 157 ff.; Lijphart 1992; see also Rüb 1994) one would have

expected that the successors of Ceaucescu would choose a majority voting system cum a strong presidency. Whilst in fact a strong presidency was established, the National Salvation Front (NSF) which inherited the communist party and which could expect to gain a sweeping electoral victory with majority voting, opted for an extreme version of PR, thus favoring the access of a huge number of parties to the electoral race. This decision has been interpreted as the result of the NSF's concern to avoid an excessive and self-discrediting electoral victory (Stefoi 1994: 55). These examples, to which others could certainly be added, give sufficient evidence that the extrication period leads to actions and decisions which are thoroughly contingent upon individual persons, situations, and circumstances and hence inaccessible to structural explanations.

Having said this, the question is still open as to whether we can observe structural affinities between a particular mode of extrication and particular institutional outcomes or features of the newly emerging political and economic order. There are some striking correlations which may reflect causal mechanisms. For instance, is there such a causality between the radical break with the communist past in Czechoslovakia and the formidable economic performance and political stability in the Czech Republic? Could one explain this correlation by arguing that where the obstacles of the old regime are pushed away most radically the field is free for the establishment of the most efficient economy? Could one explain the political stability of the Czech Republic in a like manner? The hypothesis seems to be corroborated if we look at Bulgaria, where the extrication period has been more dominated by the principle of continuity. Our analysis shows that the country ranks lowest in terms of economic performance (chapter 5). The recurring government crises also show that the country cannot be credited for political stability. One of the reasons could be that the extrication process was not radical enough in abolishing the structures which discourage the establishment of an efficient economy and, consequently, of interests and constituencies which organize along socio-economic cleavages (chapter 4). On the other hand, Slovakia which experienced the very same extrication process as the Czechs does far less well in terms both of economic performance and political stability. Evidently other factors must have played an important role.

Some authors have offered typologies of modes of extrication in order to better understand their relevance for the further political development of the countries which they compared (Share and Mainwaring 1986; Huntington 1992: 583). Karl and Schmitter (1991) offer an analytical distinction of four ideal types which result from a table whose *y*-axis covers a continuum which ranges from unilateral recourse to force to

multi-lateral willingness to compromise, and whose *x*-axis comprises actions from below and actions from above. Thus, there is a transition by *pact* when “elites agree upon a multilateral compromise among themselves”; by *imposition*, when “elites use force unilaterally and effectively to bring about a regime change against the resistance of the incumbents”; by *reform*, “when masses mobilize from below and impose a compromised outcome without resorting to violence”; and by *revolution* when “masses rise up in arms and defeat the previous authoritarian rulers militarily.”

With respect to Hungary, Kis (1995) distinguishes between revolution, reform and regime change, the property of the latter being that it changes the basis of legitimacy without affecting the continuity of legality, while revolutions change both legitimacy and legality and reforms neither. In a broader comparative perspective Bruszt and Stark (1992: 16 ff.) in their analysis of the regime transitions of 1989 in Eastern Europe distinguish four forms of confrontations between the regime and society, namely *use of violence* by the regime (China), *capitulation* of the regime (GDR, Czechoslovakia), *compromise* of the regime with the opposition (Poland), and constrained or unfettered *electoral competition* (Bulgaria, Romania, Albania for the former, Hungary for the latter). Finally, v. Beyme (1994: 95 f.) offers a classification which focuses on the ideological formation of socialism as the essential element of the old regimes in Eastern Europe. In his matrix the *y*-axis ranges from *regulation from above* to *pressure from below*, and the *x*-axis comprises all cases reaching from *pragmatic muddling through* to *ideologically motivated innovation of socialism*. As a result, he identifies four cases: (1) change of the character of socialism (Bulgaria, Romania), (2) rejuvenation of socialism (perestroika in the Soviet Union), (3) erosion of socialism (Poland, Hungary), and (4) collapse of socialism (Czechoslovakia, GDR).

Since we are mainly interested in the potential role which the particular mode of extrication in the several countries has played for the creation of the basic elements of a new social and political order and of independent agency in particular, our account of the modes of extrication in the CEE countries produces a somewhat different classification. As we stated earlier, in all CEE countries, with the possible exception of Poland, the communist rule disintegrated in an anonymous and subjectless process which did not generate a powerful counter-elite which had the clear mandate to lay the ground for the new order. The resulting new space for action and the potential for innovation which emerged – gradually or suddenly – could have been exploited in quite different ways. It could have been “invested” into the creation of new institutions, or it could have been “consumed” for the accumulation of power and the *ad-hoc* dealing with new problems. Furthermore, both alternatives are

Table 2.2

	<b>Exclusion of old elites</b>	<b>Inclusion of old elites</b>
<b>'investive' use of new space of action</b>	GDR Czech Republic (1)	Poland Hungary (2)
<b>'consumptive' use of new space of action</b>	Czechoslovakia Slovakia (3)	Romania Bulgaria (4)

conceivable as either excluding or including the elites of the old regime. If we combine these possibilities, table 2.2 ensues, the insertions being mere hypotheses at this stage of our analysis:

Case (1) represents the most uncompromising attempt to construct an entirely new polity, while case (2) represents different forms of cooperation and compromise between old and new political elites with regard to the construction of the new polity. Cases (3) and (4) represent political games in which the actors are less concerned with rules, institutions, structures than with the distribution of power, be it contested almost exclusively among the new political elites (3) or between old and new (4). The following analysis of the constitutional, political, economic and social policy elements of the transformation processes will provide us with more detailed information that may allow us to validate the insertions in the table and to draw some conclusions about the relation between the mode of extrication and the chances of consolidation.

#### **4 The shadow of the past: methodological remarks**

The "triple past" of post-communist societies influences the present in manifold ways. This section tries to isolate four causal mechanisms that may be at work in the political and economic reform processes in Eastern Europe: (1) The past can shape values, beliefs, habits, and frames of the peoples in CEE. (2) Past choices can serve as a constraint on political actors' behavior. (3) Past regimes may serve as models or focal points in the search for new economic and political institutions. (4) The past provides a repertoire of arguments that can be used in political discourse. Sometimes, an influence from the past has a positive effect, in the sense of making survival or adoption of past institutions more likely. At other times, the influence has a negative effect, leading to "reactive institution building."

(1) One mechanism by which the past makes itself felt in the present is socialization and cultural tradition. Citizens in post-communist societies developed their beliefs and desires, values and frames, roles and routines in past periods of life, that is under the communist regime or even earlier. We cannot expect those value patterns and ways of thinking to change all at once. They will continue to be pervasive after the political regime change, at least for a certain period of time. "Mental residues of communism" are usually stereotyped in the following way: people in Eastern Europe developed, under the old regime, bad work habits, a contempt for effort and initiative, a fear of innovation, and an inclination to trade the expression of their loyalty for patronage and protection. Egalitarian and envious attitudes create reactions both against excessive poverty and excessive wealth. Due to their experiences under communist rule, citizens do not believe in the rule of law, tend to distrust political elites, and they are rather skeptical that political and economic reforms will bring about the desired outcomes. Conversely, we should bear in mind attitudes and skills unofficially cultivated under the old regime. People in Eastern Europe developed virtues such as self-reliance, flexibility, effort, and inventiveness in order to cope with the vast inefficiencies of the past system. Those "unofficial virtues" turn out to be well-suited to the needs of a market economy. In addition, we can observe the survival of pre-1949 attitudes throughout the region. Traditional values such as religion or various craft traditions which were preserved during the communist period could become important again. Likewise, traditional animosities between ethnic groups may reemerge.

(2) Even if the past had no influence on individual motives and attitudes, it could still play an important role in post-communist politics as a constraint on behavior. This applies, in the first place, to the communist past. The economic legacies of communism, for instance, form serious obstacles to current efforts to achieve stabilization and restructuring. Governments have to contend with macro-economic imbalances resulting from previous policies. Part of the inheritance is also a particular structure of ownership, production, and trade with which post-communist reforms have to deal. Likewise, the legal and political apparatus that is in place in 1989 will constrain efforts to change the system, including changes in that apparatus itself. The existing constitution-making framework, for example, may turn out ill-suited for designing new constitutions, in that it is not sufficiently flexible to allow for rapid, massive changes. Consider also the old administrations. The administrative apparatus was highly centralized and used to a top-down style of governance under the old regime. Those administrative structures are

likely to constrain the design and implementation of reforms at the start of transition. Further constraints for current policy making may result from the very recent past, the period of extrication. Contingent choices early in the reform process, for example, the decision for a particular election system, will influence later developments, such as the formation of party systems.

(3) In addition, the past can play a role as a cognitive point of reference or focal point in the search for new institutions. Reformers may choose to model constitutional provisions, economic laws, or the social policy framework on institutional arrangements that have existed during the inter-war period. In a situation where options are numerous and everything must be accomplished at once, the return to the “golden” pre-communist past can serve as a clue to come to an agreement. However, pre-communist traditions providing a sense of direction seem rarely strong enough to override interest-based preferences. Only when interest is relatively weak, such as in the choice between a three-fifth or a two-third majority for constitutional amendment, can we expect tradition to emerge as an independent causal force.

(4) Moreover, the past provides an arsenal of arguments in the processes of institution building. Political actors will make continuous reference to the past, so as to disguise more partisan motives. Solutions may be rejected on the grounds that they smack of central planning or authoritarian rule, others may be explicitly justified by appeal to the “golden” pre-communist era.<sup>18</sup> To sell institutional designs as copies of past regimes (and/or the West) is to pose them as superior to other solutions and to generate trust in the quality of the new institutions.

The following chapters that expound and analyze the political and economic changes in Bulgaria, the Czech Republic, Hungary, and Slovakia will provide empirical evidence for the shadow of the past in post-communist politics.

<sup>18</sup> Admittedly, it is hard to reconstruct *ex post* whether institutional choices are modelled or only alleged to be modelled on historical precedents.