

DIETER SEGERT

SOCIETAL TRANSFORMATIONS IN EASTERN EUROPE AFTER 1989 AND THEIR PRECONDITIONS

“Systemic change” is used to describe the complex change of all basic institutions in any given society.¹ In 1989, the distinctive and multifaceted institutional system in Eastern Europe—European state socialism—began to change into another system that was very different, a system that might be described as “democratic and welfare capitalism.” This chapter will only deal with those transformation processes within the sphere of politics, economy, and culture that had an influence on the systemic change as a whole. The expression “societal transformations or changes” will be used in the same sense as “systemic change.”

Secondly, “societal transformation” will be used in its narrower sense, namely, to indicate the process of changes in the social status of members of a given society, in this case caused by the East European societies’ transformation from state socialism to capitalism. The main tendency of societal transformation usually consists in large-scale differentiation in social relations. One goal of state socialism was to equalize people’s social status. Notwithstanding certain countertendencies,² when compared to other types of societies this was attempted by state socialism’s ruling politics favoring blue collar workers and farmers, as well as its measures against the former upper classes. No study of the societal changes in Eastern Europe overlooks the fact that the transformative changes involved

¹ On this issue, see the proceedings of the series of conferences in the 1990s convened by a study group of the same name in Germany. The German title was “Systemwechsel” (systemic change). The initiator of these conferences was Wolfgang Merkel. To a great degree, in the German scholarly community the respective discussions have supported the paradigm of “transition to democracy.” Wolfgang Merkel et al., ed., *Systemwechsel 1: Theorien, Ansätze und Konzepte der Transformationsforschung* (Opladen: Leske & Budrich, 1996); *Systemwechsel 2: Die Institutionalisierung der Demokratie* (Opladen: Leske & Budrich, 1996); *Systemwechsel 3: Parteien im Transformationsprozeß* (Opladen: Leske & Budrich, 1997); *Systemwechsel 4: Die Rolle von Verbänden im Transformationsprozeß* (Opladen: Leske & Budrich, 1999); *Systemwechsel 5: Zivilgesellschaft und Transformation* (Opladen: Leske & Budrich 2000).

² As stated by Iván Szelényi in a paper written in 2002: “State socialism was not an egalitarian society and people under socialism tended to be rather poor. Commentators after the fall of socialism often falsely describe socialism as an egalitarian society. This it was not: neither in its ideology, nor in its practice.” Gail Kligman and Iván Szelényi, “Poverty and Social Structure in Transitional Societies,” paper presented at the Max-Planck-Institut für Bildungsforschung (Berlin 2002), 7.

a sharp increase of social inequality after 1989, with clear groups of winners and losers³ distinguishable within the respective countries.

As a result of the systemic changes after 1989, processes of economic decline occurred in all of the former East bloc countries. In the first period of transformation, an economic slump appeared in the region, although its severity varied. Apparently there are winners and losers at the level of entire societies as well.

Thirdly, the social and political changes in Eastern Europe are clearly interconnected. At their intersection, enormous political conflicts have emerged. These originated from expectations raised in 1989 that were frustrated in the ensuing years. This phenomenon can be seen in many opinion polls. The systemic change was both a success story and a big disappointment.⁴

It is unclear how to assess these widespread sentiments on a theoretical basis. Some sociologists foresaw these problems already at the outset of the transformation—the ambivalent results came as no surprise for them. Claus Offe coined the well-known expression “dilemma of simultaneousness.”⁵ Although in general his apprehensions did not materialize—nowhere did the losers in the transition resort to an uprising—he was quite accurate in forecasting deep social tensions as a result of the systemic change. The frustrated hopes and the interweaving of politics and economics will be the focus of the analysis below.

The source of the crisis in 1989

In contrast to the political science mainstream, anthropologists never presumed that the East European societies would experience the abrupt disruption in their development that occurred in 1989. Anthropologists have generally

³ Several opinion polls have been conducted that have underlined this. To provide only one example: In the 2001 EU *Candidate Countries Eurobarometer* (CCEB) poll, it is stated that the social situation of pensioners in ten EU candidate countries had worsened during the previous five years, whereas the situation of managers and younger people typically became better. http://ec.europa.eu/public_opinion/archives/cceb/2001/cceb20011_en.pdf (accessed 18 July 2009), 15.

⁴ János Kornai, “The Great Transformation of Central and Eastern Europe. Successes and Disappointment,” *Economics of Transition* 14, no. 2 (2006): 204–44; Ivan T. Berend, “Social Shock in Transforming Central and Eastern Europe,” *Communist and Post-Communist Studies* 40, no. 3 (2007): 269–80.

⁵ Claus Offe, “Das Dilemma der Gleichzeitigkeit. Demokratisierung und Marktwirtschaft in Osteuropa,” *Merkur* 45, no. 4 (1991): 279–92. Wiesenthal described this dilemma in the following way: “The dilemma theorem maintains that an unavoidable blockade of the reform process would result—or that tremendous costs of transaction were to be incurred—when crucial decisions over the allocation of property rights had to be made *after* the introduction of universal suffrage and responsive democratic governments.” Helmuth Wiesenthal, “The ‘Dilemma of Simultaneity’ Revisited,” paper for the international conference “Thirty Years of the Third Wave of Democratization: Paradigms, Lessons, and Perspectives” (Social Science Research Center Berlin WZB, December 2004), http://www.hwiesenthal.de/downloads/no_dilemma.pdf (accessed 28 May 2013), 3.

stressed social constancy, the “inevitable continuity of everyday life.”⁶ The everyday life of average people will be the main topic and source of this paper. Like social phenomena in a broader sense, people’s expectations and their social routines do not change from one day to the next, at least in the opinion of anthropologists. Change of this kind needs much more time.

In the last two decades, the persuasive power of this argument has grown. It has also become clear that the events of 1989 did not emerge out of nowhere, but were merely a deeper cut in a longer process of social transformation in the respective societies. When seen from the perspective of continuity, the capitalism of Eastern Europe today is a post-socialist capitalism that was already developing during the “late socialism” period.⁷

Behind the façade of changing political and economic phenomena, a great deal of continuity exists. One can better understand East European societies before and after 1989 if they are seen as backward societies, at the periphery of the West, that were striving for the richer and more successful social order of their western neighbors. In this sense, even state socialism might be understood as an attempt (albeit failed) of modernizing backward societies.⁸ If seen in this light, the “systemic change” of 1989 was not the victory of a good political principle (democracy) over a poor one (dictatorship), but was the outcome of a competition between two social and economic orders that had started at least two decades before the breakdown of state socialism.

There is no doubt that the starting point of this breakdown was the continually deepening structural crisis of state socialism. The question arises as to which subsystem crises contributed to this final outcome. The economy was perhaps the most important area of struggle. Without a doubt, the state-socialist command economy was less efficient than its Western counterpart, the social market economy, as János Kornai has shown.⁹ Several points contributed to this failure: One major aspect was the inability of command economies to launch any kind of intensive growth. They were also unable to fully realize the possibilities of the information revolution. Also, the costs of running a welfare state exceeded eco-

⁶ Chris Hann, Caroline Humphrey, and Kathrine Verdery, “Einleitung. Der Postsozialismus als Gegenstand ethnologischer Forschung, in Christopher Hann, ed., *Postsozialismus: Transformationsprozesse in Europa und Asien aus ethnologischer Perspektive* (Frankfurt am Main: Campus, 2002), 11–49, 16.

⁷ Dieter Segert, “Postsozialismus-Spätsozialismus-Staatssozialismus: Grundlinien und Grundbegriffe einer politikwissenschaftlichen Postsozialismus-Forschung,” in idem, ed., *Postsozialismus. Hinterlassenschaften des Staatssozialismus und neue Kapitalismen in Europa* (Vienna: Braumüller, 2007), 1–23, 11–15.

⁸ On this point, see Dieter Segert, *Die Grenzen Osteuropas—1918, 1945, 1989—Drei Versuche im Westen anzukommen* (Frankfurt am Main: Campus, 2002), and idem, “Der Staatssozialismus war mehr als nur ein politisches Herrschaftsverhältnis. Anmerkungen zu einem theoretischen Defizit des Totalitarismuskonzepts,” *Bohemia* 49, no. 2 (2009): 420–28.

⁹ János Kornai, *The Socialist System: The Political Economy of Communism* (Oxford: Oxford University Press, 1992).

conomic capacity, and from the mid-1970s, the amount of external debt had rapidly increased. And the most important internal reason for the inefficiency of these states' economies was the failure of the economic reforms that had been introduced during the 1960s.¹⁰

In 1992, Kornai did not see any chance for a successful change of state socialism. In his view, the respective systems were unalterable, mainly due to their economies. This can be seen in his use of the term "perfection" for characterizing the changes that occurred after the death of Stalin. But Kornai's conviction that the classic interconnection of state party power, state property and command economy could not move toward a more efficient economy has been disproved by the fact that Chinese state socialism experienced successful reforms from the end of the 1970s.¹¹ And even the history of Soviet state socialism provides some arguments against his hypothesis. From the mid-1950s, in many areas of politics, state socialism as a whole was changing in a number of countries at different speeds. Within the seemingly monolithic order, a tangible diversity had emerged.

To understand the starting point more deeply, as well as the frustration about the systemic change that occurred, it is important to see how the other side, the Western market economies, also changed. Especially from the perspective of the current world financial crisis (more than twenty years after 1989), it becomes apparent how much also changed within the Western system during the same period. The social order that succeeded state socialism is not Western capitalism of 1989, but an earlier stage in capitalism's development. In order to appreciate this aspect, one must go back several decades, indeed to the 1930s. As a result of the world financial crisis of 1929, classical capitalism changed dramatically in the direction of more state intervention being undertaken to stimulate and coordinate economic growth and more attention being devoted to securing the welfare of the broad masses. It continued to change due to the resulting shift in authoritarian governments in most parts of Europe, and then as a result of World War II. Following 1945, a kind of socially negotiated state capitalism emerged in the West. In addition to internal causes, these changes were also a reaction to the social promises of state socialism. Classical capitalism in the West was challenged by the utopia of a fair economic and social order, not by the actual form that state socialism had acquired.

¹⁰ Probably the most critical event was the crushing of the reforms in Czechoslovakia in 1968 by five Warsaw-Pact states. Deep reforms of the economic system would have had been a necessary precondition for fundamental changes in the direction of democratization to occur in that country's political policy. To explain the failure of state-socialist reforms, one must also consider the failed attempt of reforms in Yugoslavia. In that case, even the liberalization of politics did not suffice to create a functioning socialist market economy.

¹¹ For a comparison of the two transformations, see, for example, Rüdiger Frank and Dieter Segert, "Postsozialismus in Ostasien und Osteuropa? Grundlagen eines Vergleichs," in Dieter Segert, ed., *Postsozialismus. Hinterlassenschaften des Staatssozialismus und neue Kapitalismen in Europa* (Vienna: Braumüller, 2007), 123–58.

State socialism shifted in response to this socially concerted capitalism, since the latter not only had an efficient economy, it also realized a high degree of equal opportunities for the average citizen and represented real democratic participation. During the “late socialism” period, this type of capitalism gradually became the general model, not only for the population as a whole, but also for some of the power elites. In the decades before 1989, this fostered a paradigm change toward “consumer socialism” in state-socialist politics.¹²

To sum up these thoughts, the events of 1989 cannot merely be understood as the collapse of dictatorships, but also, in the battle for the hearts and minds of the population, as an about-face of the Eastern “authoritarian welfare state.”

This thesis is also based on the clearly visible element of continuity in the changes that took place before and after 1989. It also explains why post-socialist capitalism could emerge so easily from the ruins of state socialism. Having emerged as a counter-model to Western economic and social life, state socialism adapted step by step to its competitor. By introducing a broader use of money, loans and taxes as economic instruments, Eastern national economies were opened to world markets that were dominated by Western economic actors. The economic self-reliance (autarchy) of the Eastern regional economic system was weakened. In order to support technical modernization, machines were imported from the West, whereby a number of Eastern bloc states took out loans from Western banks. With the high interest rates at the end of the 1970s, this led to disastrous consequences. Several countries (Hungary, Poland and to some degree the GDR) accrued high debts and began to have payment difficulties at the beginning of the 1980s. Some countries searched for a way out by applying for membership in (Western dominated) international financial organizations like the International Monetary Fund. In 1982 Hungary became a member of the IMF, and four years later, Poland.¹³

¹² See Dietrich Staritz, *Geschichte der DDR*, rev. ed. (Frankfurt am Main: Suhrkamp, 1996). Boyer has proposed the thesis that there were two types of “welfare state” that competed against one another. Christoph Boyer, “Zwischen Pfadabhängigkeit und Zäsur: ost- und westeuropäische Sozialstaaten seit den siebziger Jahren des 20. Jahrhunderts,” in Konrad H. Jarausch, ed., *Das Ende der Zuversicht? Die siebziger Jahre als Geschichte* (Göttingen: Vandenhoeck & Ruprecht, 2008), 103–19. In my view, Dalos has misinterpreted this clear tendency as having merely been a kind of prevention on the part of party leaders to avoid political or social conflicts. György Dalos, *Der Vorhang geht auf—das Ende der Diktaturen in Osteuropa* (Bonn: Bundeszentrale für Politische Bildung, 2009). As a result of this strategic change, at least in East Central Europe, the most important political aim became the immediate social improvement of the population’s day to day life, rather than the aim of future amelioration (and the communist “bright future”). In the case of the GDR, the influence of competition with the neighbouring FRG (and its social regime) was clearly visible. In many cases, the social policies of the SED leadership were in direct reaction to the political announcements of their Western counterparts, such as, for example, the introduction of shorter working weeks and Saturday as a regular free day.

¹³ See James M. Boughton, *Silent Revolution: The International Monetary Fund 1979–1989* (Washington, D.C.: IMF, 2001), chapter 19, <http://www.imf.org/external/pubs/ft/history/2001/ch19.pdf> (accessed 16 July 2009).

In late socialism, even incentives for work were borrowed from the other side. From the beginning of state socialism, there had been few incentives for the population to work diligently. Ideology and enthusiasm were not enough to foster performance and discipline. For this reason, incentives for individual or team work had to be found. Competitive wages were introduced in more and more work places, and more consumer goods began to be produced. The one-sided orientation of the planned economy toward producing investment goods began to shift. Though delayed in comparison to the West, the consumer trend in Eastern Europe was similar, with most households owning a television set, refrigerator, washing machine and, in the end, a private car. A holiday abroad became obtainable for more and more people in East Central Europe. In some countries, purchasing private flats became an official policy.

From the beginning of the 1970s, life gradually changed in many East bloc countries. The goal was no longer the communist future, but a present that was envisaged to some extent as an idealized form of Western society. The emergence of a mirror world in the East was accompanied by the rise of Western currencies as a second type of money in the state-socialist countries.¹⁴ This could not be realized without support from the side of the political leadership. Due to the opening of their finances to world markets, state-socialist governments badly needed Western currency. Official policy aimed at exploiting this grey currency flow, and thus special shops were opened in which the population could buy Western goods with Western currency. Shops that had formerly been exclusively for diplomats and foreign tourists were now open for anyone who had Western currency at their disposal. In the GDR, this enterprise was called “Intershop,” in the Czech Republic it was “TUSEX.”

These examples illustrate the common trends in late socialism that created the cultural preconditions for systemic change. Long before the real end, the value model of a “consumer society” had gained the upper hand over the model of a communist lifestyle. An additional sign for this was the fact that the supply systems of the ruling elite in Eastern Europe mainly circulated goods from Western markets.¹⁵

The coming systemic change was also prepared by another social process. In classical socialism, there were no private economic enterprises and consequently, no private entrepreneurs.¹⁶ In late socialism, new social groups emerged that

¹⁴ There are various estimates concerning the number of Western DM that were in circulation in the GDR. If measured by black market rates, the circulation of Western DM within the entire cash flow of the GDR rose from 1.4 percent in 1974 to 13.3 percent in 1988. André Steiner, “Zwischen Konsumversprechen und Innovationszwang. Zum wirtschaftlichen Niedergang der DDR,” in Konrad Jarausch and Martin Sabrow, eds., *Weg in den Untergang. Der innere Zerfall der DDR* (Göttingen: Vandenhoeck & Ruprecht, 1999), 153–92, 168.

¹⁵ In fact, in the years before 1989 the highest ranks of political elites in the GDR bought a great deal of consumer goods directly from West Berlin. Thomas Kunze, *Staatschef a.D. Die letzten Jahre des Erich Honecker* (Berlin: Ch. Links, 2001), 58–59.

¹⁶ The absence of private property was based on the Marxian model of a post-capitalist economy. The abolition of private property was the most important aim of this model. Karl Marx and

undertook activities very similar to private entrepreneurship. In the process of economic experiments, private enterprises were even allowed again in the Soviet Union—notwithstanding the fact that the official term for them was “cooperatives.” A relevant law was passed in 1988. It was in this kind of company that many later oligarchs learned their first lessons about market economics. For example, Mikhail Khodorkovsky first directed a private company of the Kom-somol and in 1988 founded a private bank. In Hungary, the class of private entrepreneurs emerged in a different way: In the second half of the 1980s it became possible to rent the machines and infrastructure of state companies for private use. In this legal parallel economy, private assets were amassed that laid the groundwork for the class of Hungarian capitalists to emerge in the 1990s. Here too, the familiarity with market economies collected in these years was important. In some countries, including Hungary and Poland, the main institutions of a market economy financial system were already established in the last years of the old order.

The strongest manifestation of the fact that state socialism had prepared itself for capitalism was surely the fact that in some countries the legislation for the systemic change was instigated by members of the former elite. In Hungary the new constitution was written by the last state-socialist government and ratified by the old parliament in the autumn of 1989. In Poland, too, economic reforms were initiated by the last government before 1989, whereby a process of privatization had already begun prior to the negotiations with the opposition (at the so-called round-table talks). Another aspect indicating this is the fact that both countries became members of the IMF, as mentioned above.

To sum up my conclusions: The systemic change of 1989 was possible because capitalist elements had been silently growing within the fold of state socialism. Certain actors, social relations, competences and expectations had already emerged in the earlier system. The dramatic institutional changes that then took place could only happen due to this foundation.¹⁷ In particular, the crisis of the “authoritarian welfare state” was one of the most important preconditions of the changes that occurred.

Friedrich Engels, “Manifesto of the Communist Party,” in *Selected Works* 1 (Moscow: Progress, 1969), 98–137, here the final theses of chapter 2, <http://www.marxists.org/archive/marx/works/1848/communist-manifesto/ch02.htm> (accessed 13 May 2013).

¹⁷ This social continuity has also been stressed by those scholars who have analyzed the specific interweaving of formal and informal institutions before, during and after the systemic change. Notwithstanding the radical changes within the formal social institutions, certain social practices were maintained. One important trend in the political systems was the metamorphosis of informal into formal power positions. Cf. among others, Gerd Meyer, ed., *Formal Institutions and Informal Politics in Central and Eastern Europe: Hungary, Poland, Russia and Ukraine* (Opladen: Barbara Budrich, 2008), esp. the chapter by Kerstin Zimmer, “Formal Institutions and Informal Politics in Ukraine,” 267–313.

Economic transformation and social change in the narrower sense

After 1989, economic output declined dramatically, especially in industrial manufacturing. This slump has been called the “transformation recession” (see Table 1). The reasons for this turndown were manifold. First was the dissolution of the former common regional markets such as the CMEA, as well as the inner markets of the Soviet Union and the Yugoslav Federation. Second, changes in the coordination of directives (from state planning to a free market) caused difficulties. Third, in many companies the technical level of production was low.

Table 1: Transformation recessions in Eastern Europe 1989–2008

Country	Years of GDP decline	Year of most drastic decline	Decline	Year of return to 1989 GDP per capita levels
Albania	1990–92, 1997	1991	28%	1999–2000
Bosnia and Herzegovina	n.d.	First year of recovering: 1996		2008 only 85%
Bulgaria	1990–93, 1996–97	1991	11.7%	2006
Croatia	1989–93 (war); 1999	1991	21.1%	2005
Czech Rep.	1990–92, 1997–98	1991	11.6%	2000
Estonia	1990–94	1992	14.2%	2002
Hungary	1990–93	1991	11.9%	1999–2000
Latvia	1991–93, 1995	1992	34.9%	2005
Lithuania	1990–94	1992	21.3%	2005
Poland	1990–91	1990	11.6%	1995–96
Romania	1989–92, 1997–99	1991	12.9%	2004
Russia	1990–96	1992	14.8%	2007
Serbia	1990–93, 1999 (war)	1993	30.8%	2008 only 73%
Slovakia	1990–93	1991	15.9%	1999
Slovenia	1989–91	1991	8.9%	1997
Ukraine	1990–99	1994	22.9%	2008 only 72%

Sources of data: Kornai, “The Great Transformation,” 213; Alex Melzer, “12 Jahre Ostzusammenarbeit, Evaluation 2003/4, vol. 1: Die Transition und ihr Schatten,” (Bern: Direktion für Entwicklung und Zusammenarbeit der Schweiz und Staatssekretariat der Wirtschaft, 2003), 89; Hermann Clement et al., “Wachstum in schwierigem Umfeld: Wirtschaftslage und Reformprozesse in Ostmittel- und Südosteuropa sowie der Ukraine 2001/2002,” Working Paper 242 (Munich: Osteuropa-Institut, 2002), iv; EBRD, “Countries,” <http://www.ebrd.com/pages/country.shtml> (accessed 28 May 2013).

Table 2: Inflation rate (increase of consumer prices in percent) (yearly averages)

Country	1990–91	1992	1995	2000	2008
Albania	35.5 (1991)	<u>226</u>	7.8	0.1	2.3 (2005)
Bosnia and Herzegovina	n.d.	n.d.	24.5 (1996)	1.9	2.1 (2005)
Bulgaria	26.3 (1990) <u>333.5</u> (1991)	82	96.3 (1994) <u>123</u> (1996)	10.3	12.0
Croatia	<u>123</u> (1991)	<u>665.5</u> (1992) <u>1517.5</u> (1993)	2.0	4.6	3.3
Czech Republic	52 (1991)	20.8 (1993)	9.6	3.9	6.3
Estonia	n.d.	<u>1076.0</u> <u>89.9</u> (1993)	47.7 (1994) 29.0 (1995)	3.9	10.6
Hungary	28.9 (1990) 35.0 (1991)	23.0	28.2	10.0	6.0
Latvia	n.d.	<u>951.2</u> (1992) <u>109.2</u> (1993)	25.0	2.6	15.3
Lithuania	n.d.	<u>1020.5</u> (1992) <u>410.4</u> (1993)	72.1 (1994) 39.6 (1995)	1.1	11.1
Poland	<u>251</u> (1989) <u>585</u> (1990) 70.3 (1991)	43	27.8	10.1	4.2
Romania	<u>170</u> (1991)	<u>210.4</u> (1992) <u>256.1</u> (1993)	<u>136.4</u> (1994) 32.3 (1995)	45.7	7.9
Russia	n.d.	<u>1526</u> (1992) <u>875</u> (1993)	<u>311</u> (1994) <u>198</u> (1995)	20.8	11.3 (2005)
Serbia	n.d.	3.3 (1994)	78.6 (1995) 94.3 (1996)	60.4 (2000) 91.1 (2001)	17.3 (2005)
Slovakia	<u>115</u> (1991)	<u>207</u> (1992) 32.9 (1993)	13.5	8.9	5.5
Slovenia	61.2 (1991)	23.2 (1993)	9.9	12.2	3.9
Ukraine		<u>1210</u> (1992) <u>4734</u> (1993)	<u>891</u> (1994) <u>377</u> (1995) 80 (1996)	28	13.5

Source: EBDR, "Countries," <http://www.ebrd.com/pages/country.shtml> (accessed 28 May 2013); Eurostat, *Eurostat Jahrbuch 2008, Lebensbedingungen und Wohlfahrt* http://epp.eurostat.ec.europa.eu/portal/page/portal/publications/eurostat_yearbook (accessed 9 July 2009), 137, 242. Underlined are years with inflation rates of 100 percent or more.

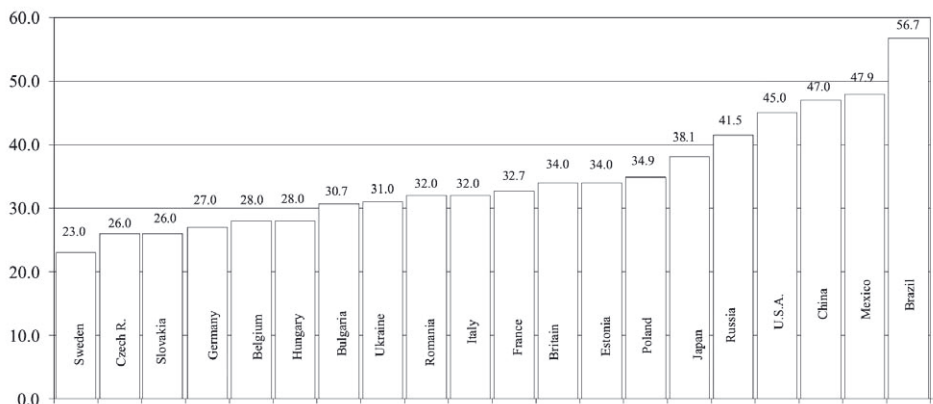
Table 3: Unemployment rates in Eastern Europe after 1989 (percent)

Country	1990	1995	2000	2005	2008
Albania	9.5	10.2	<u>16.8</u>	14.7	
Bosnia and Herzegovina	n.d.	n.d.	<u>39.6</u>	<u>44.5</u>	
Bulgaria	1.6	13.7	<u>16.4</u> [9.4]	12.1 [6.0]	5.6 [2.9]
Croatia	13.2 (1991)	14.5	<u>15.7</u>	12.3	8.4
Czech Republic	0.7	4.0	8.3 [4.4]	7.5 [4.4]	5.4 [2.2]
Estonia	3.7 (1992)	9.7	13.6	7.9	5.5
Hungary	1.4	10.2	6.4 [3.1]	7.3 [3.2]	7.8 [3.6]
Latvia	3.9 (1992)	<u>18.1</u>	13.1	8.7	7.5
Lithuania	1.3 (1992)	<u>17.5</u>	<u>16.4</u>	8.3	5.8
Poland	6.5	14.9	<u>15.1</u> [7.4]	<u>17.6</u> [10.3]	7.1 [2.4]
Romania	3.0 (1991)	9.5	7.1	5.9	5.8
Russia	5.3 (1992)	9.2	10.2	7.6	7.7
Serbia	<u>23.8</u> (1992)	<u>24.2</u>	<u>24.4</u>	<u>31.7</u> (2004)	
Slovakia	1.2	13.1	<u>18.0</u> [11.3]	<u>15.3</u> [11.7]	9.5 [6.6]
Slovenia	7.3 (1991)	7.4	6.6	7.2	4.4
Ukraine	0.2 (1992)	0.3	4.2	2.9	

Source: EBDR, "Countries", <http://www.ebrd.com/pages/country.shtml> (accessed 28 May 2013); Eurostat, *Eurostat Jahrbuch 2008*, 260; *Russlandanalysen* 182, 8 May 2009, 9. Underlined are unemployment rates above 15 percent; in square brackets: long-term unemployment.

The ensuing reforms then led to declines in production as well as in the size of the work force. In general, the GDP declined by between one fourth and one third, and in extreme cases it was even reduced by half. On average, it took a decade to return to the starting production levels of 1989.

The social consequences of this radical re-orientation in the economic system can be expressed in figures. First and foremost, in almost all states (with the exception of the GDR) there was a large rise in consumer prices (see Table 2). In some states, inflation lasted for several years, in others there was not a single price peak but several. Particularly high inflation was experienced in the successor states of Yugoslavia and the Soviet Union. There was also long lasting infla-

Figure 1: Gini coefficient for selected countries (in the year 2000)

Source: CIA Factbook, <https://www.cia.gov/library/publications/the-world-factbook/index.html> (accessed 8 July 2009).

tion in Bulgaria, Romania, Russia and Ukraine. The financial assets of the populations in these countries were essentially liquidated. Only in the Czech Republic, Slovakia and Hungary was inflation moderate.

A major hardship in everyday life was the escalation of unemployment. In the former economic order, the position of workers was strong because of shortages in the workforce. The phenomenon of unemployment had only been experienced to a minor degree in Yugoslavia, and then during the final years of state socialism in Hungary and Poland. In all other countries, unemployment was new experience. Unemployment levels were different in the various countries.

While these data are striking, they only allow approximations to be made concerning the intensity of social problems. It should be considered that the size of the working population also dropped significantly. On the average, the labor force participation rate of the new EU member states fell by 17 percent between 1989 and 2003. In Estonia, Hungary and Latvia, the size of the workforce fell by up to 25 percent of former levels.¹⁸ Certain social groups were particularly excluded from the new workforce: older generations of employees, women in general, industrial workers from large enterprises with outdated machines, and employees from former agrarian cooperatives.

Another side effect of the systemic change was rising social inequality. This can be measured in part by the Gini index of incomes (see Figure 1). Different levels of inequality were experienced in the various countries. The most homogeneous were the countries of East Central Europe (with the exception of Poland). The most unequal in the group of countries in question was Russia, with levels near those of the United States. And in Russia, inner disparities are also the most

¹⁸ Kornai, "The Great Transformation," 230.

visible: incomes in the “two capitals” (Moscow, St. Petersburg) became much higher than in the rest of the country.

The phenomenon of higher income levels in the capital city is a feature that can be found in other countries of the region as well. Based on data from 2005, in the new EU-member states, country capitals often had a GDP per capita that was higher than the EU-27 average, while regions in national peripheries were far below average. For example, income levels in Slovakia’s capital of Bratislava were 150% of the EU average, while regions in the eastern part of the country were 50% below average. Incomes in Prague were similar to those in Bratislava, while the figures in Central Moravia lay at 70% of the EU norm. In Bucharest incomes were 75% of the EU average, while in the northwestern part of the country, incomes were 25% thereof. This process of economic segmentation has been underway since 2000.¹⁹

Direct effect of political changes on everyday life

In the beginning, the political changes in Eastern Europe clearly brought an enormous benefit for the majority of the population: political freedom. The changes were therefore met with enthusiasm. In the first years political participation was high, although Poland was an exception: turnout was already quite low in the elections of June 1989, and as a rule, in later parliamentary elections less than half of the eligible voters participated. In most other countries, participation in the first few elections after 1989 was high. But this engagement later declined and election turnout also decreased.²⁰

Decreasing willingness to participate in elections had various causes, one being ambivalence about the new system. The political elites were the winners in the transformation process, but most voters were not in this group. The new apparatuses of the post-communist states provided many attractive posts for politicians, diplomats and higher administrative employees, but the economic deterioration caused by the decay of the common and domestic markets and political tensions between the neighboring states led to the quality of daily life diminishing for the majority of the population.

Another direct outcome was the stress suffered by the ethnic minorities in all of the states in question. The strengthening of the national consciousness of the leading ethnic group in each state was often detrimental to their minorities. Sharp

¹⁹ Eurostat, *Eurostat Jahrbuch der Regionen 2008*, http://epp.eurostat.ec.europa.eu/cache/ITY_OFFPUB/KS-HA-08-001/EN/KS-HA-08-001-EN.PDF (accessed 16 July 2009), 42. Cf. also the data of Kornai, “The Great Transformation,” 229: from 1989 to 2004, in the new EU member states economic segmentation expanded on average at 29 percent. Economic segmentation grew at an even higher rate in the Baltic states and Slovakia.

²⁰ In some countries (above all Albania and Romania), election turnout became lower than 50 percent.

conflicts emerged between majority populations and minorities in the post-Yugoslav countries (especially when a minority represented the main ethnic group in a neighboring country), in Slovakia between the Hungarian minority and the Slovak majority, in Bulgaria between Bulgarians and Turks, and in the three Baltic republics between the Baltic peoples and Russians. In addition, explicit discrimination and even a racist discourse against the Roma population developed in many East European countries, especially those in the southeast.²¹

The dissolution of multiethnic federations resulted in violence, military force, and—in the case of Yugoslavia—open wars. This caused new types of migratory movement: If the majority of a new emerging state was that of an ethnic minority somewhere else, migration in that direction of the new state occurred. In Croatia, for example, the number of Serbs declined by 65% between 1989 and 2002.²² Similar substantial population shifts involved the emigration of Russians from former Soviet republics to Russia: About 3 million Russians migrated from Ukraine, where the number of ethnic Russians declined by 27%. In Lithuania, 36% of the ethnic Russian citizens left, and Estonia and Latvia lost between 20% and 25% of their ethnic Russian population (between 100,000 and 200,000 people).²³ A huge number of ethnically German and Jewish people from Russia and Ukraine migrated to the West (to Germany, Israel or other states): between 1989 and 2003 more than 1.2 million people from Russia and 250,000 from Ukraine.²⁴

In addition to migration that was directly politically induced, another type also developed: workers in the new Eastern market economies who had become unemployed left to look for work in Western, Southern and Northern European countries. After the Iron Curtain between East and West was eliminated after 1989, from some areas there was an explosion of labor migration to the West. For example, one third of the Albanian population emigrated. Between 1989 and 2003, the net migration from Bulgaria was about 8 percent, and from Romania it was about 6 percent.²⁵ According to estimates, in 2002 approximately 2.5 million Romanians were migrant laborers, working especially in Southern Europe.²⁶ In 1995, there were approximately 900,000 Poles abroad, and by the end of 2006,

²¹ As, for example, the politics of the Hungarian political party *Jobbik* (Movement for a Better Hungary), the Slovak National Party SNS (*Slovenská národná strana*), and *Ataka* in Bulgaria. While these three examples represent marginal parties, in Slovakia the SNS succeeded in becoming a coalition member between 2006 and 2010. In addition to extremist or openly racist parties, there are also individual politicians from politically center parties who express extremist positions. An example is Jiří Čunek, who was the head of Czech Christian Democrats between 2006 and 2009 and a minister in the national government.

²² See Ali Mansoor and Bryce Quillin, eds., *Migration and Remittances. Eastern Europe and the former Soviet Union* (Washington: EBDR/World Bank, 2007), 120.

²³ *Ibid.*, 118.

²⁴ *Ibid.*, 122.

²⁵ *Ibid.*, 33.

²⁶ Cf. “Studie: Angst vor EU-Neulingen unbegründet,” *Stuttgarter Nachrichten*, 6 Feb. 2008, in which an ECAS (European Citizen Action Service) study is quoted.

this number had increased to approximately 2 million. Many Poles took on short-term employment, including approximately 300,000 seasonal farm workers in Germany, but also several thousand Polish doctors and nurses working in the UK and Ireland.²⁷ The remittances from migrants to their home countries have been an important economic factor for some states.

Changes in the everyday life

With regard to changes in spatial perspectives after 1989, in the mid-1980s there had already been some movement among intellectuals toward ideas such as the “Central Europe” debate of Kundera, Konrád and others, whereby intellectuals in Hungary, Poland and Czechoslovakia pointed to the fact that their native countries were “really” in the middle of Europe. It is possible to see this debate as an attempt to question the political divisions that had existed since the end of World War II.²⁸ For many decades, the Iron Curtain had blocked the West’s view of Eastern Europe and the people living under state socialism had become accustomed to looking toward Moscow to see if changes were possible. For the intellectuals involved in this debate, it was important to get rid of the East stigma. According to them, East Central Europe was nothing other than an “unfavorably situated part of the West.”²⁹ After 1989, this mental viewpoint then became reality. The accession of these countries to NATO and the EU represented the political culmination of this change of space.

Social time also changed fundamentally in Eastern Europe. After 1989, the pace of life began to move much faster. For the individual, life became more intense and less predictable. And the speed of change also accelerated. The amount of time left for leisure and activities with friends and acquaintances dropped considerably. As society became more dynamic, one could climb much higher than had been possible within the state-socialist system, but one could also fall deeper. As competition for success grew, so did the stress for those subjected to this acceleration. Particularly in the first decade, growing migration resulted in a large number of moves. This affected the basic rhythm of these people’s everyday lives and also changed the lives of those who remained at home. The

²⁷ Pawel Kaczmarczyk, “Arbeitsmigration und polnischer Arbeitsmarkt” (Berlin: Progressives Zentrum, n.d.), <http://www.progressives-zentrum.org/media/file/16.Kaczmarczyk.pdf> (accessed 10 July 2009), 5–7. Since that time nearly half of the million East Europeans who had migrated—among them also many Poles—had returned to their home countries. “Viele Polen verlassen Großbritannien wieder. Migranten kehren zurück,” *Frankfurter Allgemeine Zeitung*, 3 May 2009, <http://www.faz.net/print/Politik/Migranten-kehren-zurueck> (accessed 10 July 2009).

²⁸ Segert, *Die Grenzen*, 13.

²⁹ Kundera has been paraphrased by François Bondy. Martin Schulze-Wessel, “Die Mitte liegt westwärts. Mitteleuropa in der tschechischen Diskussion,” *Bohemia* 29, no. 2 (1988): 325–44, 329–30. See also Segert, *Die Grenzen*, 13.

change in time rhythms was connected in many ways to the basic changes in the economy. In the business world, the importance of competition and individual initiative grew. People experienced the new feeling of being superfluous. This was a shock especially for many workers in industry and the service trades. Previously there had been shortages in these areas and so such workers had felt needed.

The state-socialist societies were societies of workers. They were characterized by high employment rates. Almost all women held jobs. Belonging to a workers' society also meant that work and its success established the social standing of the individual. At the same time, however, workers were not strictly supervised. Overseeing individual work performance was not particularly developed. After 1989, many things changed in these respects. The average employment rate sank clearly; there was high unemployment, in some regions affecting more than half the population. Rates of unemployment were significantly higher than in the EU-15; in some years, such as 2003, they were even twice as high.³⁰

When describing the entirety of the systemic change after 1989 and its impact on the daily lives of the population, one should not be too categorical. For people whose entrepreneurial spirit had been subjected to tough restrictions before 1989, a better time had now come. Increased performance on the job was better recognized in the new market economy and compensated. Those who had managed to keep their job or get work in privatized enterprises had a distinct advantage over others. The biggest winners were those who worked in the financial sector. One of the most important economic changes in everyday life was the transition from a society lacking in goods to a consumer society with an abundance of commodities. Not only did the supply of consumer products change, but consumer purchasing behavior was also transformed. Lines outside shops largely disappeared. The private exchange of hoarded consumer goods that were in short supply lost its previous significance. And in addition to the rich world of abundant consumer goods came the possibility of travel anywhere in the world. The old ideology of connecting "communism" with "abundance" had developed into a real abundance of goods under capitalism. Shopping nearly became a civic duty.

Also culturally there were many changes for many people. Initially, aggressive advertising and the roar of products being recommended were unfamiliar and perhaps even exciting. The questionable aspects of this were impressively shown in the Czech film *Český Sen* ("Czech Dream," 2006). The inhabitants of Eastern Europe had now become part of a consumer society in which everything revolved around money, and happiness was to be achieved through the consumption of goods. But the consumer surplus was only real for the winners in the system change. Only they had enough money to afford the abundance. Others had to live with their old cars, furniture and other things from the period before 1989. And they stayed at home because they could not afford vacations in the wide world.

³⁰ Kornai, "The Great Transformation," 231.

A basic indicator of the changes that had occurred in both the business world and everyday life was the rise of money being considered a standard of personal prestige. Although money had had an economic function in the state-socialist societies, it had somehow held a marginal position in people's lifestyle. Fulfilling the socialist plan and cultivating a variety of "connections" were more important for the economic and personal success of the individual. But in late state socialism, private financial wealth had already become an important measure of success, and after 1989, wealth became the primary measure of a person's value. While in the eyes of the public, the rapidly acquired wealth of some was not without a moral shadow, this was not really important. Indeed, in earlier capitalist eras it was not different, as one can read in the novels of Charles Dickens and Victor Hugo. The rise of the new rich made the poverty of the majority suddenly extremely visible. Many who had been previously satisfied with their poor social situation could now see the growing social differences and became more and more dissatisfied.

The political and economic transformation also created fundamentally different conditions for crime. The crime rate increased significantly everywhere.³¹ This certainly had to do with the fact that, with the increased importance of money and property, the rewards for crime became greater. The rise of the consumer society and the increasing differences in wealth made burglaries more profitable. The rising crime rates added to the feeling of insecurity in the population.

In addition to labor and consumption, housing also changed. On one hand, the proportion of home ownership increased dramatically in many countries—today, in almost all East European countries more people are homeowners than in the old EU member states. Home ownership is especially high in the Baltic states, Hungary and Slovakia, where it represents 75 percent or more of all homes and apartments.³² This was because these governments wanted to sell apartments to reduce their fixed investments; it represented a social policy objective. And it was also a trend of the times. More privatization of public property was undertaken in the 1990s than had ever occurred in Europe before. However, for those who continued to rent, the situation also clearly changed. Rents increased significantly. Previously, in most countries less than 10 percent of one's income was spent on rent. With the market regulating housing prices and rents, the proportion of money spent on housing costs increased more than threefold. In the capitals this was sometimes even higher.

And finally, a radical restructuring of the welfare state occurred. Health care and pension systems were extensively reformed. Funding was transferred from the state to health insurance companies. In the majority of new EU member states, considerably less is spent on social welfare when compared to most of the old

³¹ On average in the eight new EU member states, by two and half times. Kornai, "The Great Transformation," 231.

³² See *Eurostat Jahrbuch 2008*, 234.

member states.³³ In 2004, such services in the Nordic countries lay between 27% and 33% of the GDP, and in the UK, Italy, France and Germany between 26% and 31%; in comparison, the Baltic states spent about 13%, Slovakia 17%, the Czech Republic 20%, and Hungary 21%.³⁴ In all EU countries, social transfers are provided to ensure that the number of people who are at the risk of poverty is significantly reduced; in 2005, the old EU member states reduced this group from 26% to 16% of the population. In some of the new EU member states, however, because of lower social transfers, this group dropped to a significantly lesser degree, as for example in the Baltic states, where after social transfers this group was still 18% to 21% of the population.³⁵ The social situation experienced other changes due to social transfers being reduced, such as retirement age. Given the sharp reduction in birth rates, all societies clearly began to age quickly, and thus, the existing practice of relatively low retirement age was also found to be no longer affordable. The retirement age has gradually been raised, and in Central and Southeastern Europe is now similar to that in the old EU member states.

Among the new welfare state institutions that were previously unknown in most countries are employment offices. But unemployment in East European countries means something different than in the old EU countries. To take the Polish example: there, the unemployed receive low financial support for half a year; after that they receive no more government help. Thus in the 1990s, many Poles left the labor market and went into early retirement or applied for disability benefits. Between 1989 and 1999, the number of pensioners in Poland rose from 6.9 to 9.45 million, about a quarter of the population. In addition, about 5 million people were registered as being disabled. Since the average pension is very low, the number of people with incomes below the social minimum increased between 1989 and 1996 from 15 percent to 47 percent. The situation was similar in Bulgaria. Here in the early 1990s, 9 percent of the population went into early retirement. As in Poland, pensioners now make up about a quarter of the population.³⁶ The large number of retirees, however, also has something to do with the demographic trend after 1989 toward an increase of the elderly and a decrease in birth rates. In Romania, for example, the total fertility rate dropped from 2.6 (1970–75) to 1.3 (2000–5); in Poland it fell during the same period from 2.3 to 1.3, in the Czech Republic from 2.2 to 1.2.³⁷ In contrast, life expectancy developed in various ways. While it declined in Russia and some

³³ Social welfare includes health care benefits, including continued pay in the case of illness, benefits for families, the sick, the handicapped, and for the unemployed, pensions, etc. *Ibid.*, 236.

³⁴ *Ibid.*, 238.

³⁵ *Ibid.*, 224.

³⁶ Sabine Riedel, "Arbeitslosigkeit in der erweiterten EU," SWP-Studie/S40 (Berlin: Stiftung Wissenschaft und Politik, 2003), 12, 17.

³⁷ United Nations Development Program, *Human Development Report 2003*, <http://hdr.undp.org/en/reports/global/hdr2003/chapters> (accessed 16 July 2009), 250–51.

other post-Soviet societies (Soviet Union 1987: 70 years, Russia 2000: 67 years), and stayed the same in Southeastern Europe, since 1989 it has risen by about 2 years in Central Europe.³⁸

Frustrations about the social outcome and their political consequences

Both the broader population and the elites faced the systemic change in Eastern Europe with high expectations. The willingness to support the political changes of 1989 was supported by hopes of a brighter future. There was a widespread assumption that by introducing democracy and market economies, it would soon be possible to have the same living standards as in Western Europe. In short, the revolutions of 1989 took their legitimacy not only from the expectations of political freedom, but also due to the assumption that quickly adjusting the economy would result in living conditions similar to those in the West.

In the meantime, it has become clear that the process of economic assimilation, even in the new EU member states, would take much longer than originally thought. According to János Kornai, it will take the eight Central European countries that became EU members in 2004 about 55 years for them to reach the average economic level of the old EU states—and that only if the current growth tempo does not change.³⁹

It is because of this that the systemic change, nearly twenty years after it began, is generally appraised negatively—with the exception of Albania—at least with regard to personal financial status and that of one's own family (see Table 4).

The results of the systemic change are also evaluated positively in former East Germany. According to the “Social Report 2008,” 39 percent of those polled regarded themselves as winners in the German unification (the specifically German path of systemic change), for 28 percent profits and losses were balanced, and only 29 percent felt themselves as having lost. The latter were mainly the unemployed or low-income earners.⁴⁰

³⁸ United Nations Development Program, *Human Development Report 1990*, <http://hdr.undp.org/en/reports/global/hdr1990/chapters> (accessed 16 July 2009), 129, 131; *HDR 2003*, 262–63.

³⁹ Kornai, “The Great Transformation,” 238.

⁴⁰ Sozialwissenschaftlichen Forschungszentrum Berlin-Brandenburg im Auftrag des Bundesverbandes der Volkssolidarität (verantwortlich Rainhard Liebscher), “Sozialreport 2008: Daten und Fakten zur sozialen Lage in den neuen Bundesländern,” (Berlin, Dezember 2008), http://www.sfz-ev.de/Publikationen/Sozialreport/SR_2008/SR2008.pdf (accessed 18 July 2009), 49. Similar results are found in Jörg Jacobs, *Tücken der Demokratie: Antisystemeinstellungen und ihre Determinanten in sieben post-kommunistischen Transformationsländern* (Wiesbaden: VS-Verlag 2004), 206, based on a survey conducted in 2000. Here, however, the current general economic situation of individual households was being assessed. The situation in Eastern Germany and the Czech Republic was generally considered to be positive, in Poland the sides were balanced, and in other countries (Slovakia, Hungary, Romania and Bulgaria) the assessment was predominantly negative.

Table 4: Self-evaluation of family economic situation in 2007 as compared to 1989 (percent)

Country	Relative decline	Relative improvement
Albania	32.9	44.4
Bosnia and Herzegovina	79	9.5
Bulgaria	69.5	15.1
Belarus	50.3	27.0
Croatia	67.5	12.3
Czech Republic	45.3	25.6
Estonia	60.9	19.3
Georgia	81.1	10.3
Hungary	65.2	12.4
Latvia	66.6	17.2
Lithuania	57.5	21.3
Poland	55.9	22.4
Romania	54.5	18.8
Russia	67.2	19.1
Serbia	77	10.4
Slovakia	57.2	18.9
Slovenia	42.5	21.4
Ukraine	64.8	18.7

Source: "Pessimismus führt zu Reformstillstand," *Die Presse*, 29 Nov. 2007, 25.

The *Human Development Reports* (HDR) since 1989 have also stressed the ambivalent social development of the region. In the *HDR* 1997, for example, it is stated that poverty in Eastern Europe and the post-Soviet region had increased significantly since 1990. In the same period, the opposite trend was seen in East Asia.⁴¹

In general, these social developments also had political consequences. In the first years of transition, the fact that expectations were not being fulfilled was not perceived as negative. The hope prevailed that the deterioration of material living standards represented only a temporary phase, a short valley of tears. However, after the accession of ten countries to the EU in 2004 and 2007, it finally became clear that this was a longer term social situation. For those who could be consid-

⁴¹ United Nations Development Program, *Human Development Report 1997*, <http://hdr.undp.org/en/reports/global/hdr1997/chapters> (accessed 16 July 2009), 4.

ered the losers in the transition, there is hardly any hope that the situation will change. This has created a social gap between the winners and losers. An attempt is being made to fill this gap by political means.

This end result has had an impact on how political developments have been assessed. In early 2003, a year before the first eight former East bloc states became members of the EU, satisfaction with national democracy was much lower than in the original EU member states. While in the EU-15, about 60% of the respondents were very or fairly satisfied, the proportion in the eight new member states lay at about 30%, in fact, in Romania it was only 23% and in Bulgaria 15%.⁴² The next spring, this low level fell even further, with only 24% of the population expressing satisfaction. In Poland, those who were very or at least fairly satisfied decreased from 24% to 16%, in Hungary from 42% to 31%. However, by the autumn of 2007 the level of satisfaction in the ten new member states had increased again slightly, on average to 39% (with the percentage who were satisfied in the old member states at 68%).⁴³ In Poland, the group of those who were very or fairly satisfied with national democracy lay at 48%, in Romania it had risen to 36%; Hungary displayed the lowest levels, with only 24% satisfied.⁴⁴ This is associated with low confidence in the key institutions of democracy. Trust in political institutions is low; indeed, it is much lower than in the old EU member states. As seen in a *Eurobarometer* survey of the year 2004, on average confidence not only in parliaments, but also in political parties was less than half of that in the EU-15. The comparison of confidence in political parties was 7% vs. 16%, and in parliaments 16% vs. 35%.⁴⁵

Regarding political stability, the new member states also differ significantly from the old, in this case for the worse: In the entire period since 1989, voter

⁴² *Candidate Countries Eurobarometer* 2003, no. 2 (Fall 2003), http://ec.europa.eu/public_opinion/archives/cceb/2003/2003.2_full_report_final.pdf (accessed 18 July 2009), 20. Satisfaction within the population is linked to social groups: about 40 percent of managers, students and young people are satisfied, whereas the retired (24 percent), unemployed (26 percent) and people with limited education (34 percent) are much less satisfied. *Ibid.*

⁴³ *Candidate Countries Eurobarometer* 2004, no. 1 Annexes (Spring 2004), http://ec.europa.eu/public_opinion/archives/eb/eb61/cceb2004.1anx.pdf (accessed 18 July 2009), B-79.

⁴⁴ *Eurobarometer* 68 (2007), http://ec.europa.eu/public_opinion/archives/eb/eb68/eb_68_en.pdf (accessed 18 July 2009), 87. Until fall 2012 the figures changed only slightly, 48 percent of Poles remain satisfied, in Romania the respective figure was 13 percent (now the lowest level of satisfaction in the region, in Hungary it was 29 percent. *Eurobarometer* 78 (2012), http://ec.europa.eu/public_opinion/archives/eb/eb78/eb78_anx_en.pdf (assessed 29 May 2013), 74.

⁴⁵ *Eurobarometer* 61 (2004), http://ec.europa.eu/public_opinion/archives/eb/eb61/eb61_en.pdf (accessed 18 July 2009), 10. In the spring of 2008, the situation was a little better, but not by much. In Poland, confidence had risen to 7% (it had been 3%), in the Czech Republic 11% of respondents trusted the political parties, 9% in Hungary, 11% in Slovakia and 13% in Slovenia. In the same poll, the percentage of citizens who trusted their parliaments were the following: 12% in Bulgaria, 16% in Poland and the Czech Republic, 15% in Hungary, 22% in Slovenia, and in Romania, 31%. *Eurobarometer* 69 (2008), Appendices, http://ec.europa.eu/public_opinion/archives/eb/eb69/eb69_annexes.pdf (accessed 18 July 2009).

unpredictability is significantly higher here than in the “old democracies.” In most elections in Eastern Europe—with a few exceptions—the current government is voted out of office, and thus, governments remain at best a single term in office. These aspects have determined the populist momentum that characterizes the current situation in political terms. The results of social change in Eastern Europe have favored a policy of socially unrealistic promises before elections and politics that are centered on individuals. Thus the political class has tried to bridge the gap that has developed since 1989 between itself and the majority of the population. Linked to this are the pointed political conflicts and a certain instability even in the countries in the heart of East Central Europe.⁴⁶ Two decades after the pessimistic forecasts of sociologists like Claus Offe concerning the systemic changes in East Europe, it seems as if these might still take place. But this is only one of many possible directions, and it can be countered politically.

⁴⁶ Dieter Segert, “Parteiendemokratie in der Krise. Gründe und Grundlagen in Ostmitteleuropa,” *Osteuropa* 58, no. 1 (2008): 49–62.

