

chapter compares the ways in which energy shortages were dealt with and experienced by inhabitants of East Germany and Japan in the post-war decades, as well as how the respective governments tried to walk a line between accommodation and control. The final chapter is dedicated to the famine in Sahel in 2012 and to the question of how market forces had an effect on dissolving the crisis. To do so, the chapter studies price adjustment and market integration mechanisms in Burkina Faso and Mali, arriving at the conclusion that markets have the potential to address food scarcity but need to be sufficiently robust to do so, which, in turn, leads to the need to strengthen markets.

As this brief account suggests, the volume offers an excellent overview of approaches to studying scarcity and of ways of using the concept of scarcity to study resource dynamics, social relations, and economic developments. While predominantly based on the English-language literature, it will certainly be of interest to a large audience internationally. Furthermore, the volume encourages scholars to consider what their own experiences with and understandings of scarcity are and how they can help us to make better sense of the discussions about the looming climate crisis by turning to empirical research.

Grzegorz Gorzelak (ed.): Social and Economic Development in Central and Eastern Europe: Stability and Change after 1990, London/New York: Routledge, 2020, 372 pp.

Reviewed by
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The book under review has several strengths. First, the book provides a combination of two thematic foci. It takes stock of the transformation process to democracy and a market economy in the Central and Eastern European states since 1990, and it combines the lessons learned with an analysis of the contemporary development problems in the region. Second, the volume discusses both the historical transformation processes and the more recent developments in the region almost in their entirety and from the perspective of different disciplines. Third, and finally, the vast majority of the authors succeed in balancing the presentation of empirical data and their own interpretations and in formulating the results of their analyses clearly and in a manner that is easy to understand.

These strengths are certainly also a merit of the editor. Grzegorz Gorzelak is a Polish economist who has been working for several years on “regional and local economics, regional development strategies, cohesion policy, [and] evaluation of EU programs”. Consequently, issues of regional development receive a lot of attention in the book.

The region “Central and Eastern Europe” (hereafter CEE-11) in this book consists mostly of the eight countries that joined the European Union (EU) in 2004 plus Romania and Bulgaria (accession in 2007) and sometimes Croatia. The post-Soviet region (with the exception of the Baltic states), parts of Southeastern Europe that are not (yet) members of the EU, and the territory of the former German Democratic Republic (GDR) are rarely considered. The book is divided into four parts: “Systemic Foundations of Transformation”; “Reforms and Challenges”; “Regions, Space, Territory”; and “The Future Challenges”.

In the first part, there are two more general chapters dealing with economic (Witold M. Orłowski) and political (Radosław Markowski) transformation followed by one contribution on local government (Paweł Swianiewicz) and the other on “regionalism” (Roman Szul). Swianiewicz emphasizes the often overlooked positive influence that the strengthening of local self-government had on the success of transformation. In all eastern EU accession candidates, “the transformation after 1990 has resulted in a major shift toward more decentralized systems” (p. 72). Unfortunately, there have been various efforts at recentralization in recent years, which have already been put into practice in Hungary. Szul takes a much more critical view of the phenomenon of “regionalism”. He justifies this primarily with an excursus into the history of the twentieth century, in which ethnic minorities and the separatism that emanated from them often destabilized the nation-states of East-Central Europe. Poland had been nationally homogenized primarily as

a result of the Second World War. After 1990, all other multiethnic states still in existence, such as Czechoslovakia, Yugoslavia, and the Soviet Union, disintegrated into several parts. Therefore, almost only “grass-roots regionalism based on cultural-linguistic and historical factors” (p. 81) exist in the CEE-11 today without major political ambitions. The author sees these forms of regionalism rather positively, as they are able to support national identities and are economically useful (i.e. tourism). On the other hand, Szul is critical of “top-down, induced (pseudo-) regionalism”, for which he holds the EU responsible. It is also striking that in an otherwise very informative and balanced overview of the activities of “national minorities”, the Polish author characterizes only the Silesians as “militant” and criticizes them for alleged “anti-Polish rhetoric” (p. 85).

Orłowski notes in his chapter, “Trajectories of the Economic Transition in Central and Eastern Europe”, considerable differences in growth rates between the countries. To mention only the leader and the laggard among the CEE-11: The gross domestic product (GDP) per capita of Poland, measured in purchasing power standard (PPS), increased from 78 per cent of the Bulgarian level in 1989 to 136 per cent in 2017 (p. 12). The differences are even more serious when Eastern European countries that do not belong to the EU are included. Ukraine’s GDP per capita was about the same as Poland’s in 1989; in 2017, it was less than a third of Poland’s. Ukraine, as well as Croatia and Bulgaria, have not been able to close the gap in their prosperity relative to Western Europe over the past three decades. The other countries, however, have been able to narrow

the gap in prosperity. This is especially true for Poland and Slovakia. In his chapter, Orłowski seeks explanations for these enormous differences between the CEE-11, looking at historical roots of underdevelopment since the sixteenth century up to the period of socialism and the “starting point of economic transition”. He then forms four subregions: Visegrad-4, Baltic-3, East Balkan-2, and West Balkan-2 and analyses the economic development of these subregions during the respective six phases of economic transition. Thus, it is shown that the growth and decline phases in the individual subregions had different lengths and intensities. This also applies to the impact of the global finance crisis from 2008/09 to 2009–2013.

Finally, Orłowski discusses the structural causes of acceleration and impediment of economic development in the transition period and in the present. Two findings deserve to be highlighted. First, it becomes again clear that the EU played a very significant role in the overall successful economic development of the CEE-11. The opportunity of accession accelerated institutional change. Integration into the European single market shifted part of European industrial production to the East. However, both these effects lost their impact a few years after accession to the EU. Second, the extent of foreign direct investment (FDI) differs considerably between countries. However, no influence of this difference on economic developments can be detected, neither in a positive nor in a negative way. Regardless of this, the FDI-driven growth model, as it has mostly been practised so far, is no longer sustainable: “It is obvious that further convergence will be possible only if the growth model

is adapted to the new conditions: sticking to the competitive costs of labor will bring about a repetition of the 16th-century experience of the region being trapped in the role of the European periphery” (p. 32).

If you want to know more about potential new growth models and the possibilities and difficulties of implementing them, you should consult other chapters of the book. Slavo Radosevic, Deniz E. Yoruk, and Esin Yoruk – in their chapter on “Technology Upgrading and Growth in Central and Eastern Europe” – show very impressively in the CEE-11 countries that companies in almost all sectors are exclusively “technology users” (only in Estonia and Slovenia is a significant part of the growth “innovation driven”, p. 180). The spread and breadth of technology, the diversity of technological knowledge, the types of supporting infrastructure, and the structure of firms that carry out technology upgrading are insufficient. Furthermore, the knowledge inflows into the economy through trade, FDI, and knowledge exchange do not work well. In any case, spending on research and development by both the public and private sectors is far too low.

In addition to Radosevic et al., John Bachtler and Martin Ferry in their chapter “Cohesion Policy in Central and Eastern Europe: Is It Fit for Purpose?” also deal with the difficulties of the transition to a knowledge-based economy, albeit from a different perspective and with a different approach. It is noteworthy that both chapters are critical of the weight and consequently the results of the EU’s technology and innovation policy in the CEE-11. Radosevic et al. state: “From the I[ndexes of] T[echnology] U[pgrading] perspective, we can observe an increased technology gap

rather than technology convergence. It seems that increasing technology gap is not driven by R[esearch] & D[evelopment] policies, but by the disconnection between EU R&D and other policies such as F[oreign] D[irect] I[nvestment] and G[lobal] V[alue] C[hains] policies” (p. 198). Bachtler and Ferry show a very positive impact of EU cohesion policy on growth, convergence to the West, and overcoming the consequences of crises. However, funds and consequently transfers to the East have declined since 2013. More importantly, the use of EU funds is apparently not sustainable enough: “innovation support [...] was largely related to ‘hard’ capital investments (the purchase of technology, new machines, new infrastructure, etc.) rather than investment in the development of indigenous innovation capacities” (p. 332). The general deficits of EU technology and innovation policy in global competition thus have a particularly serious impact in the CEE-11. Undoubtedly, the slowdown, halt, or even complete absence of the convergence process is a socioeconomic cause of the increasing political influence of populism in the CEE-11, which has already led to a massive crisis of democracy in some countries. The book focuses less on the analysis of the political processes themselves. One does, however, find some social science research that could help explain the strength of right-wing populism in Eastern Europe. In this context, the book sometimes points to differences between the Western and Eastern EU member states that lie beyond the economic wealth gap. Moreover, there are pan-European problems that are (already) particularly pronounced in the East.

For lack of space, only the most interesting observations and theses from my point of view can be mentioned here:

1. Gorzelak argues in his introduction that the relatively easy and rapid dismantling of democratic and liberal achievements observed in recent years suggests that these institutions had been still unstable, based on a superficial transfer from outside (p. 3). This corresponds with Markowski’s thesis that, unlike Western Europe, “in CEE [...] the widespread blow to democratic principles came from the well-established part of the incumbent elite” (p. 50).
2. Agnieszka Fihel and Marek Okólski as well as Joanna Tyrowicz and Peter Szewczyk show in their chapters on demographic change and the development of labour markets that many CEE-11 countries have to pursue a much more active labour market policy due to the age structure of their population and emigration.
3. The chapter by Zbigniew M. Karaczun and Andrzej Kassenberg, dealing with environmental protection issues, quotes surveys according to which pollution of air and soil is considered a more serious environmental problem than climate change in the CEE-11. This “may explain the low priority given to climate protection in some CEE countries” (p. 304).
4. Tomasz Komornicki’s contribution on the transport sector shows that transport policy until today has focused on the functioning of the major transport arteries. In CEE-11 countries, transport policy is not yet part of a regional policy aimed at balancing regional divergences. In general, national governments have been rather inactive in dealing with the problem of growing regional divergences between western and eastern parts of the country

and between metropolitan regions and rural areas, especially along the EU's external borders. However, in view of the experience with regional structural policy in the "old" EU member states (e.g. Italy), it is doubtful whether EU cohesion policy can achieve a significant reduction in regional divergences in the CEE-11.

This is just a selection of interesting and certainly debatable observations and theses. If there is anything to criticize about

the book, it is that the illustrations are sometimes too small. In addition, from the perspective of a historian, one or the other historical digressions of the social science colleagues is a bit too rough. But these criticisms are ultimately trifles. Not only historians will appreciate the book as there are many contributions from different disciplines that are worth reading because they often complement each other.