

*Andrzej Kaleta*

## **Europe's New Peripheries**

*Europas neue Peripherie. Polens Transformation und Transnationale Integration* by Dorothee Bohle,  
Verlag Wesfälisches Dampfboot, Münster 2002, pp. 341

The over ten year period of transformation in Central and East European countries – passing from real socialism to western democracy – brought them considerable, positive political changes (civil liberties, sovereignty, the democratic way of appointing functionaries at all levels etc.) and far fewer economic successes, in any case far fewer than expected by the reformers. The distance in development between East and West has not dropped significantly, but in the transforming countries social polarisation is growing – the distance in standards of living is growing, mainly caused by growing unemployment and the curtailment of the state's social functions.

There are ever more doubts about the justification of the chosen transformation strategy, created in western circles of the international financial clique and economic orthodoxies (commonly linked with the name of Jeffrey Sachs) and in political circles of eastern reformation elites (in Poland generally associated with Leszek Balcerowicz). The dogma of the so-called shock therapy is questioned, assuming a rapid introduction of liberal market economy principles on the ruins of state socialism and its vehement opening towards the outside as the only way of putting post-socialist countries on to the path of capitalist development. The assumption that something which took centuries to be realised in the West will be realised in a decade in the East is considered highly irresponsible. There are also views that the forthcoming European integration, carrying with it considerable limitations in economic sovereignty and the transnational division of labour, will result in the danger of the emergence of new development blockades, which may lead the countries of Central and Eastern Europe towards deformed democracy and incomplete economic reforms.

\*

Dorothee Bohle's book, *Europas neue Peripherie. Polens transformation und transnationale Integration* (Europe's new Peripheries. Poland's Transformation and Transnational Integration) is an analysis of processes which she calls a new form of peripherisation. She explains these processes, referring to two connected phenomena. The first is the transformation process in Poland, which for many reasons (dimensions, particular heritage, socialist market reforms begun during the Gierek era in the 1970s, the uniqueness of Solidarity as a trade union movement which took the responsibility of introducing market reforms in the early nineties) centres on the general problems of the whole of Central and Eastern Europe. The second phenomenon, considered in categories of a case study, are the changes in the Polish transportation sector. According to the author, in the analyses of the Polish development path it fulfils an important role due to its crucial influence on the universalisation of the economy (standardisation in time and space of the process of production, change, distribution and consumption of goods) as well as the integration of society because it integrates the national territory.

The most important parts of this work which are in the first two sections, concern the theoretical foundations of the transformation of Eastern Europe and their academic verification by the analysis of the Polish case. In the first section (chapters I and II) the author reconstructs the main themes of the debate in the social teachings of the West about the conditions, sequence and expected results of the East European transformation process. Sorting out the views on the issue of ways and consequences of economic liberalisation and introduction of democratic institutions in the processes of post-socialist development, she points out two main standpoints. Advocates of the first, assuming the universality of development principles of capitalist society, believe that sooner or later they will also appear on the development path of the countries of Eastern Europe. Representatives of the second, accentuate the problem of the concrete historical form of democratic capitalism and treat the development processes as open, shaped as a result of interaction between the universal legacy of socialism and the differentiated national transformation strategies, as a result of which historically new forms of capitalism emerge. According to the author the facts resulting from the analysis of the Polish transformation path prove a greater theoretical legal validity of the views of the second type.

They were mainly presented in the second section of the book, devoted to the verification of the hypothesis, according to which as a result of the historical heritage of state socialism (internal factors) as well as developing integration with the capitalist system of the economy of the western world (external factors) new forms of socio-economic development were shaped,

which should be described as peripherisation. Distinguishing several phases of Polish transformation determining the peripheral direction of the development of transforming Polish society the author seems to consider the last phase (including the period after 1997) which can be characterised by the growing significance of foreign investments and the growing role of the European Union as the creator of central spheres of macroeconomic policy. Further progress on the economic and political path of European integration will, according to Bohle have far-reaching and rather negative development consequences for Poland. First of all, only the most lucrative sectors of Polish industry and market will enter the transnational division of labour and the result of the choice made outside Poland will be the marginalisation of other structures of the economy and the necessity of restructuring them, requiring considerable state financial investments. Secondly, there will be a significant limitation in the state's role connected with integration, by transferring activities connected with binding the territory, economy and society into one entity to the private sector, as well as handing over part of the sovereignty to extra-national structures. The peripheral hypothesis gets additionally verified in the third and final part of the book, devoted to the changes in the Polish transportation sector, where two rather dissimilar development paths have appeared. The first, including the most lucrative sectors of the transportation system (a section of road transport, the postal system, transit railway traffic, the logistic safety of communication routes), is dominated by western capital, which by reorganising and modernising its structures intends to include them into transnational communication structures. Polish capital operates on the second, less lucrative path and only has a secondary role as regards the first path.

It is difficult to find fault in Dorothee Bohle's book concerning the methods of investigating academic truth about the significance, course and results of the process of Polish and East European transformation. Some evaluations and prognoses do, however, require discussion. Although I agree with the generally critical evaluation of earlier economic consequences of Polish transformation, I do not believe that it will inevitably lead to the peripherisation of Poland since the process of European integration will not result in the further growth in differences between West and East but will bring a positive breakthrough in the process of their elimination.

First of all, the European division of labour should not lead to the exclusion of a part of Poland, its industry and market from development, since precisely the integration mechanisms mainly in the form of structural policy can be a unique opportunity of breaking away from the long lasting underdevelopment which they were rooted in for decades. The transformation processes aggravated that chronic underdevelopment but were not in any way their primary cause.

Secondly, even if inclusion into transnational structures is selective, that means it will only include specific sectors of industry, segments of the market and regions, one cannot exclude transferring the positive development impulses from areas functioning in transnational structures to areas excluded from development. Indeed, Bohle's analysis of the restructurisation of Polish road transportation seems to show that integration will reinforce the polarised development model, yet reference can be made to analyses of the Polish economy and society which point to the fact that international cooperation is a factor encouraging development in the entire social environment. A decisive factor appears to be the quality of local human capital while influences or the lack of international development impulses are of secondary importance.

Thirdly, it is hard to ignore views about the loss of a part of economic and state sovereignty as a result of integration processes. In the global economy they have rather an ideological than a pragmatic nature, since that sovereignty, even in the case of the economic powers of Germany, France or Great Britain which steer the unification of Europe, also has a limited position.