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20 December 1978

EASTERN EUROPE AT THE END OF 1978 (+)

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Generalizations about Eastern Europe are fraught with peril. They are all too often undermined by the distinctiveness of each Eastern European country, a distinctiveness persisting throughout the last 30 years despite, or because of, communist rule. It is the East European nations that have modified communism rather than being modified by it. There is as much difference today between the German Democratic Republic and Bulgaria as there is between Norway and Italy.

But the perils of generalization must sometimes be braved. The end of 1978 is a convenient time for stock-taking, 10 years after the invasion of Czechoslovakia, one of the great milestones on the checkered path of communist rule in Eastern Europe.

This rule has lasted 30 years and has been grappling throughout with three huge multifaceted and interacting problems:

1. the problem of ideological-political legitimacy;
2. the problem of economic efficiency;
3. the problem of Soviet-East European relations.

Some of these problems appear partly solved in some countries. Yugoslavia, for example, has dealt with the third to its own -- though not Soviet -- satisfaction. It has also partly solved the first problem, although Tito's death might indicate just how partial the solution has been. But few, even in Yugoslavia, would contend that the problem of economic efficiency has been solved. In some other countries one or more of the problems has seemed partly solved at particular times: economic efficiency, for example, in the GDR between 1966 and 1970 and in Hungary between 1968 and 1973. But subsequent developments in both countries, particularly in the GDR, showed how imperfect the solutions were. It was the Czechoslovak reformers in 1968 who recognized and tried to tackle all three

(+) This paper was prepared for the forthcoming issue of Strategic Survey, published by the International Institute for Strategic Studies, London.

problems. This is why they were overthrown and repudiated in August 1968. But the problems are still there 10 years later, bigger and more acute -- and as far away from solution as ever.

Ideological-Political Legitimacy

In October this year a Polish cardinal was elected pope. Many of the ramifications of John Paul II's election have still to be realized, but in Eastern Europe it both sealed and symbolized the defeat of the official Marxist-Leninist ideology which the authorities, using all available coercive and persuasive machinery, had strenuously tried to impose for three decades. It was a triumph for Polish strength and resilience, a reflection of wider, East European aspirations, a massive defeat for the claims of the official dogma.

The elevation of Karol Cardinal Wojtyla dramatized a fact many observers had long noted in Eastern Europe: that the official ideology was either dead, moribund, or -- as in the later Roman empire -- ritualistic. This was true for all countries: a potent mixture of religiousness, nationalism, materialism, anti-Russianism, disillusion, and sheer opposition has now overpowered whatever communist idealism existed in the 1940s and 1950s. Power, place, and privilege are now almost exclusively the motivations of the rulers; this has only increased the gulf between them and those they rule. The distinction between pays legal and pays réel has become still clearer. The Czechoslovak reformers tried to remove this distinction. Their defeat only confirmed and strengthened it.

At the beginning of the 1970s the East European authorities, imitating the Soviet, tried by two means to secure that legitimacy which had so far eluded them. One was "consumerism"; the other "participation." For several years after this the standard of living in Eastern Europe increased appreciably. In Poland the increase was rapid. Even in Romania, the country least affected, there were perceptible gains. During this period the large majority of Eastern Europeans were probably better off materially than ever in their history. A mixture of economics and politics produced their good fortune -- and stimulated their rising expectations. Economically Eastern Europe was now enough part of the world system to enjoy the boom of the 1960s, yet not so integrated into it as to feel immediately the slump that came in the early 1970s. Until 1975 Eastern Europe also enjoyed the benefits of cheap Soviet oil and other raw materials. Politics also played a role in that, after suppressing the Prague Spring in 1968 and experiencing the Polish seaboard riots in December 1970, the Soviet and East European leaders deliberately stimulated living standards to divert attention from institutional reforms of the kind the Czechoslovaks were seeking in 1968 and to avoid a repetition of the workers' wrath that unseated Gomulka in 1970.

"Consumerism" flourished in the early 1970s and, as it did so, the Soviet and East European leaders must have hoped it would capture the legitimacy that had eluded them so far. But their hopes were short-lived. In spite of nearly five good years, the Polish people showed the limits of party leader Gierek's credibility

and legitimacy in June 1976 when they violently rejected the price increases he imposed on food. Since then an uneasy truce has prevailed between workers and regime in Poland. But considerable tension developed in 1978 in the countryside because of peasant suspicion of government motives. In the cities the guerrilla warfare between a small, but vocal, group of intellectuals and the police shows no signs of abating.

Poland is the clearest, but hardly an isolated, example of the East European regimes' failure to acquire legitimacy. Perhaps more important for the future stability of Europe as a whole has been the appearance in 1978 of dissent in the GDR, affecting workers, intellectuals, religious groups, and even party officials. This dissent, though still minimal by Polish standards, has seriously shaken the confidence of the East German leadership. A distinctive East German national feeling seems even further away now than it did 10 years ago. In Czechoslovakia, particularly in the Czech Lands, consumerism has interacted with the population's disappointment and apathy following 1968. But it has hardly produced regime legitimacy: it has simply fed the sort of apathy that rejects politics completely. And though the short term impact of the Charter 77 intellectual protest movement should not be exaggerated, it was still an inconvenient reminder to the regime that the principles of 1968 persist. In Romania, where emerging working class consciousness flared dangerously in the Jiu Valley miners' strike in August 1977, the brief flicker of consumerism after 1971 raised few expectations. The continued low standard of living, political and economic mismanagement, and growing disillusion with Ceausescu's personal rule, tend to sap the strength of that legitimacy the Romanian leader undoubtedly derives from his nationalistic defiance of the Soviet Union. Bulgaria, where living standards have increased perceptibly over the last decade, is marked by a quiet passivity. To equate this with regime legitimacy, however, as some observers tend to do, could be quite misleading.

If legitimacy through consumerism has made any real progress it has been in Hungary. The economic gains through the New Economic Mechanism, introduced in 1968, have sometimes been spectacular and together with political, cultural, and ideological relaxation have produced a more equable interaction between state and society than exists anywhere in Soviet-dominated Eastern Europe. But, still, economic difficulties are mounting again and, in any case, much of the legitimacy of the Hungarian regime rests in the person of Janos Kadar. The test will come when Kadar, already 66, departs from the scene.

About "participation" little need be said. Increased efforts have undoubtedly been made since 1968 to involve more and more East European citizens in <u>certain</u> aspects of the decision-<u>making</u> processes and <u>all</u> aspects of the decision-<u>implementing</u> processes of public life. In the Soviet Union this has been one of the main characteristics of the Brezhnev period. Similarly, in the GDR it was introduced extensively in some milieus under Walter Ulbricht. In Eastern Europe the number of citizens nominally participating in these decision-making or implementing processes is large and

increasing. But this sort of participation rarely means commitment, still less identification. In many cases it means opportunism; more often it signifies what in Poland was historically known as "organic work"; most often it probably reflects realistic adaptation and the desire for a quiet life. The regimes can derive little comfort from citizens who spend eight hours a day in the pays legal and, on returning home, re-enter the pays réel, tuning in to the hourly news from Western radio stations.

Failing to win legitimacy, what most East European leaderships have settled for is a modus vivendi. There are many examples of this -- in Yugoslavia and Hungary to name the obvious. In Poland it is exemplified by the continued power of the Church and the predominance in agriculture of the private peasantry. In 1978 there were more instances of this faut de mieux tolerance. The meetings of Gierek with both the pope and with Cardinal Wyszynski showed that the Polish leadership was all too aware of Catholic power. The relative tolerance toward dissenting intellectuals reflected a wish not to provoke the many by persecuting the few.

The year now ending has also seen examples of "settling for less" in the GDR. Party leader Honecker's meeting with Evangelical church leaders in March and his allowing the Churches occasional access to radio and television gained considerable publicity. But two other, more continuous, concessions have been much more pervasive: the toleration of the West German mark as the currency used in the widespread "Intershop" purchases and the failure to prevent about 80 per cent of the East German population being able to tune into West German television. By the end of 1978 the question whether the DM "Intershops" would be allowed to continue in their present form was being debated at the highest party level, the lucrative economic gains presumably being measured against the enormous political, ideological, and moral losses. As for access to West German television, this had become the biggest blow to the GDR's pretensions since the Berlin Wall was built in 1961. Decadant, capitalist culture was pouring in through hundreds of thousands of television screens and the socialistically groomed viewers of East Germany were fascinated.

The Problem of Economic Efficiency

The favorable signs, global and regional, facilitating economic expansion in the early 1970s, as well as the brush fire of "consumerism," tended to hide for some years the endemic weaknesses of the command type of economy that returned to Eastern Europe after 1968. (Everywhere, that is, except to Hungary; and outside the Warsaw Pact, Yugoslavia continued its fitful implementation of market socialism and self-management.) It was these endemic weaknesses the economic reform schemes of the 1960s had been designed to overcome. The general return to orthodoxy after 1968 was the result of the Soviet conviction that economic reform, the tampering with existing institutions, had been the catalyst bringing on the dangers of the Prague Spring.

The early 1970s seemed to vindicate the Soviet decision. Most of Eastern Europe boomed; Poland most of all. But neither this nor the political hopes attached to it lasted long. The boom ended as early as 1975 when the Soviet Union began drastically increasing its prices for Eastern Europe and, through Comecon, forcing its allies to subsidize its own raw material extraction and power generation. The result of the yearly price increases since 1975 is that Soviet oil, for example, is steadily approaching the world price. By 1975, too, the recession in the West was beginning to affect Eastern Europe, particularly those countries, like Poland, Hungary, and Romania, that had plunged deeply into economic relations with the West. Serious errors began to be detected also in investment and resource allocation -- in Romania, for example, but particularly in Poland. The Polish economy began suffering from a classic "overheating." This malady continues even now, largely because the regime leadership knows the population will not accept the necessary steps it wants to take. Such is the impasse in Poland today.

A quite new difficulty also now besets some East European economies, including the Yugoslav: massive debts and large, unfavorable trade balances with the West, as well as an unfavorable trade balance with the Soviet Union since 1975. By the end of 1978, it was again Poland that had piled up the most massive Western debt, estimated between 12,000 and 15,000 million dollars, but the debts of others were proportionally as serious, if not more so. Beginning in 1975 serious efforts have been made by all the affected states -- Czechoslovakia, because of its restricted economic relations with the West, was the only exception -- to reduce their unfavorable Western trade balances. By the end of 1978 all had achieved some success. Some had even made spectacular annual cuts in their deficits. As early as 1976, for example, Romania's trade deficit dropped 60 per cent from the level of the previous year. In 1977 and 1978 Poland also achieved striking successes. But the drastic reduction of imports and strenuous boosting of exports involved in these reductions have meant if not lower standards of living then a marked slowdown in their increase. Shortages of food and consumer goods have resulted, especially in Poland and Romania, but to a lesser extent throughout the region, Yugoslavia included. The prospects of early improvement seem remote. Adverse trade balances are being lowered but the struggle either to get out of debt or to find new debt-servicing credits goes on. Rising expectations continue to be disappointed.

The command economic structure simply could not cope with these difficulties and it was no coincidence that Hungary, with its considerably decentralized economy and relatively flexible price structure, continues to show better resistance, though the Hungarian leadership is clearly aware of its own economic difficulties. Why Hungary was allowed to persist with its economic reform after August 1968 is a fascinating question, but irrelevant here. The fact is that in the 10 years of its existence, the Hungarian New Economic Mechanism has been the only exception to Soviet-type economic orthodoxy in the Warsaw Pact alliance and has been compared favorably,

in both scope and results, with even the Yugoslav model. If the Hungarian economy, through the workings of this reform, is able to cope with the difficulties now prevailing, then its attractiveness for pragmatists in the rest of Eastern Europe will increase. There is already evidence that many in Poland, for example, look anxiously and hopefully to the Hungarian successes.

There is indeed a growing awareness in Eastern Europe that the command structure has become counter-productive and that reform is necessary. But the political inhibitions are too great to allow reform proposals of the necessary scope and imagination to be aired. Thus, in the GDR and Czechoslovakia, as well as in Poland, tepid schemes for some managerial decentralization and price realignment were mooted in 1978. They revealed two things: the recognition that something was wrong, and fear of what was needed to put them right.

The obstacle race for economic efficiency, therefore, goes on, with politics and dogma still making the goal elusive. The command structure may be totally discredited: it no longer even provides that upward social mobility which used to make some of its deficiencies the more bearable. But until the political ethos changes, first in the Soviet Union and subsequently in the client states, it will presumably continue its discredited, fossilized existence. Yugoslavia and Hungary will remain the envied exceptions.

The Soviet-East European Interaction

For 30 years the Soviet aim in Eastern Europe has been to strike the right balance between cohesion and viability. Cohesion would ensure Soviet control; viability would entail communist legitimacy as well as economic and administrative efficiency. The aim, however, has long been the dilemma. The balance has either swung toward a stultifying cohesion or, verring toward viability, has set in motion those centrifugal forces that undermine cohesion. This happened in 1956 with Hungary and Poland; in the early 1960s with Albania and Romania; and in 1968 with Czechoslovakia.

The Brezhnev era in Eastern Europe, which really began in August 1968 rather than October 1964, has seen Moscow continuing the quest for this elusive balance. Cohesion has been sought by closer (Soviet-dominated) integration. The Warsaw Pact has been the main instrument for military integration; Comecon for economic integration. Both have been used for political integration. In other fields regular or ad hoc gatherings, often including nonruling parties, have been called to lay down general principles on this or that subject -- ideology, for example, or the threat posed by the Eurcommunist parties. The most recent of these was the 73 party meeting in Sofia in December to discuss "real" (Soviet) socialism. There has been an increased stress on "togetherness" leading not to a genuine conciliar or committee system but to one of "directed consensus." East European opinions have been heard, and often taken into account -- sometimes even prevailing over Soviet views on less vital issues. The ultimate arbiter, however, by no means a disinterested one, has remained the Soviet Union. Cohesion there has certainly been

under Brezhnev (with the persistent exception of Romania), but viability has been denied him. In the early 1970s economic prosperity seemed to be promoting it: the East European economies at least seemed to be moving. Economic reform, that dangerous mode of the 1960s, seemed irrelevant. Cohesion with viability must have seemed attainable, but it was all short lived. What prevails now is the opposite of viability.

Cohesion with viability needs three preconditions:

1. harmony between the East European and Soviet leaderships;
2. harmony between the East European leaderships and the nations they rule (legitimacy);
3. Acceptance by the East European nations of Soviet hegemony.

These three preconditions are as far from being met today as they ever were. Only a drastic change in Soviet attitudes recognizing the "Europeanness" of Eastern Europe and the preferences of its citizens could bring their fulfillment closer. Will the approaching leadership changes in the Soviet Union bring about even some change? A more "modern," "rationalizing," "pragmatic" leadership? Perhaps. But, whereas the older generation of Soviet leaders now dying out prized Eastern Europe as the great post-World War II gain and the bulwark of Russian security, the new generation may take all this very much for granted. Thus, the older generation after 1953 was prepared to tolerate -- however grudgingly -- much higher East European than Russian living standards, minimal East European contributions to joint defence, and favored raw material prices. This was all part of the Soviet Union's own modus vivendi with the East Europeans. But the pragmatism of the new generation might insist on the East Europeans paying more for the privilege of belonging to Comecon and the Warsaw Pact. It would certainly win strong popular support in the Soviet Union. Such a change in attitude may, indeed, already have begun as early as 1975 with the drastic increase in raw material prices. It may also have been reflected in the recent demands at the November Warsaw Pact summit that Eastern Europe agree to higher defence expenditures. If such a Soviet attitude is in the making a new factor of tension will have been injected into relations with Eastern Europe.

It is this possibility that lends added interest to the most serious example of Soviet-East European friction in 1978: the quarrel with Romania at the Warsaw Pact summit meeting in November. From what little is known, Romania refused to contribute more toward an enhanced Warsaw Pact defense posture ostensibly to meet increased NATO spending; to integrate its forces more closely into the Warsaw Pact command; to unspecified commitments toward Vietnam and against China; and to a declaration condemning the Egyptian-Israeli negotiations. Romania in 1978, therefore, was continuing its struggle against Soviet-inspired supra-nationalism that began at least as early as 1962, and, in foreign policy generally, was reasserting its right to conduct its own policies. The huge propaganda demonstration Ceausescu staged on his return home from Moscow and his decision to "go public" on the secret -

matters discussed in Moscow probably had little to do with any desire to divert attention from his domestic troubles, but was rather prompted by a combination of Soviet pressure and his own determination to let the world know the issues and his stand on them. It was an effort, not new to Ceausescu, to turn a serious situation to good account.

What the real Soviet reaction to Ceausescu's provocation will be remains to be seen; it is perhaps still being debated in Moscow. Pravda on December 16 criticized the Romanian stand on defense expenditures and this could be a signal for polemics in earnest to begin. But, already two aspects of the episode deserve particular attention. One is the ever hardening Soviet attitude toward China. There had already been several examples of this in world politics during 1978. Brezhnev's warning to President Carter not to "play the China card" was probably the most spectacular. But what particularly worried the Soviets toward the end of the year was the possibility of large scale Western arms shipments to China. And the "loyalists" at the 73 party meeting in Sofia in December mounted a severely critical campaign against Peking.

The intensification of Romanian ties with China during 1978 must, therefore, have touched a raw nerve in Soviet sensitivities. The demonstrative visit of Hua Kuo-feng to Romania and Yugoslavia in August, and then the pro-Chinese defiance of Ceausescu at the Warsaw Pact summit in November -- must have been viewed as deliberately provocative. The question for Romania in 1979 could be whether the Soviet leaders decide to set loyalty over China as the crucial test of "real socialism," the corollary being that disloyalty on the issue means not only a rejection of "real socialism" but a direct threat to it. Ceausescu has presumably anticipated the question; its consequences, however, might be difficult to predict.

The second aspect is the increasing American interest in Eastern Europe. This was exemplified by the decision to send Treasury Secretary Blumenthal to Bucharest during the tension between Romania and the Soviet Union in early December. Washington was continuing a policy, therefore, that had begun in earnest a year before with the visit of President Carter to Poland in December 1977 and the return of St. Stephen's Crown to Hungary in January 1978. This American policy is on two levels: it involves relations with both the East European states and societies. It also treats the East European states as distinctive entities, not as amorphous adjuncts to the Soviet Union. It has been conducted with skill, restraint, and, so far, with success. Relations with Hungary, for example, have improved remarkably in 1978, resulting in the granting of MFN status to Budapest in July. President Ceausescu's visit to the United States in April and Mr. Blumenthal's quiet demonstration in December show the closeness of relations with Bucharest. There have also been continued improvements with Poland, and even the beginnings of movement with Czechoslovakia and Bulgaria. With Yugoslavia, Defense Minister Ljubicic's visit in September and the decision to sell a small number of weapons to Belgrade symbolized Washington's deepening sympathy.

Moscow is obviously watching these contacts closely. But it knows that they take place under the rubric of détente and have numerous precedents set by the Soviets themselves. All the same, what must be particularly disconcerting is that while its own relations were cooling dramatically with the United States during 1978, those of some of its allies appeared to be developing more cordially than ever. This is the first time such a lack of congruence has occurred on this scale. It will be important to observe in 1979 whether the American presence in Eastern Europe becomes an established diplomatic and political factor, alongside the mainly commercial and cultural presence of its West European allies. It will be equally important to observe the barometer of Soviet sensitivity to this American presence. The Chinese presence in Yugoslavia and Romania; growing American presence throughout Eastern Europe; the workings of the American-Chinese relationship: all these could work alarmingly on Soviet neuroses.

The Soviet Stake in Eastern Europe

Such have been the Soviet disappointments and failures in Eastern Europe over the last 30 years that it might be worth recalling what the advantages and possibilities of Eastern Europe were originally considered to have been from Moscow's point of view. What was the importance of being in Eastern Europe in Soviet eyes? Four factors have usually been stressed in this regard:

1. The military security factor: Eastern Europe has been seen as a buffer zone against possible attack from the West.

2. The springboard factor: Eastern Europe has been seen as a base for possible military attack against the West or for its political manipulation, particularly of the Federal Republic of Germany.

3. The international factor: in an ideologically expansionist framework Eastern Europe has been seen as a vanguard of communist states forwarding the world revolution, as well as Soviet power.

4. The ideological security factor: Eastern Europe has been meant to provide a defensive Soviet leadership with an ideological buffer zone to secure its own closed system of government against ideological and political penetration.

Not all these factors have been of equal importance. The first, of course, has remained the constant. But, over the years, the second and the fourth have been the most subject to comment and speculation. At the same time they have reflected the great Soviet paradox (or dialectic?): Soviet assertive confidence abroad; political insecurity at home. And this political insecurity has only increased because the East European states, instead of providing

the ideological buffer zone as intended, have not only bred their ideological subversion but have also been a conveyor belt for Western subversive ideas. The Prague Spring was a case in point, so was Yugoslav and Polish revisionism. Eurocommunism could be still another. Even more important is the whole scale of values Eastern Europe has traditionally shared with the West but which the Soviet Union misunderstands or fears. The Soviets can only react defensively -- or savagely as in November 1956, August 1968, and in the trials of Orlov, Shcharansky, and many others.

At the end of 1978 some Soviet leaders, including members of the military, may even be asking whether Eastern Europe in its present and prospective situation is even as reliable a security bastion as once considered, whether the factor once considered constant can indeed be taken for granted. Could not 30 years of failure to reconcile the East European population to Soviet rule make Eastern Europe a security problem from the military, as well as the ideological, point of view? Western analysts cannot answer these questions. But if Soviet political and military leaders are beginning to ask them, this alone would indicate the worrying dimensions of the East European problem for Moscow. In this context the election of Pope John Paul II must add another worry. By far the bulk of the East European armed forces consists of recruits -- unwilling enough in the best of circumstances. How much more unwilling would, say, Polish recruits now be, with a compatriot sitting on the throne of St. Peter?

Waiting for Successions

Perhaps more than ever at the end of 1978 Eastern Europe was waiting. It was waiting mainly for the end of the Brezhnev era in Moscow. This waiting, involving uncertainty, hope, and apprehensiveness, already had its unsettling effect in Eastern Europe in 1978 and even earlier -- not measurable or definable, but still present and powerful. It has a destabilizing potential which should not be underestimated. The succession crisis in the Soviet Union after Stalin's death in 1953 had explosive repercussions in Eastern Europe. The skillfully handled transition from Khrushchev to Brezhnev/Kosygin in 1964 led to a vacuum of Soviet decisiveness which enabled Romania to enlarge its area of autonomy and left the ground free for the Czechoslovak spring to begin and develop. It would be optimistic indeed to suppose that the next change of leadership will not pass off without an unsettling effect on Eastern Europe. Combined with other destabilizing factors -- such as an economic crisis -- the effects could be very serious.

They could be the more serious because several East European countries are now facing their own leadership successions. To take the obvious case first -- Yugoslav politics in 1978 have been dominated by preparations and predictions over Tito's successor and the chances of post-Tito stability, security, and survival. There the disabling illness of Edvard Kardelj must have been a serious blow to those who looked to his wisdom, prestige, and

authority to help guide the country in the future. In Albania Enver Hoxha has turned 70. His dynasty must begin to disintegrate soon and, now that the Chinese connection has been broken, Soviet, Yugoslav, and presumably Western interest in Tirana's future course has increased. In Bulgaria, strategically one of the most important East European countries, a large scale turnover at the top, as in the Soviet Union, cannot long be deferred. In Hungary Kadar's age and health are already prompting the question "Can Kadarism survive Kadar?" In Czechoslovakia Gustav Husak's serious eye ailment gives rise to concern, as recently Gierek's health problems have done in Poland.

As things look now, therefore, at the end of 1978, both the Soviet Union and several East European states could be faced with succession problems or crises at about the same time, in addition to increasingly acute other problems of an economic, political, and psychological nature. New leaderships will face old problems that will no longer lend themselves either to neglect or to old attempts at solution.

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