

## 04.03.2010 - Revisiting the 1989's "revolutions"... - Part 2

III- Democratic revolutions or opaque revolutions?

Let us deal here with all the factors which prevented real social "revolutions" to occur and even more which contradict the "democratic" nature of the changes..

Bipolar external factors

International "behind the scene" negotiations between Gorbachev and Western governments are not sufficient to deny the character of "revolutions" to the different national events. The past had demonstrate the possibility of revolutions breaking the bipolar world's agreements : the Yugoslav revolution leading to the Titoist regime and later again to non alignment, resisted both Stalin and the Western core countries. It could impose itself despite (and against) Yalta's Treaty according to which Yugoslavia was supposed to be again a Kingdom with Western and SU's influence "shared" by 50%/50%... The capacity to resist to such international "deals" was rooted in several factors : the deep popularity and legitimacy of the Partisan led antifascist struggle, the distribution of lands to several hundred of thousands of armed peasants, and a new self administration on the liberated territories crystallising the new federal project against inter-ethnic hatred ? the whole aspects being associated with a radical rejection of the Serbian Kingdom which dominated the first Yugoslavia in a dictatorial way.

Our hypothesis is that the decisive role played in 1989 by international "deals" in the dynamics of changes illustrate, on the contrary, the weakness of popular mobilisations, unable to really determine the content of the transformations, which occurred "from above" (and outside). They were sufficient to get rid of the most corrupted and inefficient regimes and open a process of pluralist elections. But this was introduced in the Soviet Constitution without any "revolution", under Gorbachev's rule and appeared as a possible "norm" as soon as Moscow had accepted the Fall of the GDR's regime.

The former Czech dissident of Charter 77, who had become President Vaclav Havel, expressed that clearly in an interview to a French newspaper, given in the context of the XXth anniversary of "Velvet revolution" : « in 1989, we were first looking carefully at the East German exodus, which was a huge flow passing partially through Prague (...). I understood that the course of history had changed ». And as the journalist asks « Did the 'Velvet revolution' began naturally in Berlin?, in spite there was no guarantee for peaceful events, one could guess that « the Soviet Union could no more intervene unless it would have opened an international crisis and a break in the new policy of Perestroika

». But he stresses : « the dissidents were not ready (...) ; we have had only a marginal influence on events themselves. But when the power began to look for a dialogue, he made us its interlocutors. There was no organised political movement with which it could speak. That was when we established the Civic Forum ».

In other words, "the Velvet Revolution would not have been possible were it not for the monumental events unfolding in the other Communist Bloc countries », first of all, the Soviet Union.

But it remains to be explained how very unpopular radical socio-economic transformations could be introduced if not through revolutionary mobilisations at least (apparently) without resistance. Other sources of ambiguities appear in those issues.

#### Opacity of etiquettes

The first source of ambiguity for the dynamics of the changes is the fact that all the new fronts or new parties coming out of the former single party were very heterogeneous, and rapidly split, without agreements on what to do. In the same interview Vaclav Havel reminds what was the program of the Civic Forum : «Our ideals were still the same. The first reforms were reduced to the dissidence principles : free elections, pluralism, market economy, citizen rights, protection of individual freedoms. And then our priority was to dismantle and get rid of all those who were responsible of communist exactions ». In reality, behind those vague formulations, high disagreements existed about all those issues (including "lustration" ? kind of witch hunting anticommunist campaign) among former members of the same Charter 77. Everywhere, new parties emerged... with more and more difficulties to establish stable majority in Parliaments. And the experience of neoliberal first "market reforms" led quite rapidly the people to vote... for the former communists, hoping they would maintain or reintroduce social protections... This happened first of all in... Poland, only three years after the neo-liberal shock therapy.

And there comes another source of opacity. Dominant figures of the newly elected parties or of former communist parties renamed social-democrats, had the card of the Communist party some months before... And from Russia to Poland, most of the new leaders came from the former apparatus ? even its secret police. That was not a marginal reason why the population did not clearly understand what was at stake.

Getting rid of the single-party/state and introducing pluralism was popular and was not difficult. But the party/state was at the same time both infrastructure and superstructure and dismantling allowed for a radical transformation of the system from the top, through

changes in fundamental laws without pluralist debates on new constitutions. The lack of democratic life in the past but also the opacity of "economy" facilitated that process. It was enough that the newly elected leaders attacked the foundation of the socio-economic order through a set of new laws established without transparency. The populations, in particular those involved in "Solidarnosc", the Polish independent trade union at its congress in 1980, never expressed or demonstrated in favour of a project of generalised privatisations. Their aim was to live better and freer. The hope was often to benefit from the best in each system ? looking much more towards a very social-democratic Swedish or German model of the 1960s, rather than an Anglo-Saxon capitalism of the 1980s.

The transformation of a broad part of former communists into new liberals and owners occurred in general in Eastern Europe because they wanted pragmatically to protect their privileges of power and consumption and could no more do it through the former mechanisms: the debt crisis, increasing wastes and low productivity could not permit them to "pay for" stability through the guaranteed social protection. So they looked for privatisation for themselves and used their knowledge of the system and former social relations to invent convenient reforms. In general, the former party was the main source of qualified elites, and there was no private capital to buy the factories. That is why they become the dominant actors and beneficiaries of the privatisation and new political system.

Two slightly different cases must be stressed where former communists could not play that role : in the unified Germany, because a real German bourgeoisie with real capital able to buy the factories did exist. That is why a radical anticommunist purge and particularly deny of any gain from the past regime was imposed (we will come back on that point later on). The second case is the Czech Republic, because there, the neo-liberal social democratic party which was formed, took its roots in the pre-war past (and could be reconstitute) and not in the former transformed CP ? communist party. So unlike for instance Poland where the population brought back to power the ex-communist transformed into "new" social democrats the Czech population could vote for another Social democrat party, after the first years of domination of the right ? which refused any alliance with the CP (the only one to keep its name in Eastern Europe). Staying in the opposition (like the PDS ? Party of Democratic Socialism ? in Germany), that CP was not directly involved in neo-liberal policies implemented by all social democratic parties (be they from "communist" origin or not). And this "marginality" became an advantage with increasing electoral support (both in the Czech Republic and in Germany ? where the PDS fused with some other left currents to build Die Linke ? the Left ? with much success

at the last elections specially in East Länder).

But a deeper issue has to be raised to understand the opacity of the whole transformation : that of the form taken by privatisation, without historical precedent.

The "refolutions" in ownership: politics or/and economy ?

We use here Timothy Garton Ash's neologism to describe the core of the "great transformation" which, from the end of the 1980s was affecting the USSR and Eastern Europe in extremely unexpected ways: the reforms "from above" would revolutionise the system (change it radically). But the self dissolution of the single party was not a "revolution". Generalised market and privatisations were the "bench-marks" of the break with the past regimes, indicators of the "transition's success" for external "experts", creditors or negotiators. But what did they mean for the population ?

A certain kind of market for goods did exist. The popular image of market was left by travelling to the West or pictures showing so beautiful and attractive shop windows. That was surely the reason of the DM attractiveness and the immense joy of east German people crossing the former frontier and discovering the concrete abundance in Western German shops... Later on they will have to discover new market rules.

So what about "privatisation" ? The notion was even more abstract and confuse. Small private sectors did exists and could be useful. Enquiries in Poland asking the people if they were for or against privatisation gave a dominant "for" as a general possibility, and "against" as a concrete question for the factory where the person was employed (even if in certain cases or periods, the hope that a foreign owner could bring higher income could lead to a positive assessment on privatisation). In general, far from a clear capitalist form of ownership (linked with the market "laws", constraint and risks of bankruptcy and unemployment), the word "privatisation" itself was used in a very opaque way to express the change in ownership. And in electoral slogans, the "experts" pushed forward a kind of equation : "market + privatisation = efficiency + freedom"... That was certainly optimistic and, at least, not precise. What criteria of efficiency ? What individual and collective freedoms and rights behind property rights ?

The ongoing reforms were called by international "experts", during the first years after 1989, "transition to market economy". A confuse and imprecise formulation : what is a "market economy" ? An economy with market ? What kind of market ? Is that Yugoslavia ? Sweden ? Mexico ? Great Britain ? France or Germany ? And when in what periods ? The 1960s ? Now ? But in spite of being imprecise, the notion of "transition to" seemed

to indicate a clear and unique possible choice for the future, with a non explicit normative neo-liberal "model". Who had determined such a future?

By presenting themselves as scientific, neo-liberal precepts had a voluntary, dogmatic and normative character ? abusively claiming that successes elsewhere in the world were attributable to them. In practice they were imposing their criteria and excluding their choices from democratic debate. In Eastern Europe not only did they benefit from the strength of the institutions of globalisation (with the World Bank having the direct role of the re-organisation of budgets and accountancy and later the European Union's commission playing a leading role); but they also benefited from the zealous support of former members of the communist parties.

Practically, the process of privatisation had to fit with the ideological context inherited from the former system of formal rights and find some "democratic" legitimacy. Therefore the dominant feature was at the beginning of the "transition" to recognize that the ownership had first to be taken from incompetent and corrupted bureaucrats and given back to the workers and people who had produced the wealth for decades (an additional owners were put forward as "legitimate" : those who had been expropriate in the past)... To be popular, the discourse had to focus against the privileges fitting with the dominant egalitarian ideology. Elstine first "profile" and the ?"500 days" Chataline's program of privatisation in Russia at the beginning of the 1990s, were based on that ideology. And this very same orientation was also expressed in the East German initial proposals before the monetary unification of 1990...

That does not mean that the scenarios and contexts were all the same. There were choices and the Slovenian cases shows a slightly different "model" because of different factors : a relative favourable context (that republic had the highest level of life and of export of the whole Yugoslavia, and the most efficient self-management system) ; a radical reorganisation of the former official trade-union into a real independent force helping to express a massive mobilisation and therefore public debate on privatisations resistance to neo-liberal recipes at the beginning of the 1990s and later on. The result is that, in spite of recurrent pressure from the European commission to "open" the economy to liberal criteria, the state kept the control of public financing of strategical big factories instead of systematic privatisation and lack of credit ; the forms of privatisation kept an important part under the control of municipalities and factory employees ; the taxes on income and factories and the wages were not submitted to the neo-liberal criteria (to be "attractive" for private foreign capital as a general rule) : the growth was based on

internal mechanism and regulation without accepting the logics of "competitive advantage" to reduce the workers incomes and taxes ; main assets of the past in culture and health branches were not destroyed.

But if the Slovenia case remained slightly different it is not because elsewhere the populations were more in favour of liberal recipes but just the opposite : it is because it was more difficult elsewhere for the populations to defend their social gains. They only could express in elections more and more disagreements. The party which had been most involved in privatisations (like the first liberal coalition around the Balcerowicz's shock therapy in Poland in 1989) even lost the capacity to come back later on in Parliament, or to establish stable parliamentary majorities. They had claim to be dismantling the arbitrary rule and the wastages of the former state-party system; but this was mainly a dismantling of social protections ? something which was generally kept quiet during the electoral campaigns, so it could be put into practice afterwards. This is in part why the electoral results varied, according to the promises made by both new and old parties, who were more or less reformed; but also according to what was the most urgent or important for one or another section of the population (in a better or worse position to face the uncertainty of the markets) : punishing the former corrupt leaders, the desire for radical change, or rather the fear that the perceived changes (be this true or false) would be a threat.

For the majority of the population, markets and privatisations were at the beginning orientations given by economists, often less discredited than the political parties. And the idea that ? against the former political choices made by the apparatus ? economic choices were matters of "scientific knowledge" and " law" they were therefore outside of democracy, which facilitated the socio-political and ideological swing of a large number of former leaders from the single party system towards privatisations, at different paces and under different labels.

Privatisations were presented as "norms". The form, the speed and the scope they took was without historical precedent.

"Direct privatisation" without capital input.

It is necessary to establish the major distinction between "small privatisation" (which generally meant the creation of small new businesses) and "large privatisation" (which concerned big enterprises; that is to say those which were essential to employment and production in these industrialised countries).

Small privatisation was generally the driving force behind growth in the countries of Central and Eastern Europe, notably in Poland. It was often promoted as the privileged route to systemic transformation. It is clear that it did contribute to the creation of flexibility of response to certain needs in the sector of services (refurbishment, repairs, telephony, computing, commerce, restaurants etc.). It introduced a competitive mechanism, with genuine owners and a more or less rapid transfer of finances to the new private firms (start ups). Initial tax breaks for the new businesses generally made this process more favourable. But the small businesses were often fragile and their growth quickly reached its limits.

So the stake and main aspect of the ownership transformation was dealing with the large privatisation concerning big factories. Who could buy them, with what capital (as money) ?

Globally, privatisation by real sale did not, for the most part, find any other buyers apart from those with foreign capital. The non capitalist nature of the past society (of the Soviet type) was associated with the absence of financial market and of private banks, the fact that money in the planned sector could not be used to buy and sell means of production, but only for accountability. All that meant the general lack of national accumulated financial capital.

For those countries who wanted to win their independence and their sovereignty by detaching themselves from the hegemony of the USSR, the decision to sell the best factories to foreign capital was hardly a popular one. And the aspiring national bourgeoisie did not want to be reduced to a "comprador bourgeoisie", using their knowledge of the internal cogs for the service of foreign capital. In practice, only Hungary and Estonia opted for privatisation by foreign sales at the start of their transition.

The privatisations without capital input (money as capital) were therefore the "mediation", the specific innovation that responded to the dominant internal situation within these "refolutions". They have been called mass "direct privatisations" by the Polish sociologist Maria Jarosz, who used this term to describe the privatisations that operated without money, by way of a juridical change in ownership. This would make it possible to change the socio-economic behaviour and the status of workers under market competition's pressure, which was their goal as capitalist market privatisations.

However, this aim could not be explicit, in as much as it was necessary in the first years

of systemic transformation to legitimise the process as "democratic" in the eyes of the populations concerned and their workers which were, as we stressed, according to the ideology and constitutions of the former systems, the official "social owners" of the means of production. This was a kind of recognition of their "official" role in the production and legal ownership of all these national assets ? provided a part of them were put aside for "restitution" to those who were private owners of the lands or firms when they were nationalised after the war. So, the workers have been in general given a "choice" between different kinds of "privatisations": selling to "outsiders" (external actors from the factory) state property or (quasi) "free" distribution to the workers or people of the major parts of shares of the transformed enterprises (the State becoming owner of the rest). Those two last variants constitute, in essence, what was called "direct privatisations" (without capital) at the start of the transition in the majority of concerned countries: either the State became the owner, or "mass privatisations" occurred where insiders (employers and managers of the former enterprise) became dominant shareholders ? with a rapid concentration of shares in the hand of the managers.

The paradoxical notion of "direct privatisations" when the State became owner, highlights the very ambiguity of the capitalist restoration : the process itself concealed a change in the socio-economic role of the States behind apparent continuities. For the population it was always perceived (at the beginning, at least), as "the state", supposedly the same than before, so protector. This perception was even more confuse when the very same persons were still (or came back) in power. But in reality, from this point on, the state was no longer ruling "on behalf of the workers" (even at their expense) and without the attributes of a "true" owner (able to use genuine management powers, bankruptcy, sale and transfer). This past reality was to be eradicate according to neo-liberal criteria. By way of direct privatisations, the purpose was to establish the power of "real owners" ? even if (in a paradoxical way for "liberals") it was the State, allowing both a change in the status of the workers and the re-structuring of firms under market constraints, before their subsequent sale. It was this that was known in Poland as the "commercialisation" of public firms and it was accompanied by the suppression of all traces of workers' councils.

The deepest source of ambiguity in these resolutions was there. The radical nature of these changes in ownership (in social status and in the relationship of production and distribution), which were introduced by the State, doubtless went unseen by the people it concerned. When the State became the major player in these businesses, they often counted on a continuity with the former State, which certainly was ruling as a dictator, but also as a social protector.

This popular illusion of continuity in social protection was also rapidly expressed in free elections by the vote in favour of those among former communists who kept as new labels some kind of socialist or social-democrat epithets. This was the case in Poland, fewer than three years after the neo-liberal shock therapies. Nevertheless, once these social-democrat ex-communists had returned to power by way of the ballot box, in Poland and elsewhere, they generally made the decision to be zealous supporters of NATO and ultra-liberal transformations, which was not uninfluenced by corruption. They are paying for it today through the fact that it is the nationalist and xenophobic right that has put forward the issue of social protection against the "left", winning elections on this very basis.

Conflicting dynamics were often at work behind the ambiguity of these "mass privatisations". From the workers' point of view, the pragmatic choice of this form of privatisation was at least aimed at protecting their jobs, and allowed them to keep at least part of the social advantages that were allocated to them in big enterprises (flats, restaurants, childcares, hospitals, some products distributed by internal shops), compared with the re-structuring that would have been imposed by private individuals/outside (the State was seen as being less dangerous). However, from the point of view of the new powers and of those who managed the reforms, it was a question of legitimising the privatisations in the eyes of the populace, while at the same time this gave them the opportunity to "prove" to the institutions of the ongoing globalisation that "the privatisation" had occurred, i.e. a radical break with the previous system. This was the precondition for loans and for negotiations to become candidate members to the European Union (EU).

In so doing, a new process of genuine social polarisation and concentration of ownership and financial montages took place behind the fragmented popular shareholding that brought to workers neither income nor power apart that of slowing down re-structuring. The "privatised" State used its rights of property either with the clientelist approach or with the aim of selling the firms to "real" private investors, foreign or national. We will not enter into an analysis of the obscure financial packages and the wars of appropriation that were concealed within them.

Behind the mass privatisations which occurred at the beginning of the systemic transformation, there was an emptying of the productive substance of big enterprises, but avoiding immediate bankruptcy and massive unemployment of the workers. The lack of

credit available for these firms contrasted with the comparative financial support received by the sector that was truly "privatised".

Although liberal "experts" have criticised the lack of restructuring linked with mass privatisation, they also have eventually highlighted, from their point of view, the beneficial nature of this first period in the final analysis because it permitted the advancement of privatisation. Inasmuch as "insiders" were partially protected, it lessened the risk of social explosions, while destroying the former system.

But at the turn of the millennium, a variety of factors led to a hardening of the politics of privatisation, which has been implemented in a more "classic" way and which fits more with the capitalist criteria of management. On the one hand, an hardening has been made up of budgetary, monetary and fiscal constraints imposed by the European Union (EU). On the other hand, the experts from international institutions have insisted on new criteria, to be used from this point on. These criteria lean heavily on the new role of States in creating settings that are "attractive" to foreign capital and thus bring a true capital input coming from "outsiders" contrary to the experience of mass privatisations. Stricter rules have been expected : the contraction of public finances, a change in prices that includes the VAT (Value added tax) imposed by the EU, the advancement of policies aimed at being "attractive" to FDI (Foreign Direct Investment) leading to fiscal and social dumping (that is competition to reduce taxes and salaries in order to attract foreign capital).

"Transition to democracy" ? The German symbol : what about "Ostalgia" ?  
Because the East German mobilisations have been the symbol of the "democratic revolution", the concrete scenario is worth being examined.

Few people know what is behind the "Ostalgia", neologism built to describe the nostalgia rapidly felt by East Germans. Nostalgia of what ? Certainly not of the former kind of political regime based on the repressive Stasi. Was it, then because of a kind of "difficulty" to adapt to the new "modernity" of capitalism that they first wanted so much ?

On November 8th 2009, the Guardian published an article "East Germans lost much" written by Bruni De La Motte. I reproduce here a large extract of that article which explains a lot...

«Once the border was open the government decided to set up a trusteeship to ensure

that "publicly owned enterprises" (the majority of businesses) would be transferred to the citizens who'd created the wealth. However, a few months before unification, the then newly elected conservative government handed over the trusteeship to west German appointees, many representing big business interests. The idea of "publicly owned" assets being transferred to citizens was quietly dropped. Instead all assets were privatised at breakneck speed. More than 85% were bought by west Germans and many were closed soon after. In the countryside 1.7 million hectares of agricultural and forest land were sold off and 80% of agricultural workers lost their job.

In July 1990, when the GDR still existed, a hasty "currency union" was introduced with the result that the GDR economy was plunged into bankruptcy. Before unification the West German mark was worth 4.50 GDR marks; however, at currency union it was fixed at parity with an exchange rate of 1:1. The result was that GDR export products rose in price by 450% overnight and were no longer competitive; the export market (39% of the economy) inevitably imploded.

Large numbers of ordinary workers lost their jobs, but so too did thousands of research workers and academics. As a result of the purging of academia, research and scientific establishments in a process of political vetting, more than a million individuals with degrees lost their jobs. This constituted about 50% of that group, creating in east Germany the highest percentage of professional unemployment in the world; all university chancellors and directors of state enterprises as well as 75.000 teachers lost their jobs and many were blacklisted. This process was in stark contrast to what happened in west Germany after the war, when few ex-Nazis were treated in this manner.

In the GDR everyone had a legally guaranteed security of tenure and ownership to the properties where they lived. After unification, 2.2m claims by non-GDR citizens were made on their homes. Many lost houses they'd lived in for decades; a number committed suicide rather than give them up. Ironically, claims for restitution the other way around, by east Germans on properties in the west, were rejected as "out of time".

Since the demise of the GDR, many have come to recognise and regret that the genuine "social achievements" they enjoyed were dismantled: social and gender equality, full employment and lack of existential fears, as well as subsidised rents, public transport, culture and sports facilities."

Women alone having children had in the GDR a huge level of high quality and free

childcares ; and the share of active women was 90%. It dropped to 40%, with the highest share in unemployment ; child cares have been closed ; rights and means for free contraception and abortion suppressed : to keep their jobs or find one many young women above 30 years old have been forced to sterilisation.

Was that a "democratic revolution" ? No debate, no elected assembly and bilateral procedure occurred to establish a new unified Germany. The GDR was simply absorbed : the east German population was not asked what they wanted to keep or not. And they felt profoundly humiliated, as second rank citizens.

More of a counter-revolution...

The social shock imposed to East Germans (and in general to east European populations) in their huge majority would probably better be characterized as a counter-revolution. But one is confronted here with a several analytical difficulties, with symmetrical ambiguities : were there real "revolutions" after the second world war in those countries ?

The occupation and division of Germany by foreign troops was foreseen by the Yalta's agreements between antifascists allies before the defeat of Nazis. The Potsdam's agreement (August 1945) organized that division of Germany into zones between allies and supposedly under collective responsibility ? but increasing cold war tensions. Stalin would have preferred to keep access to the rich Ruhr than to divide Germany into two separate states : the richest Western part could be supported by Marshal plan (introduced in 1947) while Stalin had submitted the poorest eastern part under his control to a radical pillage considered as reparations for the huge destructions and the millions of Russians killed in the antifascist war. The decision to establish the GDR (October 1949) was an answer to the establishment of the Federal Republic on the Allies's occupied zones in May 23rd and the DM in June 1948. The GDR's system was clearly as different from the FDR than the Soviet Union was...

On the continent, a whole range of scenario occurred, from a real revolution in Yugoslavia ? according to both criteria of mass mobilisations and radical changes to the Moscow-led revolution establishing the GDR or Rumania, through real popular mass mobilisation and welcoming of the Red army in Czechoslovakia... The whole has been the result of international and civil wars confronted with high level of class and political polarisations on the continent. With different scenarios, the populations of all EECs have been confronted and divided by the combined wars at stake : civil and world wars, where

different kinds of anti-fascist resistances (with or against communists) led also to different attitudes towards the Red Army's entry (from radical hostility to enthusiasm). But, even when the Soviet Union's intervention played the decisive role in the structural ("bureaucratic revolutionary") changes the national single communist parties in power which introduced radical "reforms" against private ownership and market domination broadened their social basis : extremely rapid vertical social promotion occurred for peasants and workers in comparison to their situation in pre-war peripheral capitalist societies ? combined with repressive regimes claiming socialist goals. The exact posed social trends occurred with the post 1989 changes.

And as we already stated, if those post Second WW "refolutions" were very bureaucratic and dominated by the Kremlin, the socialist goals were popular and a trend to reduce the gap between them and the existing regime did exist. In GDR Rosa Luxemburg or Karl Liebknecht were prestigious, like Bertold Brecht theater... But left antistalinist intellectuals or artists had been repressed or were radically separate from the workers by the Stasi highly repressive control. In 1989 an embryonic "Red and green republic" was been discussed among those circles who had much sympathy with the "Western" radical left Rudi Dutschke in the 1960s and with the Prague's spring. They did wanted the end of the Stasi and of Honecker's regime but certainly not its dissolution within the existing western Germany.

On that point of view, the absorption of the GDR and the socio-economic transformations accompanied by the witch-hunting of its qualified intellectuals sound as a real counter offensive (counter-revolution) against a potential radical democratic revolution close to the dynamics of a 3rd road of which one could find roots elsewhere... specially in the 1960s but also in Poland in 1980-1981... The social effects of the post 1989 turn express the features and aims of such "counter-revolution" in all eastern European countries.

A "systemic crisis" (linked with the dismantling of the system) occurred in all countries at the beginning of the 1990s, which the World Bank reports compared to the 1929 crisis in a different context : it was a drop of 30 to 50% of the production in all branches. After 1993, growth had started again first in Poland ? helped by the cancellation of the debt decided by the US without publicity ? then in other Central and Eastern European countries (CEECs). That has been called a "catching up" without precisising two facts :

1°) the indicator used to measure the growth and catching up (GDP or equivalent) does not reflects the well-being of populations : it does not say how is done and distributed the

production; it is therefore compatible within increasing poverty...

2°) it was necessary to "catch-up" ... first of all the 1989 level of production... That occurred within more or less a decade, with a sharp structural transformation behind the figures... With the new millennium this growth was still accompanied by deepening unemployment and inequality? because the re-structuring of big enterprises and of agriculture only begun and financial resources were concentrated on the richer sectors.

The rise in unemployment and poverty, as well as the loss of access to services that had previously been free and often associated with jobs in big factories or the effect of price changes were not reflected in the GDP which is taken as the basic indicator of "growth" or of "catching up". The deterioration of the "Gini" indicator (or inequalities) or of the IDH (indicator of human development established by United Nations) if often combined with growth. There was therefore, specially after the integration of New Member States (NMS) in the UE in 2004, both a "catching up" (because the average growth's rates expressed in GDP were higher in CEECs than in the core capitalist countries), and an increase in poverty, insecure employment and inequality.

A relative and uneven decrease in unemployment in the new decade before 2008, covers hidden unemployment because a part of the population (often women) leave the "active population" "living from small patches of land, the black market and the increase in prostitution?and, after 2004, increasing emigration, specially in Poland, which the recent international crisis is reversing.

Overall, both starting points, and the different paths of systemic transformation have been varied. Nevertheless, behind these differences, the same outcome can be stated for all the former countries of the USSR and of Eastern Europe, expressed after the first decade of "transition" by the World Bank : "poverty has become more widespread and has increased at a greater speed than anywhere else in the world" while "inequality has increased in all of the transition economies and amongst certain of them this has been dramatic". This happened even when "the countries of this region have started their transition with levels of inequality that were amongst some of the weakest in the world". We have stressed the reasons why the "catching up" of the recent period cannot put an end to that reality as long as the same recipes and criteria of economic "efficiency" are implemented.

For sure, the reports have been more optimistic during the period 2000-2007 : impressive rates of growth (for instance more than 7% or even 10% in some Baltic States) leading to

many comments about a "success story" of the "transition". Unfortunately, the specificity of that whole transformation has been the extremely unbalanced growth, and high dependence upon foreign capital and banks ? which dramatically appeared in 2008 with the second sharp crisis and social shock, under the effect both of the world crisis and of international features of the systemic transformations.

As we have stressed, financial markets and private banks did not exist in the former system. As the dogmatic priority has been put towards being attractive to "real existing" private capital (i.e : foreign), the introduction of a private banking system has meant (with the liberalisation of capital's flows established in international General agreement on trade and services ? GATS) an absolute domination of the banking system by West European banks : in 2008 from 65% (Latvia) to nearly 100% (Slovakia) and more than 90% in all other New Member States (NMS) banks are foreign owned ? except Slovenia (35%), in 2008. Their logics, specially after the European enlargement of 2004, has been "short termism" and the highest possible return on loans. Therefore, a lack of credit for industry, and high speculative openings to the demands of household credits for consumption (flats, cars mainly) through financial operations based on foreign currency borrowing (specially Swiss Francs when the rate of exchange was interesting). So the very high growth we were mentioning in the recent period (specially in the Baltic countries) and the so-called "catching up", was based on a huge disequilibrium of external balance and debt in societies with high level of poverty and inequalities... The Financial Times comments the last "hard-hitting report" for 2009 published by the EBRD : "Central and eastern Europe must get rid of its "addiction to foreign currency debt"... The report recognizes that the global recession plunged the region into crisis : the IMF was called to the rescue by Hungary, Latvia, Poland, Romania, Serbia, Ukraine, Bosnia&Herzegovina... But the social situation is not the real concern of the report : is there any reversal trend about the "transition" is the only real concern of the Bank. And the answer is : no, for the moment. That is considered as a success : the "growth model for the region remains intact", in spite of fragilities... The State must be stronger... and accept IMF austerity policies. As long as social unrest is not too explosive (or is controlled) there will be no change.

But the anniversaries of 1968 and then of 1989 in a period of world economic crisis reopen an interest for a re-assessment of past "bifurcations" and concepts of democracy breaking with the limited choices and alternatives of the bipolar world.

IV- The repressed "third way"

The Slovenian philosopher Slavoj Žižek produced in November 2009 a tribune under the title «behind the wall the people did not dream of capitalism ». There is certainly no direct possibility to check such a judgement, but it is possible to find some indications in what was expressed in the most important democratic movements within/against the past regimes and compare that to 1989's main features. The Polish Solidarnosc in 1980-1981 and the Prague's upsurge of 1968 are surely the most impressive indications of "third ways". One cannot "demonstrate" they could be generalized, but one should at least respect ? that is make known ? what they expressed, and put questions on the way those alternatives were "closed" or are even not mentioned.

"In Poland the transition [from communism to democracy] lasted ten years, in Hungary ten months, in Czechoslovakia ten days» states a significant presentation of the 1989 Velvet revolution to-day. But two fundamental questions arise from such descriptions :

1°) How far has the end of those regimes in 1989-1991 have been imposed by massive democratic mobilisation defining the content and purposes of those "revolutions"? We have discussed that up to now.

2°) Is there a continuity between Solidarnosc in 1980 and in 1990 ? And what about the Prague's upsurge in 1968 or the Hungarian and Polish anti-bureaucratic upsurges of 1956 ?

In reality one can establish different kinds of classification and analyses according to criteria. In the above quotation, the Polish Solidarnosc is supposed to be "within" the "transition to democracy" ("10 years" in Poland and "10 days" for the Velvet revolution...) ? meaning that the 1989 socio-economic changes have been made within that Western oriented democracy. My thesis is, on the contrary, that Solidarnosc in 1980 in its dominant expectations as expressed in documents adopted by the movement, was closer to the 1968 and 1956 mass movements than to the post 1989's shock therapy. I will try to explicit the reasons through the examination of the democratic demands put forward by those huge social mobilisations.

As a matter of fact, a systematic study of the different presentations of those past events ? and their confrontations to archives on those very events ? is still to be done and would be a very useful historical research. I cannot do it here. But I stressed in the first part a general feature of the Cold War kinds of concepts and ideologies, which led to qualify all past upsurges as "anti-communist" both according to the Kremlin's argument to "justify" the Warsaw Pact Intervention and in Western propaganda. It was the case in 1956, and

again in 1968. The stalinised Soviet Union "the country of the big lie" (like wrote the Croatian communist Ante Ciliga in the 1930s) were in the very continuity with the first "justification" of the 1948 "excommunication" of the Yugoslav communists because of their supposedly "pro-capitalist" orientations. The same logics played in 1968 : even if it was more difficult, the Soviet Union could not but "justify" the sending of tanks in Czechoslovakia by a "danger for socialism". It is therefore quite "normal" to find about 1956 or 1968 in Western broadcasts or papers similar presentations of those events as the beginning of "the end of communism" and of the "return" to democracy occurring in 1989 : elements of continuities do exist if the only criteria taken is the call for freedoms (without precision on their content). It is also true that the Polish events can appear closer to 1989 than the Prague's spring, because of the strength and expression of religious feelings, explicit anti-communist positions of the Church and of a certain number of strike leaders and advisers as opposed to the 1968's reforms introduced from within the communist party it self, and explicit call for "a socialism with human face" obviously constrating with the 1989's dynamics.

In pite of all that... we already stressed that demands for freedoms were put forwards in all those past events ? in 1956, 1968, 1980 and 1989... and do not "belong" exclusively to a particular current, and that etiquettes ("socialism", "communism") were confuse ? specially after the Soviet intervention on behalf of "socialism" in 1968.

So we will focus on the more precise kind of democracy and rights which were put forward, and stress those that capitalism would not accept : workers councils, or workers self-management as a fundamental right to control the organisation and aim of economic system, statute of workers and result of the work.

From Solidarnosc in 1980-1981 to the Balcerowicz's plan in 1989 ? continuity or antipodes?

The scenario of the movement of polish strikes in August 1980 which led to the establishment of the first (officially accepted) independent trade union within the former "communist" regime and its congress (in September 1981) is much closer to one could call a democratic revolution than any other events in eastern Europe : after a decision taken by the regime to increase prices, a general movement of strikes occurred with a high level of self-organisation and coordination. Nearly all the public factories of the country ? that is the whole industry, and the core of the system ? became involved. The movement took rapidly political features : first, because of the establishment of horizontal links and a inter-factory strike committee mandate to negotiate (with the electrician Lech



Walensa as delegate) ; but also because existed, established in 1976 during a period of strikes (and taking the lessons of former divisions in 1968) a specific committee of solidarity of intellectuals with workers ? the KOR. The Kor will transform rapidly into a body of "advisers" of what became the first independent trade union under the "communist" regime, Solidarnos (Solidarity). The Interfactory committee (MSK) established a list of "21 demands" .

### Part 3