

# Entanglements and Transfers in Socio-Economic Globalization Processes in Socialist East Central Europe: A Review of Research and New Approaches

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## 1. Introduction

Historical research on East Central Europe over the last two decades has been mainly concerned with transnational and, recently also, transregional entanglements.<sup>1</sup> However, it is national perspectives that have generally dominated the critical historicization of socialism since its collapse – as with the (often positive) view of the period of the formation of new or renewed nation-states after the end of the First World War. External influences on the various national developments have usually been either neglected or interpreted as predominantly negative, especially if they restricted economic or political national sovereignty. This has applied not only to the occupations during the Second World War but also to the integration of states into the socialist camp dominated by the Soviet Union.<sup>2</sup> Belonging to the Eastern Bloc within the framework of a world order shaped by the

1 K. Castryck-Naumann, Introduction. Moving from Transnational to Transregional Connections? East-Central Europe in Global Contexts, in: K. Castryck-Naumann (ed.), *Transregional Connections in the History of East-Central Europe*, Berlin/Boston 2021, pp. 1–34.

2 A. Janos, *East Central Europe in the Modern World: The Politics of the Borderlands from Pre- to Postcommunism*, Stanford 2000, pp. 257–269; N. Naimark, *The Sovietization of Eastern Europe, 1944–1953*, in: M. Leffler and O. Westad (eds.), *The Cambridge History of the Cold War, Vol. I. Origins*, Cambridge 2010, pp. 175–197; C. Békés, *East Central Europe, 1953–1956*, in: *ibid.*, pp. 334–352; A. Kemp-Welch, *Eastern Europe: Stalinism to Solidarity*, in: M.

Cold War has usually been regarded as an external factor and a condition for national development that hardly changed.<sup>3</sup>

Although much has already been done to transcend the predominantly national perspective, a full picture of the transnational history of East Central European States has yet to emerge. In this special issue, we aim to contribute to the development of that picture in various ways. First, we look at the question of economic and social processes and their political governance, keeping to a national level. We start from the thesis that in the authoritarian systems of communism, the scope for action in the area of regulating economic and social processes was less limited by ideological and political guidelines than often assumed. This does not mean that we interpret the shaping of these processes by the state power as apolitical activities. On the contrary, after the unrests and uprisings of 1953 (German Democratic Republic [GDR]), 1956 (Hungary, Poland), 1968 (Czechoslovakia), 1970 (Poland), and 1980 (Poland), which threatened the existing power relations, the satisfaction of material needs, both in terms of individual consumption and social security, became a primary means of stabilizing power in all the East Central European socialist countries.

Nevertheless, the control of economic and social processes in established socialist states had to take structural conditions into account more than the political and ideological problems and was thus subject to different rationalities. This forced regimes to not just maintain but also deepen international economic exchanges and cooperation. As a result, the attempts at socio-economic modernization made by the East Central European states were shaped by the development of transnational connections. In addition, the goals and paths of this modernization process as pursued by the main part of Eastern European society, including the communist parties, were somewhat similar to those in the West. Hence, in the 1970s, it was even held that capitalist and socialist societies would converge in the medium term.<sup>4</sup>

While such convergence theory has faded into the background, the debate about globalization processes, which clearly intensified at that time (the 1970s) remains omnipresent.<sup>5</sup> In conjunction with the oil price hike of the 1970s, the economic “shock of the global” propelled the West into a crisis-ridden but ultimately successful structural change; in the socialist countries, however, it heralded an economic crisis from which there was no way out – at least, not under the conditions of the state socialist economic system. The attempt to initiate a new phase of growth with the help of technology imported from the West not only failed but led to a debt crisis and, ultimately, a phase of economic

Leffler and O. Westad (eds.), *The Cambridge History of the Cold War, Vol. II. Crises and Détente*, Cambridge 2010, pp. 219–237.

3 Overview: S. Antohi, B. Trencsényi, and P. Apor (eds.), *Narratives Unbound: Historical Studies in Post-Communist Eastern Europe*, Budapest 2007.

4 J. Meyer, J. Boli-Bennett, and C. Chase-Dunn, *Convergence and Divergence in Development*, in: *Annual Review of Sociology* 1 (1975), pp. 223–246.

5 As a highly regarded example, see N. Ferguson, C. Maier, E. Manela, and D. Sargent (eds.), *The Shock of the Global: The 1970s in Perspective*, Cambridge 2010.

stagnation that contributed to the implosion of socialism in Eastern Europe at the end of the 1980s. This is the master narrative of the economic history of the last phase of state socialism in Eastern Europe.<sup>6</sup>

The globalization push of the 1970s was not only reflected in the growth of cross-bloc trade and the transfer of capital and technology between West and East. In the course of the general detente, it was also associated with an increase in cross-border, transnational activities by corporate or individual actors from business, science, and culture. Numerous studies on the history of these entanglements have shown that the Iron Curtain was much more permeable than was long thought.<sup>7</sup> However, we still know relatively little about the specific causes and consequences of this permeability. The studies of this volume shed light on some aspects of these transnational encounters.

Second, an important aim here is to explore the motives and scope for action of actors that dealt with economic and social issues in the context of these growing and increasingly embedded transnational relations. A question repeatedly raised in these studies concerns the extent to which the knowledge gained from their detailed research can contribute to a critical questioning of established narratives on the relationships within the Eastern Bloc, between East and West, and, moreover, between the East and the Global South.

Third, we want to support efforts to clarify the position of socialist Eastern Europe in global historiography in the second half of the twentieth century. World history-making was originally shaped by transatlantic perspectives but has long since incorporated recognition of the multifaceted and multi-actor nature of international and globalization processes. Born of a critique of Eurocentrism, this resulted in a new interpretation of (West) European-American relations and greater attention to (West) European-(East) Asian entanglements.<sup>8</sup> Research on empires and postcolonial approaches, for example, had regularly included the Russian Empire but only very rarely the Soviet Union,<sup>9</sup> while studies based on Immanuel Wallerstein's and André Gunder Frank's world system theory generally presented Eastern Europe as rather static and peripheral.<sup>10</sup>

6 A. Steiner, *The Decline of Soviet-Type Economies*, in: J. Fürst, S. Pons, and M. Selden (eds.), *The Cambridge History of Communism*. Vol. III: *Endgames? Late Communism in Global Perspective, 1968 to the Present*, Cambridge 2017, pp. 203–223; T. Vonyó and A. Markevich, *Economic Growth and Sectoral Developments, 1945–1989*, in: M. Morys (ed.), *The Economic History of Central, East and South-East Europe: 1800 to the Present*, London 2020, pp. 277–302; S. Richter, *Economic Integration within Comecon and with the Western Economies*, in: *ibid.*, pp. 324–351.

7 S. Mikkonen and P. Koivunen (eds.), *Beyond the Divide: Entangled Histories of Cold War Europe*, New York 2015; A. Romano and F. Romero (eds.), *European Socialist Regimes' Fateful Engagement with the West: National Strategies in the Long 1970s*, London 2021.

8 J. Osterhammel and N. P. Petersson, *Globalization: A Short History*, Princeton 2005. See also W. Behringer, *Der große Aufbruch. Globalgeschichte der Frühen Neuzeit*, München 2023.

9 M. Aust (ed.), *Globalisierung imperial und sozialistisch. Russland und die Sowjetunion in der Globalgeschichte 1851–1991*, Frankfurt am Main 2013.

10 A. Komlosy, *Globalgeschichte. Methoden und Theorien*, Wien 2011, pp. 188–209.

All in all, the marginalization of Eastern Europe has continued even in a non-Eurocentric global history writing.<sup>11</sup> This applies in particular to the history of the “short twentieth century”. It was not so long ago that renowned global historians assumed that the socialist camp had hardly participated in the globalization processes at all and wrote of a “globalization split in two”.<sup>12</sup> Others characterized the world history of the twentieth century as initially “Fordist-capitalist” and later “neoliberal-capitalist”.<sup>13</sup> These assumptions and characterizations neglected the socialist development model that had lasted for decades across a large part of the world and which had also relied (relatively successfully) on Fordist production methods.

Recently, there have been several attempts to understand the role of the socialist states of Eastern Europe in the globalization processes of the second half of the twentieth century as a dynamic constellation that certainly had an influence on developments in other regions of the world. For example, it has been pointed out that a cooperative atmosphere prevailed in many international organizations during the Cold War in which actors from the West, East, and South attempted to minimize conflicts and asymmetries through regulation at a global or regional level.<sup>14</sup> Another possible approach is to look back from the 1990s. In this case, the question raised concerns the conditions that the socialist societies created for the – in some cases quite impressive – successes of the post-socialist economic transformation, in particular for the return to the European and world markets. The good quality of human capital but also the experience gained prior to 1989 in integrating into the global economy are hereby valorized.<sup>15</sup>

Another aspect of the active role of the socialist countries in globalization processes was their relationship with decolonizing Asian and African states. It is true that the hopes of the Soviet Union to lead “young nation states” onto a non-capitalist path of development on the basis of assistance with construction projects in the field of infrastructure and heavy industry often disappointed, as in the case of Egypt, for example. Nevertheless, the mere existence of a possible alternative partner from the socialist camp significantly strengthened the negotiating position of actors from the Global South vis-à-vis Western governments and companies.<sup>16</sup>

Recently, there has even been talk of an “alternative globalization” that focuses on East-South relations.<sup>17</sup> The main arguments for this involve the fundamentally different posi-

11 M. Aust and J. Obertreis, *Einleitung*, in: M. Aust and J. Obertreis (eds.), *Osteuropäische Geschichte und Globalgeschichte*, Stuttgart 2014, pp. 7–14.

12 Osterhammel and Petersson, *Globalization*, pp. 113–140.

13 R. Sieder and E. Langthaler (eds.), *Einleitung. Was heißt Globalgeschichte?* in: *Globalgeschichte 1800–2021*, Wien 2010, pp. 9–38.

14 S. Kott, *Organiser le Monde. Une Autre Histoire de la Guerre Froide*, Paris 2021.

15 B. Pula, *Globalization under and after Socialism: The Evolution of Transnational Capital in Central and Eastern Europe*, Stanford, CA 2018.

16 D. C. Engerman, *The Second World's Third World*, in: *Kritika. Explorations in Russian and Eurasian History*, 12 (2011) 1, pp. 183–211.

17 J. Mark, A. Malinovsky, and S. Marung (eds.), *Alternative Globalizations: Eastern Europe and the Postcolonial World*, Bloomington 2020.

tion of Eastern Europe on colonization and decolonization from that of Western Europe and the idea that this produced different goals and forms of cooperation in East-South relations from those produced in West-South relations.<sup>18</sup> In terms of economic history, this requires further comparative investigation into the weight and significance of these East-South relations vis-à-vis West-South and East-West relations.

One can assume that East-South relations did not lead to very large changes in the four major socio-economic processes of globalization – foreign trade, capital flows, information flows, and movements of people.<sup>19</sup> It is also questionable whether the interconnections between the Eastern Bloc and the “Third World” were sufficient in scope and style to say that an “alternative space” of globalization to the Western-centred globalization processes emerged. Moreover, the idea that an alternative globalization was organized with Moscow at the centre appears too schematic, representing the original idea of an opposition between the two world systems that the research exploring the multifaceted nature of globalization processes has sought to go beyond. Nevertheless, it has become clear in the light of recent research that globalization processes should not be thought of as exclusively Western-centred and that economic globalization is not driven exclusively by market economic mechanisms. The actors of the Eastern Bloc and even of the Global South were real shapers of global relations through their movements and actions.<sup>20</sup>

A transnational perspective on globalization processes involving Eastern and Southern agency thus assumes that actors in and from East Central Europe, traditionally characterized as a semi-periphery, did not only act under the conditions of a geopolitical situation, such as the Cold War, economic globalization processes, and certain technological development trends, such as the third industrial revolution. They also often and actively addressed global challenges and frequently sought transnational linkages to better solve domestic problems, and thus ultimately helped shape globalization.

The uncovering of the consequences of transnational entanglements for the socio-economic development of the socialist countries and the repercussions of all this on globalization processes is a central goal of the articles in this volume – notwithstanding the heterogeneity of the groups of actors and their fields of activity dealt with. In this way, we want to make a contribution to both a more nuanced picture of the multifaceted nature of twentieth-century globalization processes and also discussion on the history of state socialism.

An approach that takes Eastern actors as co-producers of global processes makes it possible to assess many developments in a very different way. Dichotomous models of center and (semi-)periphery, hegemon, and satellite conceal the various activities of Central and Eastern European actors and should therefore be critically questioned. The drastic

18 J. Mark and P. Betts, Introduction, in: J. Mark and P. Betts (eds.), *Socialism Goes Global: The Soviet Union and Eastern Europe in the Age of Decolonisation*, Oxford 2022, pp. 1–24.

19 B. Tomka, *Globalization in Socialist Eastern Europe. A Turn in Research and its Discontents*, in: *European History Quarterly* 53 (2023) 4, pp. 685–696.

20 J. Mark, A. Kalinovsky, and S. Marung, Introduction, in: Mark, Kalinovsky, and Marung (eds.), *Alternative Globalizations*, pp. 1–31.

significance of caesuras, such as 1945–48 and 1989/90, is also questioned as the global position of East Central European actors did not necessarily change around these (geo) political turning points. On the other hand, this approach highlights the multi-layered significance of the caesura of the 1970s.

The co-production of globalization processes by Eastern European actors can be seen above all in the mutual influence of the increasing interconnectedness between East and West and, on the one hand, the changes in relations within the Eastern Bloc and between East and South, on the other. This applies particularly to socio-economic developments, the focus of this issue. The concrete structural conditions, such as the available production capital, limited the scope of action of actors more than in other spheres, such as politics and art; at the same time, the structural constraints and global interconnectedness of certain problems led communist leaders to free their transnationally active experts from ideological shackles. Engineers, businessmen, social scientists, and others working with and in the West and South enjoyed various liberties that were not otherwise possible. In this sense, one can speak of a relatively wide scope for action. The extent to which this greater scope influenced actions at a transnational level differently from the national level is also discussed, more or less explicitly.

The socio-economic processes dealt with in this issue cover a broad spectrum of topics and perspectives embedded in both long-term development and the conceptual framework of a “transnational turn”. Economic development issues are discussed here involving technology, transnational labour migration, transport infrastructure, border regimes, and specific companies, as well as economic policy frameworks and economic theory, and they are analysed in connection with the political shaping of social and economic structures and their embeddedness in global processes. The articles not only discuss the socio-economic effects of social, development, transport, and border policies, that is, but also address the economic and other considerations (motives, interests, etc.) that influenced the political and experts’ actions inscribed in the processes of globalization.

Regarding the temporal focus and periodization, some contributions to this special issue deal with development during the interwar period. These are not simply treated as prehistories to the emergence of the Eastern Bloc after WW II but rather investigate the question of caesura and continuity. The primary focus of interest, however, is on the period of state socialism. Similarly, regarding the spatial frame of the transnational processes of East Central Europe under the conditions of the Cold War, it is useful to distinguish between three different types of transnational engagements, as indicated – those within the Eastern Bloc and those of the socialist countries with the West and the South. However, it should be emphasized that all the contributions to this issue show how the entanglements of East Central Europe in these three different directions tended to influence one another.

Many of the articles in this issue deal with the transnational entanglements of a specific East-Central European country, that of Hungary. Even transnational history often has to draw on sources that originated in national institutions, so a concrete example provides a useful focus. Here, Hungary has been selected because most of the articles are revised

versions of papers discussed at a workshop in Budapest in October 2022. This was organized by the “History of Globalization” Research Group – an association of Hungarian historians researching waves of globalization and territorialization in Hungary in the nineteenth and twentieth centuries from a comparative perspective – in cooperation with the “Entanglements and Globalization” department of the Leibniz Institute for the History and Culture of Eastern Europe in Leipzig. Consequently, many of the authors have primarily used Hungarian sources.

Of course, the results of these studies on Hungary cannot be simply applied to East Central Europe as a whole. Rather, they should inspire comparable studies on other countries in the region. However, some of the contributions in this issue do already compare Hungary with other East-Central European countries (Benscik, Zucconi), analyse East Central Europe or the CMEA as a whole and place the region in a pan-European context (Müller) or look at the transregional entanglements history of East-Central Europe from a non-European perspective (Martínez-Hernández).

## 2. Entanglements within the Socialist Camp

Economic relations among the socialist countries were coordinated by the Council for Mutual Economic Assistance (CMEA), founded in 1949. The aim of this organization was primarily to optimize the division of labour among the participating economies and equalize the economic levels of the member states. Since these were planned economies, the two goals could not be achieved through an integration based on market mechanisms but rather required either a coordination of national economic plans or an overall plan for the CMEA. However, the introduction of a supranational economic plan for the CMEA area was not politically feasible, and even the coordination of national plans proved to be very difficult for both political and technical reasons.<sup>21</sup> Principles for the socialist division of labour were eventually adopted, however, in the early 1960s and subsequently successfully implemented for some products.

The economic consequences of these planned cross-border divisions of labour were double-edged. On the one hand, the guarantee of a sales market shielded from external and internal competitors allowed companies to use economies of scale and reduce risk in investment decisions, thus facilitating the concentration of capital on research and development for product and process innovation. Mária Hidvégi shows in her article on the business history of the Hungarian company Tungsram that its “monopoly” in the CMEA on the production of vacuum-technology machinery was an important factor in compensating, at least temporarily, for the problems in Western markets of what was traditionally an export-oriented company.

21 S. Godard, The Council for Mutual Economic Assistance and the Failed Coordination of Planning in the Socialist Bloc in the 1960s, in: M. Christian, S. Kott, and O. Matějka (eds.), *Planning in Cold War Europe: Competition, Cooperation, Circulations (1950s–1980s)*, Berlin/Boston 2018, pp. 187–210.

Neither capital mobility nor innovation capacity was among the strengths of the planned economy systems, and worse, the elimination of competition could also mean that management felt no incentive to innovate, increase productivity, or at least strictly control product quality, so many companies fell behind technically and technologically. During the period of the existence of the CMEA, technological progress in Western market economies was certainly much faster, and this exerted a permanent attraction for the Central and Eastern European countries.<sup>22</sup> In his article on development strategies in Hungary in the 1960s and 1970s, Zsombor Bódy analyses the various attempts by national institutions to transfer Western technologies.

An important reform was implemented in the CMEA in the 1960s: the abandonment of the principle that all decisions had to be taken unanimously. This was one of the preconditions for the admission of Cuba (1972) and Vietnam (1978) to CMEA to be followed by concrete development policy measures. The organized migration of labour from Cuba to European CMEA countries, including the preparatory training of young Cubans, was based on bilateral agreements with those member states that had an interest in this project. Claudia Martínez-Hernández discusses the motives and effects of this exchange from a Cuban perspective. For the Cuban leadership, the labour programme was a central component of a development programme supported by the CMEA, while for the wealthier European CMEA states, it was a counterpart to their own extensive engagement in the Global South and a way to compensate for labour shortages.

The Complex Programme of 1971 was ultimately based on the idea of concentrating CMEA's work on those areas in which cooperation was at least desired by the majority of the member countries and practically feasible. These included the joint construction of energy infrastructures, such as the Soyuz gas pipeline from Orenburg, south of the Ural Mountains, to the western border of the Soviet Union. These pipelines and cross-border power lines were probably the greatest successes of economic cooperation within the framework of the CMEA<sup>23</sup> – and the infrastructures created at that time are still having an effect today, as Paolo Zucconi's contribution in the forum for this issue shows. Yet the construction of the gas pipelines, especially in the 1980s, would not have been possible without Western technologies and capital. Here – partly due to the two oil crises – the Western European economies' need for cheap and secure fuel supplies was combined with the Soviet Union's interest in developing its rich oil and gas deposits for export to obtain urgently needed foreign currency.<sup>24</sup>

In contrast to energy infrastructure, CMEA's integration performance in the field of transport infrastructure was rather low, as Uwe Müller shows in his contribution on Eastern Europe's national and transnational transport policies. This was also related to the increasing orientation of the socialist countries towards the West from the end of the

22 P. Germuska, *Attraction and Repulsion Hungary and European Integration*, in: Romano and Romero (eds.), *European Socialist Regimes' Fateful Engagement*, pp. 50–77.

23 F. Flade, *Energy Infrastructures in the Eastern Bloc: Poland and the Construction of Transnational Electricity, Oil, and Gas System*, Wiesbaden 2017.

24 J. Perovic, *Rohstoffmacht Russland. Eine globale Energiegeschichte*, Köln/Wien 2022.

1960s, which affected transport policy. In most CMEA countries, the railway was the most important means of transport for internal goods traffic as well as for trade within the CMEA. After initial integration successes, such as the common freight wagon fleet, disputes over transit fees and foreign exchange earnings increased significantly, while cross-border rail freight transport suffered repeatedly from inadequate infrastructure. In contrast, the more important modes of transport for Western trade, such as shipping and road freight, were the focus of the member states' transnational transport policies. Investments in these modes of transport could generate foreign exchange relatively quickly. Hence, cross-bloc networks and membership in international organizations were cultivated in these areas, as was cooperation with CMEA partners.

In addition to the CMEA institutions, a series of expert networks existed in the Eastern bloc that dealt with economic, social, and technological developments. The contributions by Markus Keller on housing and aging in Hungary and Katalin Somlai on the Hungarian politician and economic adviser József Bognár, along with Bódy's piece on Western technology transfer, make it clear once again that the forms of cooperation were very diverse and that the intensity of cooperation depended strongly on the individual actors. In general, the picture is confirmed that the Soviet Union's dominance in the bloc regarding questions of social and economic development was less pronounced than on issues of politics and geostrategy.<sup>25</sup>

### 3. Entanglements with the West

Among the goals associated with cooperation within the socialist camp, the building of socialism tended to play a diminishing role compared to a general modernization of society. This tendency was closely related to the growing influence of so-called technocrats from the 1920s, as analysed by Bódy. The scientists and engineers he presents understood their activity as apolitical and ideology-free; they considered themselves to be the operators of the technological development, which was understood as the key factor of the whole process of modernization. However, since they entered into a symbiotic relationship with the respective state power, their activities certainly had political consequences. Since its foundation in 1961, the Hungarian National Technical Development Committee, which is particularly scrutinized by Bódy, saw as its most important task the identification of foreign technologies that were important for the Hungarian national economy as well as for the preparation and implementation of the import of these technologies. There is much to suggest that the technocrats promoted the implementation of an economic policy strategy based on an import-led growth model. Technocrats saw the import of technology from the West as a key factor in what they considered the process of modernization. Relations with the Global South were seen as subordinate to this,

25 S. Marung, U. Müller, and S. Troebst, *Monolith or Experiment? The Bloc as a Spatial Format*, in: S. Marung and M. Middell (eds.), *Spatial Formats under the Global Condition*, Berlin/Boston 2019, pp. 275–309.

at best as a means of obtaining hard currency. Similar to the CMEA transport policy, technocrats from different socialist countries cooperated when both sides could benefit from the import of technology, as Bódy shows with the example of the Soviet Union's agreement and Hungary's joint venture with Siemens.

A typical problem of modernizing societies was the growing proportion of older people living alone or only with their spouse. Markus Keller looks at the beginnings of the debate among experts on how to provide housing options for the growing number of older people while combining care and self-determined living. The first Hungarian model experiments presented in his article were quite successful by international standards, but they were aimed exclusively at relatively affluent senior citizens and were thus not a specifically communist project but rather resembled Western concepts of social-democratic social policy. In this case – homes for the elderly – both the problem and the state strategies for solving it were similar across Europe. In this context, therefore, it is not surprising that the transnational discourse of experts between Hungary and the West was at least as intense as that within the East.

Both Keller and Bódy provide further evidence of the fact that the Iron Curtain was far from impenetrable. Eastern bloc companies and experts maintained contacts with Western partners even in times of the most acute confrontation, somewhat independently of the political developments.<sup>26</sup> One thesis in this regard has it that European integration was pushed forward by the cooperation of numerous experts in the creation of infrastructures in a broader sense of the word. This phenomenon – of “hidden integration” – was initially observed in Western Europe. However, it also occurred in the form of cross-block networks. An early and important example of the participation of Eastern European experts in Europe-wide initiatives was the United Nations Economic Commission for Europe (UNECE).<sup>27</sup>

There are certainly more examples of cross-block cooperation between experts from science and technology, but the question of the effects of these processes has been insufficiently discussed. The protagonists of the thesis of a Western European hidden integration understand their research not only as a supplement but also as a partial correction of the narrative of the (Western) European integration process as a predominantly political project of a relatively small elite. Somewhat analogous to this is the thesis of proto-globalization in the Eastern Bloc long before 1989.<sup>28</sup> This refers less to the volume of

26 Romano and Romero (eds.), *European Socialist Regimes' Fateful Engagement*; M. Kohlrausch, K. Steffen, and St. Wiederkehr (eds.), *Expert Cultures in Central Eastern Europe: The Internationalization of Knowledge and the Transformation of Nation States since World War I*, Osnabrück 2010; S. Autio-Sarasmo and K. Miklóssy (eds.), *Re-assessing Cold War Europe*, London- New York 2011. On the complexity of the political, military, and economic structure of the Eastern Bloc and its semi-peripheral economic position compared to the West, see Marung, Müller, and Troebst, *Monolith or Experiment?*

27 T. Misa, and J. Schot, Introduction. *Inventing Europe. Technology and the Hidden Integration of Europe*, in: *History and Technology* 21 (2005) 1, pp. 1–20; D. Jajeśniak-Quast, “Hidden Integration” – RGW-Wirtschaftsexperten in europäischen Netzwerken, in: *Jahrbuch für Wirtschaftsgeschichte* 1 (2014), pp. 179–195; D. Stinsky, *International Cooperation in Cold War Europe: The United Nations Economic Commission for Europe, 1947–64*, London 2021.

28 Pula, *Globalization under and after Socialism*, pp. 108–141.

East-West trade than to the level of intra-industrial cooperation. Indeed, since the 1970s, Poland and Hungary, in particular, relied on the establishment of joint ventures with Western companies or on licensed production as part of their strategy for import-induced growth. Bódy points to the preparation of this strategy in the National Technical Development Committee. From the 1960s onwards, the Eastern bloc demanded knowledge and technology transfer from the West in a way that was approved also by the political leadership.

Regardless of the ultimate failure of the strategy at the national economic level, it should be noted that many Eastern European economic actors in this context were oriented more towards entrepreneurial rationalities than towards the logics of action of the planned economy.<sup>29</sup> The participation of over 1000 middle-level Hungarian managers in Institute of Management Science courses organized by the International Labour Organization (ILO) in Budapest, as mentioned by Bódy, was one such form of entrepreneurial knowledge transfer.<sup>30</sup> Through direct cooperation with Western firms, management skills were adopted, and networks developed that countries like Hungary and Poland were able to build on in the phase of transformation to a market economy and (further) reintegration into the world economy after 1989. In this respect, the Hungarian state-owned company Tungsram is an outstanding example. For instance, as Hidvégi describes, Tungsram signed a license agreement with a leading US-American semiconductor producer, Fairchild Industrial Products Company, in the mid-1970s. Indeed, the entanglements of the East with the West were not limited to Europe.<sup>31</sup>

The Western European market economies and Eastern European planned economies thus had an interrelationship at the micro level despite the separation of the Iron Curtain. Although this was usually quite asymmetrical, it was nonetheless mutual and, in some cases, more intensive than had been assumed. Sometimes, Eastern European companies were able to operate very successfully in Western European markets. Tungsram established a factory as a joint venture with Action Industries in the USA, whose halogen car lamps were among the leading brands in the world. Another example was the Bulgarian company SONAT, which, in the 1980s, with its Western European subsidiaries, became the market leader in European long-distance road haulage, often by exploiting labour cost advantages.<sup>32</sup>

29 Ibid., pp. 85–90; V. Fava and L. Gatejel, East-West Cooperation in the Automotive Industry. Enterprises, Mobility, Production, in: *Journal of Transport History* 38 (2017) 1, pp. 11–19; P. Szobi, Lizenz- und Gestattungsproduktion westdeutscher Unternehmen in der ČSSR und der DDR, in: *Jahrbuch für Wirtschaftsgeschichte/Economic History Yearbook* 58 (2017) 2, pp. 467–487.

30 S. Kott, The Social Engineering Project. Exportation of Capitalist Management Culture to Eastern Europe (1950–1980), in: Christian, Kott, and Matějka (eds.), *Planning in Cold War Europe*, pp. 123–142.

31 See also V. Petrov, *A Cyber-Socialism at Home and Abroad: Bulgarian Modernisation, Computers, and the World 1967–1989*, PhD Columbia University 2017.

32 E. Karaboeva, Networking Eurasia. Bulgarian International Truck Drivers and SOMAT in the Cold War Era, in: M. Hieslmair and M. Zinganel (eds.), *Stop and Go: Nodes of Transformation and Transition*, Wien 2019, pp. 40–67.

Other processes described in the contributions here can also be seen as early examples of European reintegration that began before 1989.<sup>33</sup> This applies, for example, to the efforts of the Eastern European railway organization OSJD under the leadership of the Deutsche Reichsbahn of the GDR to introduce a common standard for automatic wagon couplings, as described by Müller, along with the already mentioned cross-bloc communication on common problems of social policy. The Hungarian expert group around László Zoltán, studied by Keller, was involved from the very beginning in the UNECE debates on the ageing society and the changes needed in housing supply as well as helping to shape these debates in Hungary. Similarly, Katalin Somlai shows how József Bognár helped shape both the discourse on the development and impact of global interdependencies and the interdependencies themselves in very diverse ways. He did the latter also outside Hungary within the framework of his activities as President of the Institute of Cultural Relations, founder of the Afro-Asian Research Centre, Chairman of the World Economic Council, Director of the Institute of World Economics in Budapest, advisor to the Ghanaian government, co-organizer of the World Development Conference held in Budapest in 1976, at the food conference of the Club of Rome in Budapest, 1983, and many more.

If one wants to assess the social significance of international linkages in the field of business and science, one must, of course, emphasize that only a very small part of the population was actively involved in these. In contrast to the experts, it was not a matter of course for the majority of the population to cross the border between East and West. Nevertheless, these borders were not completely impenetrable, and the shaping of border regimes by individual countries can be seen as a response to global and regional challenges. Here, too, unexpected continuities and divergent paths of development can be detected.

Even before the Second World War, and especially in the early, Stalinist phase of communist rule, the Eastern European border regimes were characterized by relatively intensive control and restriction of the temporary and permanent departure of their own citizens. In his contribution on this subject in relation to the Hungarian and Czechoslovak cases, Péter Bencsik points to this continuity of border regimes beyond the caesura of 1945. Moreover, he also shows that in the phase of destalinization, socialist countries took different paths. Compared to Czechoslovakia, for example, the Hungarian leadership practiced a more liberal border regime, and this despite the uprising of 1956.

An important reason for this difference was the different development paths of their foreign economies and foreign economic policies – in more ways than one. Hungary had built up much more intensive trade relations with the West since the late 1960s but also a higher level of debt. Further loans were only granted in exchange for political concessions, such as a partial opening of the border. At the same time, the Hungarian leadership implemented a liberalization of the border regime in order to gain popular

33 See Romano, and Romero (eds.), *European Socialist Regimes' Fateful Engagement*.

acceptance for the austerity policy, which was also a consequence of the Hungarian state's excessive debt.<sup>34</sup>

#### 4. Entanglements with the South

The idea of a confrontation between the two blocs as the organizing forces of transnational spaces in the Cold War era is challenged by the fact that there were also dense links between the Second and Third Worlds. Over the last decade and a half, research has uncovered relations between the Eastern bloc and the Global South that became increasingly dense in economic, cultural, and political terms from the 1950s. If globalization can be understood as an expansion of cross-border relations whereby economic, political, or cultural actors and experts seek to expand their own opportunities and scope by building relationships with geographically ever-more distant partners, then there is no doubt that such efforts were not only possible in a Western-centric power structure. The states, corporations, and elites of the Eastern bloc, that is, undoubtedly sought to build their own networks of contacts in the decolonized regions of the world, and the elites of countries in those regions were equally open to this, with a view to strengthening their own room for manoeuvre and economic development.<sup>35</sup>

Two contributions in this special issue clearly situate discussion on the “alternativity” of “red globalization”.<sup>36</sup> Claudia Martínez-Hernández shows very clearly that the migration of Cuban workers to some socialist countries in Europe was not only a consequence of the Cold War but also sprung from other motives and produced rather different results from those in analogous processes of labour migration either between developing countries and the capitalist world or within the CMEA.<sup>37</sup> From a Cuban perspective, the direct financial revenue gained was less important than the expected political and educational outcomes of the labour programme. The Cuban authorities strongly emphasized disciplining young people from underprivileged regions for the needs of a national project of socialist industrialization, whom they tried to educate through their labour experience in CMEA countries not only as skilled or semi-skilled workers but also as socialist citizens. These goals were not achieved to the desired extent, which was due

34 I. Berend, *Global Financial Architecture and East Central Europe Before and After 1989*, in: U. Engel, F. Hadler, and M. Middell (eds.), *1989 in a Global Perspective*, Leipzig 2015, pp. 49–62.

35 A. Calori et al. (eds.), *East-South Relations During the Global Cold War: Economic Activities and Area Studies Interests of East-Central European CMEA Countries in Africa*, Leipzig 2018; Mark, Malinovsky, and Marung (eds.), *Alternative Globalizations*; J. Mark and T. Rupprecht, *The Socialist World in Global History. From Absentee to Victim to Co-Producer*, in: M. Middell (ed.), *The Practice of Global History*, London 2019, pp. 81–113. J. Mark and P. Apor, *Socialism Goes Global: Decolonization and the Making of a New Culture of Internationalism in Socialist Hungary, 1956–1989*, in: *Journal of Modern History* 87 (2015) 4, pp. 852–891.

36 O. Sanchez-Sibony, *Red Globalization: The Political Economy of the Soviet Cold War from Stalin to Khrushchev*, Cambridge 2014.

37 See A. Alamgir, *Mobility: Education and Labour*, in: Mark and Betts, *Socialism Goes Global*, pp. 290–317; A. Alamgir, *Introduction. Labor and Labor Migration in State Socialism*, in: *Labor History* 59 (2018) 3, pp. 271–276.

less to the problems with the training of Cubans in Eastern Europe than to the Cuban economy's inability to utilize the repatriates according to their skills.

Katalin Somlai's article on the views and insights as well as the work of József Bognár opens up a different perspective on the question of whether and to what extent East-South relations were alternative. Somlai describes Bognár as opposed to taking a socialist path of development that was "proven" in Eastern Europe and attempting to transfer it to the countries of the Global South for two reasons. First, account had to be taken of the other conditions in the individual developing countries, and second, globalization essentially functioned according to the rules of capitalism, to which the socialist countries also had to adapt. However, Bognár also emphasized that insight into the dominance of capitalist globalization would not mean that the states of the Second and Third Worlds should simply participate in the system structured by the First. He became one of the respected actors from the socialist countries who campaigned for a New International Economic Order in the 1970s but had to realize in the 1980s that these efforts had failed.<sup>38</sup> In retrospect, it is clear that the state socialist countries were not able to implement an effective alternative to the globalization that proceeded according to capitalist rules. In some areas, however, they were able to advance other goals and forms of cooperative relations with the countries of the Global South.<sup>39</sup> There were certainly individual cases, even in the field of trade and technology transfers, in which cooperation between socialist countries and the decolonized world was economically and socially attractive for both sides.<sup>40</sup>

## 5. Conclusion and Outlook

This thematic issue introduces new findings into discussions on state socialism in East Central Europe, mainly in relation to economic history and the management of economic and social problems. It is intended as a contribution to the revision of the place of the Eastern bloc states in the economic globalization processes of the twentieth century that has occurred over the last decade.<sup>41</sup> Attention may be drawn to topics and approaches that can take this revision even further.

First, in the area of economic relations, the revitalization of research on the CMEA provided a significant impetus for this revision. There is a long tradition in CMEA research in the social sciences and contemporary history of focusing on the internal relations of

38 B. Kocsev, *The Unwealth of Nations. How Economists Conquered the Field of Area Studies in Hungary*, in: K. Naumann et al. (eds.), *In Search of Other Worlds. Essays Towards a Cross-Regional History of Area Studies*, Leipzig 2018, pp. 167–194.

39 E. Burton, J. Mark, and S. Marung, *Development*, in: Mark and Betts (eds.), *Socialism Goes Global*, pp. 75–114.

40 M. Trecker, *Red Money for the Global South: East-South Economic Relations in the Cold War*, London 2020, pp. 203–218; A. Ohlendorf and M. Trecker, *Introduction*, in: A. Ohlendorf and M. Trecker (eds.), *Between Trade and Aid: Theories, Practices, and Results of Attempts at Exporting State-Socialist Development Models to the Third World*, Leipzig 2023 (=Comparativ 33 [2023] 3), pp. 291–294.

41 For a critical overview, see Tomka, *Globalization in Socialist Eastern Europe*, pp. 685–696.

the CMEA,<sup>42</sup> but the international activities of the CMEA have recently come more into focus.<sup>43</sup> Some of the articles in this thematic issue have added further knowledge about the CMEA's external activities. However, for further research, a question to be investigated may concern the extent to which the concept of the CMEA itself or even of the socialist camp as units should serve as almost the only relevant interpretative framework for the interpretation of globalization projects of actors from the socialist states of Central and Eastern Europe. Transnational entanglements in globalization processes during the Cold War period were not necessarily written into or determined by the CMEA space.<sup>44</sup> Clarifying this question could also provide a new perspective on a number of detailed studies.

Second, reflection on this conceptual issue, as well as further detailed research on the globalization processes in the Central and Eastern European region may help to clarify the conceptual question of “globalization split in two” or “alternative globalizations”.<sup>45</sup> Both terms imply that there were two, substantially different, coexisting processes that can thus be contrasted, at least in certain respects. However, a growing body of partial results – including the studies presented in this thematic issue – indicate that it is more appropriate to speak of a multiplicity of globalization processes that were interconnected in irregular ways. Much research remains to be done to explore the structure of these networks and their (inter)linkages.

Third, staying within the standard geopolitical macro-divisions, future research should also take greater account of the interrelationships and repercussions between the interdependencies within the bloc and between the East and the West as well as the East and the South. The articles in this issue offer numerous suggestions in this regard. For example, the disappointment over the insufficient effects of scientific and technological cooperation in the CMEA certainly contributed to the East Central European states seeking to intensify contacts and even cooperate with the West. On the other hand, the failure of the associated strategy of import-induced growth, in particular the threat of insolvency, led, in some cases, to a return to cooperation within the socialist camp – but this was now attempted much more pragmatically, dispensing with ideological accessories and utopian dreams. At the same time, of course, (imagined) national economic interests were pursued within the bloc even more clearly than before, such as by settling intra-CMEA trade less through transfer roubles and more through foreign currency.

In a similar way, East Central European actors learned from their activities in the decolonized states. In the 1970s, socialist development aid workers abandoned the previously

42 Most recently, see E. Radisch, *Der Rat für Gegenseitige Wirtschaftshilfe als Konsensimperium (1949–1971)*, Stuttgart 2022.

43 S. Lorenzini, *Comecon and the South in the Years of Détente: A Study on East-South Economic Relations*, in: *European Review of History/Revue Européenne d'Histoire*, 21 (2014) 2, pp. 183–199; U. Müller and D. Jaješniak-Quast (eds.), *Comecon Revisited. Integration in the Eastern Bloc and Entanglements with the Global Economy*, Leipzig 2017 (= *Comparativ* 27 [2017] 5–6).

44 Marung, Müller, and Troebst, *Monolith or Experiment?*

45 J. Osterhammel and N. Peterson, *Globalization: A Short History*, Princeton 2005, pp. 113–140; Malinovsky and Marung (eds.), *Alternative Globalizations*.

prestigious lighthouse projects in heavy industry and infrastructure. Instead, they focused on cooperation with Western companies in the Global South and diversified their own economic activities in developing countries, sometimes in competition, sometimes in cooperation with Western partners or socialist brother countries.<sup>46</sup>

Further investigation of these interdependencies will produce a more nuanced picture of socialist globalization projects. The repercussions of transnational activities on economic and socio-political behaviour and on the management of companies and research institutions after their return to their home countries have also been little studied to date. Finally, the experts gained new perspectives on the strengths and weaknesses of the socialist system through their contacts abroad and stays in the West and the South. What impact this had on their work after their return is still largely unknown. In this respect, further study of the topics discussed in this issue will be useful both for global history and for the history of state socialism.

The legacy of the globalization processes of the Cold War Period in East Central Europe is an even more open research question, all the more so because it involves issues that are still of concern today. Undoubtedly, while relations with the West have multiplied since 1989, relations with the South have lost their relative importance for the countries of East Central Europe. One can also assess positively the efforts of, for example, Hungary, which, after 2010, sought to revitalize these relations for political reasons in order to increase its room for manoeuvre vis-à-vis the West.<sup>47</sup> However, the outcome of these efforts is highly questionable from an economic point of view, while at the same time, it did not strengthen the Hungarian government's position in the international arena politically. In any case, the strategies of the elites of the East Central European countries after 1990 cannot be considered uniform. It seems that the countries that made the most significant progress were those that sought a suitable strategy for integrating into global trends rather than isolating themselves from these processes.<sup>48</sup>

46 Burton, Mark, and Marung, Development; Z. Bódy, Opening Up to the "Third World" or Taking a Detour to the "West"? The Hungarian Presence in Algeria from the 1960s to the 1980s, in: Ohlendorf and Trecker (eds.), *Between Trade and Aid*, pp. 377–399.

47 On Viktor Orbán's global opening, see J. Mark, A. Kalinovsky, and S. Marung, Introduction, in: Mark, Kalinovsky and Marung (eds.), *Alternative Globalizations*, pp. 23–24.

48 D. Gyórfy, The Middle-Income Trap in Central and Eastern Europe in the 2010s. Institutions and Divergent Growth Models, in: *Comparative European Politics* 20 (2022) 1, pp. 90–113.