

plausible in the case of the Federal Republic of Germany has a lot to do with its history policy, which is used to paint the picture of a purified democratic society with clear ties to the West that is completely subordinate to the principles of freedom and human rights. The rigorous moralism of this self-description (which always points the finger at others) can be explained by the attempt to leave the legacy of National Socialism far behind and to avoid any suspicion of a risk of repetition. However, the title of world export champion was not to be had without reference to raw materials and sales markets that lay beyond the democratic world, and to an ever-increasing extent, as the example of the development of relations with China, beautifully recounted by Bösch, shows. The fact that this not only promoted the political stability and economic prosperity of the other side, even if its handling of democratic participation rights did not meet one's own standards, has only recently become a problem since the consequences for the political and economic world order in terms of a high degree of dependency have become apparent.

Bösch's book therefore comes at a time when this foreign policy is being thoroughly scrutinised. The context of the Cold War has disappeared, when the division of Germany made it much easier to sort the world into democracies and dictatorships. Germany now finds itself confronted with expectations of actively and explicitly assuming a global role on the one hand, and on the other hand has to calculate the costs of "decoupling" and "derisking," because simultaneously breaking away from all well-established value chains is likely to further strengthen the feeling of "multicri-

sis," i.e. political powerlessness in the face of a multitude of overlapping challenges, and—this would then be the final irony of this narrative—further strengthen autocratic desires within German society.

**Fritz Bartel, *The Triumph of Broken Promises: The End of the Cold War and the Rise of Neoliberalism* (Harvard University Press, 2022), 400 pp.**

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On March 27, 1990, the US television studio PBS aired a documentary about the situation in Poland after the breakdown of state-socialism and the installation of a government headed by Solidarity. The documentary was titled "Poland – The Morning After." One could have expected to see only happy faces of people feeling free at last and embracing the new times. Quite the opposite was shown in the documentary as most ordinary people still struggled to make ends meet. Still more astonishing were the interview parts with people close to either Solidarity or the former communist rulers.

When the reporter talked to a young Solidarity activist in the coal region of Upper Silesia, the following dialogue unfolded:

- "The government should give up, should resign. They should give the power back to the communists."
- "Give the power back to the communists?"

– “Yes, it’s the only way, let them compromise themselves [...] Now Solidarity has compromised itself.”

Alfred Miodowicz, the head of the former communist trade union Ogólnopolskie Porozumienie Związków Zawodowych (OPZZ)—the antithesis to Solidarity—said in a speech recorded by PBS in the same documentary: “At their own table talks, when the party negotiated with Solidarity, so many mistakes were made, the party just messed it up. They lost, because they wanted to lose.”[1]

The impression conveyed by these statements is that neither side—neither the communists nor Solidarity—were happy to be in power, because they feared making difficult decisions, they feared to “compromise” themselves. This plays directly into the hands of Fritz Bartel and the narrative of his book *The Triumph of Broken Promises*. The author argues that the end of the Cold War can largely be explained by changes in the global economy that originated in the 1970s. The oil crisis of 1973 had put an end to the postwar compromise, according to Bartel. The 1950s and 1960s had been the time of “making promises.” Communist and capitalist governments tried to outcompete each other in providing full employment and ever increasing living standards to their respective citizens.

The events that unfolded after the oil crisis of 1973 put energy, finance, and economic discipline center stage and made the promises of the early Cold War period untenable. Instead of “making promises” and delivering on these promises, politicians in East and West were increasingly confronted with a new economic environment where governments which mastered the political arts of “breaking promises” could hold a

distinct advantage over those that didn’t. Governments had to learn to decrease living standards and economic security to adapt to the new circumstances. This demanded a significant amount of political capital to push through social and economic reforms and enforce economic discipline on citizens.

Bartel argues that the West had two ideological tools at hand that gave Western governments a distinct advantage over their Eastern state-socialist competitors: Electoral democracy and neoliberalism. These two gave the West the upper hand in bringing about the necessary ideological and domestic political change. In contrast to state-socialist regimes, Western governments had never claimed to be in full control of the economic mechanism, as private entrepreneurship had played a significant role in the era predating the 1973 oil crisis. Neoliberalism gave them the opportunity to rewire the expectations of their citizens. Neoliberalism is defined by the author as a “political ideology that uses markets to increase the free flow of goods and capital across borders, increase inequality within nation-states, and limit the state’s role in the provision of economic and social security for its citizens” (p. 3). Electoral democracy provided actors like Ronald Reagan and Margaret Thatcher with a popular mandate and the necessary political capital to enforce their agenda.

Communist regimes, however, could not create legitimacy in the same way, as their system was centered on the belief that the party could control the economy and socioeconomic outcomes. As the communist parties in the Leninist tradition claimed to be the vanguard of the masses, there was no place for electoral democracy and political

pluralism in the Western European and North American tradition in their political systems. The Eastern European regimes tried to escape the demands of the new era by relying on international credit and cheap Soviet oil in the 1970s. But when the combination of stagnating Soviet oil production, the so-called Volcker Shock[2] and Reagan's expansionary fiscal policies closed access to global capital markets and cheap oil, the state-socialist regimes had to confront the truth. Neither could they muster the political capital nor will to impose economic discipline on their citizens.

Since Soviet oil production began to stagnate in the mid-1970s, Soviet leaders could neither save their satellites nor themselves with ever increasing oil revenues. The Soviets started to halt increases of their resource deliveries to Eastern Europe in the 1970s and cut their deliveries in the 1980s in an half-hearted attempt to make their empire pay for itself. Considering these circumstances, it was logical for the state-socialist regimes, as in the Polish case, to hand the power over to the democratic, free-market opposition that proved able to impose economic discipline by relying on electoral democracy and neoliberalism. Bartel states in his conclusion that his book is more a work of historical recovery than of revisionism. If one thinks again of the two Polish contemporaries cited at the beginning of this review, it is hard to resist Bartel's claim. Furthermore, the book is well written which increases the appeal of Bartel's narrative. Single chapters may also find use in future seminars as a base for critical class room discussions on the end of the Cold War. These are no small accomplishments. However, at a second glance there are serious problems with the narrative and the

underlying hypotheses and assumptions: (1) Parts of the theoretical groundwork are unduly simple. This concerns e.g. the use of the term neoliberalism. A very general definition is given that may please political scientists, but is not well integrated into recent historical research and definitely not satisfying for economists.[3]

(2) To talk about the 1970s as the decade that signaled a seismic shift in the fortunes of the Cold War is an outdated view at odds with recent research. Niall Ferguson had already asked back in 2010 in his introduction to "The Shock of the Global," in whose perspective the 1970s had been a decade marked by crisis and decline.[4]

(3) Policies like the Soviet elites demanding their satellites to help themselves and rely less on the Soviet Union were no emergency measures that date back to the post-1973 period, as Bartel claims, but to the time of "making promises," as the Soviets had already vehemently demanded such policy changes back in the early 1960s.[5]

(4) It is also not true that the state-socialist regimes had started to open up to world trade in the 1970s.[6]

(5) The author turns economics upside down by stating that the hardening of credit conditions was the main driver of the crisis of the state-socialist regimes in the 1980s. This certainly hadn't helped them, but the main problem had been their inability to make use of imported technology. To be clear, the author mentions the latter cause here and there in the manuscript, but the main driver of events seems to be financial and energy markets. The author thereby ignores valuable insight by recent literature.[7]

(6) To talk about "broken promises" is a clever choice for the narrative, as surely

everyone can connect with the story the author is telling. But it is extremely problematic politically, as it fuels feelings of resentment and it is scholarly doubtful. It could have made sense to talk about expectations that were not met and a lost feeling of security, but this is not what the author means with “broken promises,” as he is talking about a period of declining living standards that started in the late 1970s. This is at odds with the facts. It may be true that living standards have not increased equally for all segments of society, but neither were the early 1970s a paradise lost nor is life in Europe and North America approaching the Marxian dystopia of the pauperization of the masses.

(7) Statements like “the international histories of energy, finance, and economic discipline produced the dramatic events we now call the collapse of communism and the end of the Cold War” (p. 15) are minimizing the agency of Eastern European actors to an extent that is at least debatable.[8]

(8) Finally, the hypotheses of the author are not innovative in a narrow understanding of the word, as the main arguments have already been presented in the early 2000s.[9] The book has two sides to it: it is well-written and an interested reader who is not a scholar in social sciences or humanities will find it easy to follow the author. Therefore, the book may find a comparatively large audience and could even stimulate public debate to a certain extent. However, as a research monograph, the book is not significantly advancing academic discourse, as most of its hypotheses have been brought forward twenty years ago and have been partially discarded by latest research.

#### Notes

- 1 Public Broadcasting Service, “Poland: The Morning After,” Frontline, <https://www.pbs.org/wgbh/frontline/documentary/poland-the-morning-after/>. See also the video version at <https://www.youtube.com/watch?v=7hoexBQR-3s> (relevant segments begin at 46:43 and 49:03).
- 2 Paul Volcker was chairman of the Federal Reserve from 1979 to 1987 and massively increased interest rates in 1979 to lower inflation.
- 3 For an economically minded critique of contemporary usage of the term, see Harold James, “Neoliberalism and Its Interlocutors,” *Capitalism* 1, no. 2 (2020): 484–518.
- 4 Niall Ferguson, “Introduction: Crisis, What Crisis? The 1970s and the Shock of the Global,” in *The Shock of the Global: The 1970s in Perspective*, eds. Niall Ferguson et al. (Harvard University Press, 2010), 1–21.
- 5 Max Trecker, *Red Money for the Global South: East–South Economic Relations in the Cold War* (Routledge, 2020), chaps. 2, 5.
- 6 For examples, see the research of the “Socialism Goes Global” group at Exeter and the Collaborative Research Centre “Processes of Spatialization under the Global Condition” in Leipzig over the last decade.
- 7 Besnik Pula, *Globalization under and after Socialism: The Evolution of Transnational Capital in Central and Eastern Europe* (Stanford University Press, 2018).
- 8 It would have made sense to include or at least critically refer to research literature that discusses how state-socialist elites delegitimized themselves domestically. See Jonathan R. Zatin, *The Currency of Socialism: Money and Political Culture in Eastern Germany* (Cambridge University Press, 2007).
- 9 See Stephen Kotkin, *Armageddon Averted: The Soviet Collapse, 1970–2000* (Oxford University Press, 2001); Jeffrey A. Frieden, *Global Capitalism: Its Fall and Rise in the Twentieth Century* (Norton, 2006).