Rival narratives

When it comes to the domain of culture, Eastern Europe has no comfortable space for writing contemporary economic history. Prior to 1989, the master narrative of cultural evolution in the economies of the region rested on the dubious concept of Homo Sovieticus, depicting the majority of communist citizens as obedient and helpless victims of totalitarian rule in a command economy.¹ Although that concept was relaxed during the 1970s and 1980s by the market-socialist reforms producing new actors such as the “liberal apparatchik,” the “quasi-entrepreneur,” and the “self-Westernizing consumer,” the 1989 revolutions revitalized the theory of totalitarianism. But in the romantic mood of the crumbling Soviet empire, anti-communist dissidents came to the fore of socio-cultural analysis while the less spectacular and more ambiguous representatives of proto-capitalist cultures faded away.

In the wake of the revolutions of 1989, the concept of Homo Sovieticus was not replaced; instead, it was complemented by (a) a theory of “sweeping Westernization (Americanization)” to explain the surprising and rapid transformation of fields ranging from free markets to popular culture; (b) a reference to the revival of pre-communist capitalist cultures to nuance that same theory and explain some of the dif-

ferences in cultural change between the economies of Eastern Europe. Accordingly, capitalism did not emerge from communism by itself. By and large, it was foisted upon the Soviet bloc by the West and was not received with equal enthusiasm by everyone. The most successful transition countries all have a tradition of once being among the most advanced capitalist economies in the region before the Second World War. Even if their experiences varied between harder and softer forms of communism, countries like Czechoslovakia after 1989 could still draw from their cultural reservoirs filled in the distant past. Likewise, the less advanced countries of the pre-communist past retained their backwardness during the four decades spent under communism. In the late 1940s, their economic cultures provided a comfortable habitat for the “Soviet Type of Man,” and it is no wonder that these countries followed their own historical path of pseudo-liberalization, democradura, nationalism, and the like after the collapse of communism. In an extreme version of this revised narrative, the gap between the fast and slow transformers corresponded to the secular cleavage between Western and Eastern Christianity, that is, between East-Central Europe, the “real” Eastern Europe as well as South Eastern Europe.

But the stereotype of Homo Sovieticus still looms large today, and the allegedly giant impact of the West upon Eastern European economic cultures has yet to be proved other than superficial claims about the power of Western capitalism. Yet, an influential strand of Cultural Studies suggests that the worst features of the two worlds tend to combine with each other in the encounter between the East and the West, leading to what is widely called a sort of “Wild Eastern capital-

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2 See Janos (2000).
3 See Huntington (1996). There is no room in this brief prologue to challenge the above historical interpretations. A few examples will probably suffice: a current frontrunner, Slovenia was one of the most backward countries of Eastern Europe before Second World War; Orthodoxy was no obstacle to economic development in communist Yugoslavia or post-communist Romania; Hungary’s capitalist evolution was seriously damaged during the past decade, and so on.
Going beyond Homo Sovieticus

5 The region is seen as just another victim of a global expansion (post-colonial decay) of capitalist culture, the only difference being that the previous colonizer, the Soviet empire, also left its traces on the cultural universe of the occupied countries. That universe, goes the argument, is characterized by a communist legacy of mistrust, lack of solidarity, rule-bending, illegal business dealings, and the like that pave the way for a direct transition to the reckless rivalry and social polarization under global (American) capitalism today. Although the everyday cultural choices of post-communist citizens remain instinctive and capricious, they nevertheless embody a fundamentally instrumentalist/secular attitude to life. Relativism and social anomie prevail. Culture has been reduced to economic/material culture reflecting a desperate pursuit of a cruel and reckless rationality. Just released from Soviet domination, poor Eastern Europe may soon vanish into a global cultural vacuum—an Untergang des Morgenlandes.

Unlike previous studies, the authors of this volume propose that the nascent capitalism in the region is much less driven from outside and its local actors are much more active and inventive than the above narratives suppose. They doubt whether the contemporary capitalist revolution in the region, a revolution that implies complex institutional change, can be explained as a joint result of sheer emulation/imitation of (American-born) global cultural patterns, a tradition-based response to current challenges, and haphazard choices made by spiritless representatives of declining cultures. This does not necessarily mean that one should fanatically search for “local heroes,” or look for ethnic and/or religious groups or the nation-state as pioneers of capitalist culture as has been done in the past.

Does the new capitalism in Eastern Europe really need as solid a spiritual foundation (religions, ethical norms, intellectual convictions, passions, and so on) as some other “Great Transformations” have needed in the past? 6 Apparently, one can become a capitalist entrepreneur (or a hardworking and rationally calculating manager, employee, or worker) without belonging to the German, Jewish, or, to take a timely

5 Even if this term is not used, the following works contain strong (occasionally angry) critical remarks on the adverse effects of the West on the economic cultures of the ex-communist world: Barber (2001); Bauman (2001) Beck (1997); Burbach, Nunez, and Kagarlitsky (1997); Hannerz (1992); Jameson (1998); Latouche (1996); Robertson (1995); Žižek (1999).

example, Chinese minority in an ex-communist country of the region at the turn of the millennium. Nor does he/she have to go to a Protestant church every Sunday, repeat Confucian truisms when falling asleep, or study Adam Smith’s teachings on the virtues of the market in a business course. He/she may just follow certain quasi-capitalist routines acquired during communism and refine them under the new conditions. The new economic actors may also import capitalist culture (more exactly, various capitalist cultures) but not primarily in their elevated forms like Protestant ethics, but in those of down-to-earth cultural practices (norms, habits, modes of behavior, and so on) embedded in freshly borrowed economic and political institutions.

Transnational cultural encounters

In going beyond the essentialist and determinist narratives of emerging capitalism, the authors of this volume would like to offer deep empirical insights into the cultural history of the Eastern European economies during the past two decades. Thus far, such insights have mostly originated in large value surveys, a few case studies, guides to what is called “cross-cultural management,” and anecdotal evidence. As a rule, these sources do not refer to the very emergence of economic cultures, if they focus on economic cultures at all, and do not observe their major roots simultaneously. The economic actors occur as prisoners of certain historical arrangements or current contingencies rather than instinctive or conscious culture-makers. The surveys apply a few synthetic concepts such as “power distance,” “uncertainty avoidance,” or “traditional vs. secular-rational values” and test them by means of standardized questionnaires targeting perceptions (opinions, presumed practices, and so on), while the case studies tend to explore specific components of economic culture (work culture, business ethics, corruption, and so on) using rather small samples but often similarly impersonal techniques of data collection. Impersonality does not, of course, characterize the anthropological studies of the post-communist world but, typi-

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7 Cf. the influential works by Gert Hofstede (2001) and Ronald Inglehart (2005) as well as the World Values Surveys (http://www.worldvaluessurvey.org/). The same applies to a variety of Europe-wide surveys such as the Eurobarometer, the European Quality of Life Survey, and the European Social Survey. Similar methods are used by Levada (2005) and Shiller et al., (1991, 1992). See also Hampden-Turner and Trompenaars (1997).
cally, these are scattered, difficult to subject to comparative analysis, focus on a few favorite issues such as labor, rural economy, or mass consumption, and, loyal to the profession, tend to emphasize the critique of the nascent capitalist regimes in Eastern Europe.\(^8\)

To our knowledge, no volume has been published yet that would rest on a whole series of coordinated case studies of economic culture under new capitalism in many countries of the region. Today, research programs on the evolution of economic cultures in Eastern Europe are rare and small-scale, resulting in a few journal articles, in which the region normally appears on the margin of East–West multi-country comparisons.\(^9\) Local publications that cover the individual countries are also scarce\(^10\). As regards the large surveys mentioned above, they are hardly interested in Eastern Europe per se, and in most cases are unable to interpret their quantitative results in the context of real economic developments.

This volume focuses on multiple sources of recent cultural change in selected fields in a large number of Eastern European economies. The authors ask how the encounters between the economic actors in the East and the West,\(^11\) the number and scope of which have dramati-

\(^8\) There are a number of excellent monographs that offer genuine anthropological accounts of the post-communist transformation based on high-quality fieldwork, for example: Berdahl (1999); Humphrey (2002); Verdery (2003); Dunn (1998) and (2004); Ledeneva (2001). One may also refer to a few edited volumes: Hann (2002); Burawoy and Verdery (1999); Mandel and Humphrey (2002); Verdery and Humphrey (2004); Leonard and Kanef (2002); Bonnell and Gold (2001). Although the main thrust of László Bruszt and David Stark (1998) was not anthropological, our research project profited much from their insistence on agency, recombination, and bricolage in the context of the transformation.

\(^9\) This is still characteristic of the emerging literature on the “varieties of capitalism” in Eastern Europe for a long time. See, for example, Hancké, Rhodes, and Thatcher (2007). For exceptions, see Adam et al. (2004); Höhman (1999), (2000); Kornai et al. (2004); Melegh (2006); Mungiu-Pippidi and Mindruta (2002); Sztompka (1993).

\(^10\) See Kochanowicz and Marody 2003

\(^11\) The terms East and West were put in quotation marks in many cases to express a growing fuzziness of the boundaries separating them in the post-Iron Curtain era. Moreover, the “inner West” of Eastern Europe and the “inner East” of the West were of great interest for the project participants because in many cases it was exactly these inner worlds that faced each other in the cultural encounters.
cally increased during the past two decades, influence the evolution of economic cultures in the region. By placing the transnational cultural encounters in the center of inquiry, the internal sources (communist and pre-communist legacies as well as local cultural innovation) were not ignored. On the contrary, they appeared as important variables explaining how the indigenous actors, that is, flesh-and-blood workers, entrepreneurs, government officials, economists, and so on in Eastern Europe, select (accept, adjust, and mix) and negotiate certain incoming cultures while rejecting others. In studying cultural practices like these, the authors did not close their eyes when confronted with the perceptions/opinions of the actors. Interestingly enough, they discovered a number of cultural stereotypes (cf. Epilogue) that have hitherto remained unknown to survey analysts.

In order to understand the East–West cultural encounters, the authors decided to observe the institutions/issues and their key actors in the context of their cultural scenery, and to reconstruct the logic of encounters from their very beginnings. They presented the “cultural biography” of the institutions/issues under scrutiny, not simply a set of personal stories. Ideally, the cultural encounters were presumed to follow this sequence: preliminary expectations by the actors concerning the cultural specifics of their partners (mental baggage); surprises, embarrassments, culture shocks; identification of cultural differences/gaps/frictions/conflicts between the partners; crafting coping strategies by the partners to bridge the gaps; conversation/negotiation/bargaining between the partners, outcomes ranging from rejection/dissimilation to acceptance/assimilation, and emergence of cultural compromises; drawing the lessons. Regarding the outcomes of the encounters, the authors thought to witness a large array of cultural hybrids that represent symmetric and asymmetric, actual and simulated, formal and informal, stable and provisional, or voluntary and forced compromises rather than pure types of rejection or acceptance.

Thus, the authors wanted to discuss not only the ways in which Eastern European capitalisms are shaped “from outside” but also the patterns through which the incoming economic cultures are actually appropriated by local societies. This choice was also confirmed by a conspicuous gap between the scarcity of empirical knowledge concerning the reception of vast cultural packages arriving in the region from the West, on the one hand, and the abundance of high-sounding generalizations about cultural colonization, convergence, Americanization,
Europeanization, and the like, on the other. Although the authors consider cultural exchange to be asymmetric fairly often, they think that it would be nonetheless a grave simplification to talk about a “strong Western” culture that devours the “weak Eastern” culture, or about ongoing and insurmountable “clashes of civilizations.”

Methodology

This volume has grown out from a close cooperation between a number of Eastern European scholars, a multidisciplinary research team of economists, sociologists, historians, anthropologists, and political scientists.\textsuperscript{12} We joined forces in the early 2000s under the aegis of the ACCESS project (“After the Accession. The Socio-Economic Cultures of Eastern Europe in the Enlarged Union: An Asset or a Liability?”) run by the Institute for Human Sciences (IWM), Vienna. That project served as a pilot for a much larger research program, DIOSCURI (“Eastern Enlargement—Western Enlargement. Cultural Encounters in the European Economy”)\textsuperscript{13} directed jointly by the two editors representing the Center for Public Policy at the Central European University, Budapest and the Institute for Human Sciences, Vienna. Currently, many leading members of this program continue to work on the CAPITO project (“Understanding Nascent Capitalism in Eastern Europe”) hosted by the Institute for Human Sciences, which aims at a comparison of the new capitalist regimes in the region.

The chapters of our volume result from DIOSCURI and represent a large sample of studies prepared in \textit{eight countries} in Eastern Europe.\textsuperscript{14} The bulk of the fieldwork was completed in 2007 but most

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\textsuperscript{12} A major intellectual source of the cooperation was a series of international research projects initiated by Peter L. Berger, in which the editors had the chance to take part. See Berger (1998); Berger and Huntington (2002); Harrison and Berger (2006); Berger and Redding (2010). See also Kovács (2002).
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\textsuperscript{13} The research project was named DIOSCURI although the story of the twin sons of Zeus, Castor, and Pollux who never strove in rivalry for leadership, reflects only the optimistic alternative of the cohabitation of Eastern and Western economic cultures.
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\textsuperscript{14} The editors owe special thanks to the members of the national research teams, in particular, to Ulrich Brinkmann, Drago Čengić, Petya Kabakchieva, Irena Kašparová, Jacek Kochanowicz, Vintilă Mihăilescu Mihăilescu, Matevž Tomšič and Vesna Vučinić. The project was funded by the European Commission within the 6th Framework Programme. For more information, see http://www.dioscuriproject.net.
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of the case studies and comparative analyses were written, transformed into publishable articles, and updated in the following three years.\textsuperscript{15} Therefore, although the chapters provide a detailed picture of local economic cultures prior to the recent global crisis, they cannot satisfactorily explain how these cultures actually changed in its wake. (For a few assumptions about that change, see the Epilogue.)

DIOSCURI covered two subregions, Central and Eastern Europe and South Eastern Europe, to follow conventional classification in symbolic geography.\textsuperscript{16} Four countries (Czech Republic, Hungary, Poland, and Slovenia) belong to the former, and four (Bulgaria, Croatia, Romania, and Serbia) to the latter. The eastern part of Germany where the encounters between Ossi and Wessi cultures have taken place within a single country was also included in the comparison as a test case.\textsuperscript{17}

We identified three research fields—entrepreneurship, state governance, and economic knowledge)—that give room to a great many producers and mediators of economic culture.\textsuperscript{18} The group of businesspeople studied under entrepreneurship included firm owners as well as top managers and their chief consultants. The civil servants in state governance were leading officials working at both central and local levels. As regards economic knowledge, the group of economists primarily included academic experts, for instance, scientific researchers and university professors. The case studies that relied on, besides a

\begin{small}\	extsuperscript{15} This is evidenced by many dozens of individual publications. Here we refer just to two preliminary collective works: Kabakchieva and Kiossev (2007); Kochanowicz, Marody, and Mandes (2007). In some cases the authors had to wait until the interview partners gave their consent to publication.\textsuperscript{16} The working hypotheses of the project did not include any assumption about “Balkanization.” As it will be shown in the Epilogue, even a less malevolent hypothesis on sharp cultural differences between the economies of the alleged subregions would not have held true.\textsuperscript{17} To our regret, for financial reasons we could not cover Slovakia and any of the ex-Soviet republics.\textsuperscript{18} In trying to avoid narrowing down the concept of economic culture to empty attributes, we let our respondents speak freely not only of “airy” items like values, norms, and beliefs but also of “more tangible” ones such as habits or even policies and institutional arrangements in which the former are incorporated. The term “culture” was used in plural to express the prevailing diversity of cultural types in both the East and the West. At the same time, our interest in transnational encounters did not stem from an identification of nations with\end{small}
cultures, thereby ignoring cultural exchange within the countries under scrutiny. Moreover, it was assumed that intra-national cultural differences between generations, genders, regions, and so on, though often caused by international differences, may overshadow the latter. Finally, our project was not intended to become a comprehensive survey of all possible functional subcategories of economic culture (such as work culture, consumption culture, financial culture, and so on).

DIOSCURI was not only unique in terms of the quantity of cases and the—almost anthropological—depth of their studies but also in that of the diversity of cases. We selected small and large, old and new, and public and private institutions that operate in various branches of the economy, polity, and science, and embody cultural encounters with different countries/regions in the West. With the help of “thick description,” the authors reconstructed the history of the encounters over long periods. In preparing for publication, they condensed the ample empirical material into lively “short stories.” Many of the case studies with identical topics and institutional background were then subjected to comparative analysis to obtain regional results.\(^\text{20}\)

The volume consists of three parts as well as a Prologue and an Epilogue. The Prologue presents the state of the art and the methodological design of the research program. The three parts follow the major research fields on entrepreneurship, state governance, and eco-

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\(^{19}\) The respondents took part in loosely structured narrative interviews focusing on actual developments in the context of their own case/issue. In what we called “guided narration,” they were not asked questions directly about “cultures,” “encounters,” “conflicts,” and the like. The only attitudinal question (“In your opinion what could the foreign and local partners learn from each other?”) was raised at the very end of the session.

\(^{20}\) While the case studies covered large banks, car factories, software companies, wine producers, supermarkets, EU-based governmental programs, Phare, UN, and USAID development projects, consulting firms, research institutes, and so on, the comparative papers dealt with topics like a transnational bank’s regional network, foreign direct investment in food industry, regional development programs, and Eastern European MEPs as well as new economics departments and think tanks.
nomic knowledge. In the Epilogue the editors confront the working hypotheses with the results of the project. In arriving at their conclusions, the authors also experienced a great many surprising cultural encounters with each other and with the real world of post-communist Eastern Europe—encounters that helped us bridge the gap between our original expectations and the final outcomes of the research program.

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