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Review of Bruno S. Sergei, William T. Bagatelas, and Jana Kubicova, eds., Industries and Markets in Central and Eastern Europe

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Comparative advantage constitutes a link to convergence in the liberal market economy and serves as a channel for institutional modernization through external conditions (chap. 3). The overreliance on the primary resource comparative advantage and respective trade leads to the ossification of the preexisting institutions and a greater weight of the state. Internal fragmentation and social and ethnic disunion contribute to the latter too (seen in the cases of Russia and Western Balkans). The statist economies have not made any remarkable strides in the direction of true liberalization. These economies are quite different from the continental statist models (France, for example) and more resemblent of “oriental despotic” authoritarian types such as the case of Belarus. China is featured under the rubric of a statist economy and rightfully defined a dual economy with parallel existence of two subsystems of institutional design which can be attributed to an interrupted and therefore incomplete socialist framework under Mao and pragmatic open market reforms imitative of a liberal business environment.

The combination of methodological innovation and incorporated empirical studies by contributors with an intimate knowledge of specific cases makes this book an instructive and provocative reading. Its main credit is an open-ended discussion about assessment and forecasting outcomes of postsocialist transformation.

Marina Rosser, James Madison University

Sergei, Bruno S., William T. Bagatelas, and Jana Kubicová, eds.  

The intent of this edited volume is to bring together a number of experts from various transition economies to explain some of their unique transition issues. The first chapter, by Aristidis Bitzenis, focuses on the positive role of globalization in attracting foreign direct investment (FDI) into transition economies. Along the same lines, Dirk Panhans and Lutz Kaufmann in chapter 2 attempt to explain the strategies of multinational corporations (MNCs) as they approach inward investment in the new member states of the EU. In many cases these new EU members serve as processing zones of the developed EU. Consequently, there is a zero-sum game established as the new members are constantly revising their incentive structures designed to attract EU investors. As in the case of Mexico, the major constraint faced by these new entrants is their inability to increase their technological know-how.

On a different path, Mikhail Balaev and Caleb Southworth in chapter 3 focus on the evolving economic and political relationships between Russia and its former client states. Despite the breakup of the Soviet Union, the Russian desire to be the hegemon in the region is still the primary incentive. The focus on Russia continues in chapter 4, where Evgeny Vinokurov presents the reader with the Russian view of its conflicted relationship with the EU. On its face, the arguments made by Vinokurov ignore most of the economic reality of the EU enlargement.

Switching to local issues of innovation, Per Hogselius in chapter 5 reviews the lack of innovation of Central and Eastern Europe in a historical perspective. He correctly points out that the entire innovation process in the days of the Soviet Union was driven by Soviet demand, and has now been replaced by the demand of Western MNCs. Nevertheless, he convincingly argues that to have sustainable growth in the region one needs to develop internal drivers which, to date, are still in their infancy.

The nature of the market economies created in the post-Soviet era is examined by John Marangos in chapter 6. This chapter points out that the introduction of markets into the region created different versions of markets, some with very large oligopolistic players, others with smaller actors, but all functioning in a distorted market environment. To deal with these industrial structure variations, and to try and introduce competitive markets, Marangos focuses on the deregulating role of open access to international markets and to the positive externalities associated with FDI.
The agricultural sector in the transition environment is handled in chapter 7, by Pavel Ciaian and Jan Pokrivcak. They argue that while the agricultural sectors of most of the transition economies were heavily distorted by an irrational price structure, these distortions have been replaced by state protection. The existing economies have created new state support programs, all designed to protect local farming. They find that the current support programs exceed EU protection levels as well as those of the most protectionist economies like Japan.

Chapter 8, written by Dovile Jursyte and Gediminas Ramanauskas, focuses on the principal agent problem as it currently exists within Lithuanian firms. Using interview data, they examine the relationship between various stakeholder communities and firm management. At best, their findings are suggestive. Greater emphasis using data on firm performance, cost, and share prices would have to be undertaken in order to effectively analyze the principal agent problem in Lithuania.

The concluding chapter is not a real conclusion but a separate chapter, by Jan Drahokoupil, that focuses on the reforms in Slovakia. The author attempts to look at a broader picture but ultimately relies on the microexperience of what he calls “radical neo-liberal reforms” in Slovakia.

Overall, as is true of some edited volumes, while there is an attempt at finding a single focal point, the chapters take the reader into a labyrinth of very different country and sector experiences. What the book sorely needs is a true concluding chapter which pulls the various streams into a single thesis.

Joseph Pelzman, George Washington University


This innovative and multidisciplinary work—featuring essays first presented at a conference at Miami University in 2002—maps the diverse ways in which competing gender ideologies have multiplied in parts of Eastern Europe (Bosnia, the Czech Republic, Poland, Romania, and Slovakia) and the former Soviet Union (Belarus, Russia, and Ukraine) since the fall of communism. By introducing new methods of gender analysis, it builds on earlier scholarship and incorporates the research of several promising young scholars from the region.

Under communism, the state had a monopoly on public discourse about gender. In the introduction, Janet Elise Johnson and Jean C. Robinson argue that the post-Communist era has witnessed “more variation and more opportunity to negotiate among different gender constructions,” with such factors as the market, globalization, and elements of civil society often driving change (p. 9). On the one hand, the general status of women has deteriorated in the region since 1990, and neotraditional gender ideologies that promote the domesticating of women predominate. On the other hand, as the nine essays show, both women and men have learned to “negotiate genders strategically” in pursuing their own needs and interests (p. 13).

The essays are grouped by theme. The first section highlights ways in which gender is negotiated. Tania Rands Lyon’s study of twenty married couples in Saratov, Russia, contrasts neotraditional attitudes reported in written surveys with more flexible, egalitarian gender strategies in daily life revealed in in-depth interviews. In her study of crisis centers in Barnaul, Russia, Johnson illustrates how, due to the activism of women’s crisis centers, the regional government “institutionalized a feminist response to domestic violence” (p. 54). In contrast, essays in the second section emphasize how and why gender issues are sometimes ignored. In her investigation of public opinion polling on abortion in Poland, Anne-Marie Kramer finds that pollsters failed to query female respondents on their unique concerns as women, and instead emphasized ostensibly gender-neutral political cleavages. Ewa Grigar argues that women artists in Poland, the Czech Republic, and Slovakia use their work to “expose broader aspects of the social injustices related to gender,” challenge the gender-neutral approach to art under communism, and respond critically to globalization and consumerism (p. 99).