Europe's Vale Of Tears

The countries of Eastern Europe are on the move. But where to? **Ralf Dahrendorf** discusses their prospects for finding freedom

Cheers for the Czech revolution, but where do they go from here?

There are many theories of the transition from capitalism to socialism, but none for that from socialism to capitalism. This at any rate is one of the standard comments on the events of the last year. It is true that from Marx to Hayek *(Road To Serfdom)* the probability if not inevitability of the collapse of market economies and the rise of collectivism has been argued, though it has actually not happened anywhere. Russia in 1917 was hardly capitalist, and the capitalist United States was never threatened by collapse. On the other hand, nearly all countries of really existing socialism are now undergoing profound transformations, and many are seeking precisely the kind of society and economy for which theorists of doom predicted collapse, revolution and death. So what about the gap in our understanding?

Clearly it is not as total as is sometimes claimed. 'Transitions' have become quite a fashionable notion in analyses of Latin American, Asian and south European experiences. Yet their relevance to the countries of East Central Europe and the revolution of 1989 is limited. For one thing, none of the earlier countries on the road to freedom had to cope with the same near-total monopoly of a party over state, economy and society. In the communist world, the three were indeed almost indistinguishable. There was no such thing as society, or an economy, or indeed the state; there was only the party pervading everything else. In the Latin countries, on the other hand, the more typical picture was one of relatively thriving unsocial market economies protected by authoritarian dictatorships, which left those alone who were prepared to withdraw to their private niches, but clamped down on any sign of active or even passive opposition. This was also the case in the Philippines and Korea, and perhaps elsewhere in Asia. The Portuguese 'revolution of carnations' may sound as appealing as the Czechoslovak 'velvet revolution', but in fact the notion of revolution is much more applicable to Eastern Europe, where all-encompassing claims of the ruling *nomenklatura* had to be broken.

At the political level the temptation is great to begin with constitutional change. Nor is this just a temptation; the need is clear if the monopoly is to be broken. But changing the rules of the game is a necessary condition of the road to freedom, it is not a sufficient condition. When the French Revolution had taken its final turn for the worse, and people were rioting because they had nothing to eat, an angry Robespierre addressed the convention. 'What is this,' he said, 'they have the Republic and they cry for bread? Only tyrants give bread to their subjects. What the constitution owes to the French people is freedom, cemented by humane laws. It is the enjoyment of the sacred rights of humanity and the exercise of all the social virtues that the Republic develops.' Gorbachev, fortunately, is no Robespierre, and Robespierre hardly stands for freedom and humane laws, but one can hear the president of the Soviet Union utter a similar sigh: what is this, they have free speech and elections and they moan about empty shelves in the shops? Man certainly does not live by bread alone, but nor does he, or she, live by glasnost and perestroika, or even democracy alone.

Let me not pursue the story of the French Revolution all the way to disenchantment and beyond, at least not yet. If dire predictions of gloom were the only answer, it would be better to suffer in silence. What we are facing here is one of the more vexing issues of modern history, which is the relationship between political and economic reform, with social change thrown in at both ends. Clearly there is no simple answer. Deng Xiaoping may have hoped that he could stimulate economic activity at the local level and beyond without awakening the goddess of democracy. The students of Tiananmen Square gave him the answer, and his counterblast destroyed economic initiative along with demands for political participation. Mikhail Gorbachev may have hoped that he could release economic forces by lifting political pressure. Once people were free to speak, to learn from abroad, to form co-operatives, even to make a little money, they would grasp their new opportunities and put the Soviet economy on a sustained path to growth (or so he thought). In fact, little happened, and worse, economic conditions deteriorated while political reform became more hectic. Ever new constitutional changes were thrown at an electorate which increasingly wanted bread rather than the Republic. The conflict may yet be the undoing of a great experiment of change.

Nor are the dilemmas of Deng Xiaoping and Gorbachev the only problems raised by the relationship of political and economic reform. Even if a country succeeds, as Poland did in August 1989, in bringing to power a new government which commands the respect of the people, and embarks on an economic course intended to stimulate initiative and create market conditions, a highly explosive predicament is bound to arise. It has to do with time-scales. Basic constitutional changes can be introduced in a matter of months. They are moreover, at least at first sight, a pure gain for all except the old *nomenklatura* whom everybody wants to lose anyway. Basic economic changes cannot be introduced in a matter of months. At any rate, they will not become effective immediately. On the contrary, they will without fail lead through a valley of tears. Things are bound to get worse before they get better. Even if a policy brings goods to the shops and creates a currency of real value without black-market exchange rates, there will be many who earn too little to afford the goods, if they are employed at all. It is hard to tell how long the trek through the valley of tears will take, but certain

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that it takes longer than the lifetime of the first parliament and always likely that it engenders a degree of disillusionment which threatens the new constitutional framework along with the economic reforms which proised so much but could not deliver in time.

What then is to be done? I shall try to give a fairly systematic answer and indicate three processes which are required in parallel on the road to freedom. There is no necessary, inescapable path to freedom, nor is there a royal road ahead. What is suggested here is threatened and can fail at every stage. Freedom does not just happen, it has to be created. Moreover, its creation is full of pitfalls and surprises; in the end it will probably come about in much less systematic ways than any map of its route suggests. It also takes a good deal of luck to reach the destination. If adverse forces issue from the stars, or the neighbours, if the right people fail to come up at the right time, if inevitable small mistakes turn out to have uncontrollably large consequences, much may be lost. But as we think about the course of human endeavour, we cannot just visualise a sinister road to serfdom; there is the prospect of a road to freedom as well.

Its first stage is about the constitution. It is the hour of the lawyers. By that I mean those who have the imagination and comparative experience to find a way out of the monopoly of the party and all subordinate monopolies too. This is the core issue, and it is not enough to remove the relevant article from existing constitutions.

A number of requirements come to mind. They are listed here without claim to completeness. Basic rights have to be promulgated. There are of course plenty of conventions and bills of rights which did not prevent Stalin from killing millions and the *nomenklatura* in all communist countries from arbitrarily arresting and torturing people, from censoring all publications, from preventing people travelling and choosing their employment, and curtailing other elementary liberties.

However, the key to giving basic rights the teeth which they need to bite is the rule of law. In theory, it is not an easy concept to establish. What if the law itself is rotten? In the early weeks of his rule, Hitler pushed a number of laws through what was left of the last elected Reichstag under the Weimar constitution which remind us that the rule of law is more than the rule of laws of any description. In fact, the Enabling Law established precisely the kind of monopoly which now needs to be demolished.

In practice, the issue is not as difficult. The rule of law is not just about having legal texts to refer to; it is about the effective substance of those texts. This in turn can only be guaranteed by an independent judiciary which is seen to be incorruptible and fair, and which includes those who guard the constitution itself and its principles.

This too is a tall order. It concerns the many lower-level judges who had administered communist 'laws' quite happily, and without any outward signs of dismay. Replacing those at the top without politicising the judiciary, and grooming a new generation to enter at the bottom, is probably the only realistic answer, even if it obviously takes much longer than the six months I have allowed for constitutional change.

The rule of law is of course all-pervasive, at least so far as the rules of the democratic game are concerned. These require much thought themselves. Rather than write about federalism, electoral systems, party finance, two-chamber arrangements and the like, I want to reiterate one point of principle. Nobody can fail to understand that as you construct the constitution of liberty out of the ruins of the old monopoly, the first concern is how to divide and dissipate power. 'Let there be as much democracy as possible!' is the maxim on most constitution-builders' minds, and by democracy they mean not only the power of the people but above all the absence of power in the hands of the few, whoever they are. Thus proportional representation and referenda are piled upon decentralisation, administrative review and parliamentary prerogative. One wants to know how to dismiss governments rather than how to make them strong. This is all very well, but it may add to one's woes, especially in view of the vexing relation between politics and economics. In the valley of tears one wants to make sure that government keeps its nerve and is not thrown off course by the kind-hearted desire to soothe people's pain, which bodes disaster in the medium term. The important point is to find a proper system of checks and balances on the one hand, and the ability of governments to govern on the other.

This then leads us back to the economic elements which belong in the constitution rather than the realm of normal politics. There are certain basic economic freedoms like private property and contract. Constitutional economists would like to go much further. Relations between the central bank and government, for example, raise an important question, and there is much to be said for an independent central bank. The key yet again is the break-up of all forms of monopoly. Anything that smacks of a state monopoly over economic processes has to be removed from the basic rules of the game.

So much for the hour of the (constitutional) lawyers. Next there is the hour of the politicians. After the constitution, normal politics takes over. Even as I write this, I feel that as it is put here it might be misleading. I am not really talking about an organised sequence of events, with constitution-building first and economic policy next. In fact, both processes have to be set in motion at the same time. This is where the incompatible time-scales of political and economic reform become relevant, and each threatens the other. Did I hear Lech Walesa say in a recent speech that perhaps democracy has to be suspended for a while in order to allow economic reforms to proceed? I have certainly heard those in Czechoslovakia who would like to slow down economic change in order to preserve democracy,

How are such contradictions to be made bearable? Some think that the answer is something like a 'social market economy'. They believe in a 'third way' between the systems. In fact they know little about the German experience after the war, which is that of a combination of apparent incompatibles, market liberalism and Catholic social doctrines. Clearly it takes more than one political leader to achieve this feat. Somebody has to provide the protection of political power, somebody has to have the practical courage to take an economy from central planning to more open pastures, and somebody has to insist on social policies which are themselves appropriate and also make the harsher side-effects of the new-found market bearable. Mazowiecki, Balcerowicz and Kuron in Poland perhaps? I do not know. Nor is it likely that many countries will be blessed with all three at one and the same time. But in terms of the normal politics of transition it is clearly highly desirable. The fact that Gorbachev has not found such a constellation may well be one of the reasons why his perestroika is such a failure.

The formal process of constitutional reform takes at least six months; a general sense that things are moving up as a result of economic reform is unlikely to spread before six years have passed; the third condition of the road to freedom is to provide the social foundations which transform the constitution and the economy from fine-weather into all-weather institutions which can withstand the storms generated within and without, and 60 years are barely enough to lay these foundations. We are actually witnessing a great historical test of such an attempt at this time, as the Federal Republic of Germany is challenged after 40 years of steady development by German unification and a new role in Europe to prove the mettle of its democracy, prosperity and civil society. Civil society is the key. It pulls the divergent time-scales and dimensions of political and economic reform together. It is the ground in which both have to be anchored in order not to be blown away. The hour of the lawyer and the hour of the politician mean little without the hour of the citizen.

Civil society is fashionable in East Central Europe. Timothy Garton Ash has described its 'central role in opposition thinking': 'There should be forms of association, national, regional, local, professional, which would be voluntary, authentic, democratic and, first and last, not controlled or manipulated by

the party or party-state. People should be "civil": that is, polite, tolerant and above all, non-violent. Civil and civilian. The idea of citizenship had to be taken seriously.' Garton Ash thinks that 'ordinary men and women's rudimentary notion of what it meant to build a civil society might not satisfy the political theorist.'[1] If it does not, one reason has to do with time horizons. The voluntary, authentic, democratic associations of the honeymoon of change can collapse and die as quickly as they have been brought to life. There were tears when the East German New Forum ended up with 2.9% in the elections, and some Forum-type groups in the other countries have since joined the same route to oblivion. Adam Michnik, by temperament and circumstance always in a hurry, has described the first year of Solidarity as 'the promise of a civil society'. I heard him say: 'When we realised that we were slaves, we knew that we had become citizens.' Moving words, but words about citizens at heart rather than in the real world. When TH Marshall wrote about citizenship in Britain, he allowed three centuries for the blossoming of the idea. *Building* institutions, and a civil society at that, is a profoundly difficult notion.

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For Adam Nichnik, Janos Kis and many 'ordinary men and women', civil society is about substantial sources of power outside the state, and more often than not, against the state. It means that a tight network of autonomous institutions and organisations is created which has not one but a thousand centres and can therefore not easily be destroyed by a monopolist in the guise of a government or a party. Civil society in a certain sense sustains itself. It does not seem to need the state. One thinks of Italian society, Mafia and all, though this codicil indicates the risk which a civil society runs if there are not at the same time certain rules and procedures binding on all. This is why I prefer to think of civil society as providing the anchorage for the constitution of liberty including its economic ingredients. Both are needed, civil society and the state, but they each have their own raison d'etre and autonomous reality.

Can one *build* a civil society in this sense? We must try. Citizenship certainly can be built. The entitlements associated with membership of a society - a national society until there is a world society - are a matter of legislation and supporting policies. Civil, political and social rights must become a part of the fabric of the social and political community. The creative chaos of organisations, associations and institutions is not as easily built, and should perhaps not be the task of deliberate construction at all. Such deliberateness is all too likely to end up with a Brasilia rather than a Rio de Janeiro, an artificial construct which people love to escape for the nooks and crannies of the real thing. Variety must be encouraged; the task of deliberate action is one of enabling rather than planning or even building. Small business must be allowed and promoted. The media must be free and pluralistic in outlook. Political parties must be properly financed and independent of the state. Major institutions must be allowed to govern themselves even if their wherewithal depends in part on government. Licensing processes for voluntary organisations must be reduced to a bare minimum. The law as well as levels and methods of taxation must encourage the setting up of foundations and other vehicles of philanthropy. A principle of subsidiarity should pervade the whole community by which the state only enters the scene when nobody else can be persuaded to perform.

All this and much else is a tall order, and yet it is far from sufficient. If autonomy can be given, it can also be taken away. If organisations depend on funding, and public funding at that, they are always at risk. The secret of the USA is of course that civil society was there first, and the state came later, by the grace of civil society, as it were. Similarly in England, absolutist rulers never prevailed over the barons and other sources of local power to the extent to which they did on the continent. Switzerland is even today more a civil society, if a pretty organised one, than a state. On the other hand, countries which had to create civil society after the event were and are in trouble. Here, citizens have to borrow power from those whom they want to keep in check.

This is notably true in the post-communist world. 'We the people' are fine, but in one sense a mirror image of the total state which has just been dislodged. If the monopoly of the party is replaced merely by the victory of the masses all will be lost before long, for the masses have no structure and no permanence. Once again, Poland is lucky, as Adam Michnik noticed, and one must hope that the relative retreat of the church and the probable fragmentation of Solidarity will not destroy the principles on which its national freedom is based. The key question is how to fill the gap - sometimes, as in Romania, one of frightening dimensions - between the state and the people with activities which by their autonomy create social sources of power. Before this is achieved, the constitution of liberty and even the market economy, social or otherwise, will remain suspended in mid-air.

You will not have failed to notice that as I went on with this route-finder for the road to freedom (it is hardly a theory), the mood of my argument has become gloomier. The hour of the lawyer is euphoric and filled with visible progress; the hour of the politician is tense at times but exhilarating at others; the hour of the citizen drags on through numerous ups and downs, and its success can never really be measured. Let us face it, therefore: the entire route which I have tried to trace is full of pitfalls and risks. To repeat, freedom does not just happen. It has to be created; it has to be defended at every point of the process; the attempt can fail. Some sources of failure are obvious, and also hard to avoid. The right leaders may not come up, or those who lead may become faint-hearted. Not every country is lucky enough to have an Adenauer and an Erhard, or a Juan Carlos and an Adolfo Suarez, later a Felipe Gonzales at the same time. Still, the Polish leadership sets a good example, and there is Vaclav Havel in Prague. To some extent, great historical opportunities seem to find their masters.

More serious causes of failure arise from the project of freedom itself. In some post-communist countries it looks as if the collapse of the centre has reached proportions which make it difficult for any one or any group to hold things together sufficiently to bring about effective reform. East Germany seemed at one point close to this condition, but it is now saved by a unification which extends the legal and political structures of the Federal Republic to what used to be the GDR. Romania may be another example. Even where this is not the case, mistakes can be made at the constitutional level. It is hard to resist the temptation to let feelings of revenge get the better of the knowledge that the rule of law must prevail.

The Italian communist (or whatever he is called now) Sergio Segre was quite right when he attacked East Germans for arresting their former leader Erich Honecker: 'Will you never learn from history? Is the era of the trials of the 1930s and 1950s going to start all over again? These are politically beaten people; leave them in peace in their defeat; do not begin the old stories again. Otherwise one will never start anything new.' Latin America shows the consequences. Arguably the greatest weakness of the old states of Latin America is that most of them have never managed to give the rule of law reality in the institutions of society and the hearts and minds of the people. Their leaders and many of their people have either condoned the crimes of previous regimes or taken revenge. Condoning them destroys public morality, and revenge breeds violence. Neither is conducive to the establishment of liberty. The vicious circle must be broken.

Other constitutional mistakes are on the cards. The balance of democracy and leadership which I have advocated may not be reached at the first try. In fact, many of the initial rules may look unworkable or undesirable after they have been tried. Again one thinks of Latin America, though Germany provides another example. The history of some countries has become a cemetery of constitutions. In the end nobody trusts their paper promises any more than paper money when inflation runs at 2,000%. Among other strengths of the

American constitution there is this: that it is short and lives by its amendments and the interpretations of the Supreme Court. Admittedly, the constitution also got it right in most respects. Britain has no written constitution at all, which may have been alright in the days of Edmund Burke but is certainly a deficiency today when it comes to the rule of law. I am not sure what, to conclude from such observations, except that it is probably better for the constitution to err on the short side than to be too elaborate.

Then there is the dilemma of political and economic reform, the dangerous trip through the valley of tears. Whoever has embarked on it must not give up or turn back, and embarking on it is as indispensable as constitutional reform. But one does not have to go unprovisioned and unprotected. There is no need to make life harder than it is in any case; apart from emergency rations and a bit of entertainment at night, one can think of various forms of relief. The most important point to remember is that there is no such thing as a seamless economic policy, important though it is to have one reformer on board who has clear vision and the nerve to pursue it against many odds.

Failure looms large on the horizon as we seek the road to freedom. Disillusionment is almost inevitable, and worse states of mind and of affairs than mere disenchantment are conceivable. What would such failure mean? Where would it lead countries which have freed themselves of the monopoly of one-party *nomenklatura* socialism? Not, I am sure, back to the old regime. At least in its negative aspect, the revolution in Europe is an irreversible process.

The reason for this confident assertion is simple; one could probably spell it out by analysing the predicament of Gorbachev's 'conservative enemy' Yegor Ligachev. There are undoubtedly those members of the former *nomenklatura* who think back wistfully to the cosy world of Brezhnev, *dacha,* armoured limousines, 99% 'vote' and all. In due course, they will probably tell us that the old regime was not as bad as we now think, and in many ways preferable to the shambles which the revolution has left behind. But even if by some fluke they - say, Ligachev - gained supreme power, they could not do much more than tell all and sundry, 'I told you so'. The old regime was, in its last phase at least, a sham. It collapsed at fairly slight provocation. There was not only no popular support for it, which after the elections of 1990 is evident for all, but even without such support, state, part; and economy had lost the ability to function. In this sense, communism is gone, never to return.

But as I have emphasised throughout, there are many alternatives of which the road to freedom is only one. It is quite conceivable that a Ligachev presides over a messy mixture of the half-hearted return to some form of central planning, a military which tries to maintain law and order and preserve the union, and sullen acceptance of continued misery by the people. In East Central Europe, many unhappy combinations are thinkable. Quickly-changing governments and even regimes which leave few traces other than a near total disenchantment are as possible as new political monopolies coupled with a degree of market conditions for the economy, and as prolonged states of confusion and disorientation.

The greatest risk is probably of another kind altogether. I hesitate to use the word, but it is hard to banish from one's thoughts: fascism. By that I mean the combination of a nostalgic ideology of community which draws harsh boundaries between those who belong and those who do not, with a new political monopoly of a man or a 'movement' and a strong emphasis on organisation rather than freedom of choice. The rule of law would be suspended; dissidents and deviants would be incarcerated; minorities would be singled out for popular wrath and official discrimination. Fascism in this sense need not be as horrific as German national socialism; systematic genocide is not a necessary consequence of its rule, though it is always likely. It is in any case a tyranny which has its origin in what we have got used to calling the Right, because it is allied with the forces of 'law and order' and appeals to reactionary sentiments, dreams of the purity of a bygone age rather than Utopian visions of a better future. Also, such fascism can have many names, Mussolini and Franco, Peron and Pinochet.

The reason why this risk comes to mind is not just the prospect of the valley of tears or even the seemingly irremediable collapse of the centre of authority. It is not even the possibility of a profound disenchantment on the part of a majority with the promises of democracy. The rise of anti-semitism, and of a nationalism which has little to do with the nation-state and much with ethnic homogeneity and resentment of those who are different, are more important factors. But above all, certain social processes are going on in at least some countries of East Central Europe (including, quite emphatically, the former German Democratic Republic) which bear an uncanny resemblance to the syndrome which gave birth to fascism in the 1920s.

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Fascism above all thrives on the sudden impact of the forces of the modern industrial world on a society which is unprepared because it has retained many of the characteristics of an older, status-ridden, authoritarian age. The two simply do not match. Important groups find themselves dislocated and disoriented. They are stuck halfway between old and new. They hate capitalism as much as socialism, the newly rich as much as the newly poor. They are farmers and shopkeepers, but also members of the new middle class by status and education, civil servants, white-collar workers, even engineers. In this condition, a political movement which promises to destroy the present and return to the past has great appeal, and few recognise in time that there can be no return to old pastures. In effect, fascism is above all a destructive force, and soon crude power takes the place of all ideologies. But once people notice the trap into which they have walked, and the educated bourgeoisie begin to regret the early professions of loyalty which helped to stabilise a regime of terror, it is too late.

It would be quite wrong to apply this analysis to the post-communist world without important qualifications. For one thing, if communism is modernisation for latecomers, it is still a form of modernisation. For another thing, there are great differences between countries. Most have actually been through the purgatory, if not the hell, of fascism, and I firmly believe that in this respect as in others we do not step into the same rivers twice. But the extent to which outdated social structures have been preserved in the communist countries is striking. These may not be pre-industrial authoritarian structures; they resemble more our own conditions of Europe in the immediate postwar years. Philip Roth goes even further. 'There is still a pre-world war two varnish on the societies that, since the 40s, have been under Soviet domination. The countries of the satellite world have been caught in a time warp.' They awake with a shock, a personal shock to begin with. Roth quotes Helena Klimova to the effect that 'neurotics are getting worse' because all structure is gone and 'they are suddenly in a world of choices'.[2] Karl Heinz Bohrer has described the curious 'doppelganger' effect of East Germany on West Germans: West Germans are irritated because 'they see their history, their past come back to them'[3]. What do East Germans see? There is a sense of dislocation. Personal shocks are translated into social shocks. Dream and reality fall apart, unless someone comes along with the false promise to put them together again.

Is there a theory then of the transition from really existing socialism to the open society? There are ways of mapping the route, and we know the risks along it. Beyond that, it is perhaps the key point about the revolution of 1989 that there cannot be such a theory. If this revolution has any meaning, it is that we have left the world of History with a capital 'H' in which inexorable laws - Marxian laws, Hayekian laws - govern human behaviour, and have entered a more open - perhaps a Popperian - world. We can try to make progress, but we may go wrong, and the most important point is to make sure that we can mend our ways and try again. This is the road to freedom.

1 Timothy Garton Ash, *We The People*, pl47.
2 Philip Roth, 'A Conversation In Prague', *New York Review Of Books* April 12,1990.
3 Karl Heinz Bohrer in *Merker*, March 1990, pl88.
This article is based on a section of a book to be published later this year, entitled *Reflections On The Revolution In Europe.*