

BEREND, T. IVAN: *EUROPE SINCE 1980*. Cambridge and New York: Cambridge University Press, 2010, 331 pages, index, ISBN 978-0-521-12917-6

Published in: *Europe-Asia Studies/Glasgow*, vol.63.no.1/2011/

The author, Distinguished Professor of History at the UCLA, and for many years Director of its Center for Russian and European Studies, and honorary president of the International Economic History Association, has been one of the most prolific writers on the contemporary history of central and eastern Europe. Ever since the publication of the then pathbreaking volume, *Economic Development in East Central Europe in the 19th and 20th Centuries*/with György Ránki at Columbia University Press in 1974/ Berend has been engaged in producing broad brush accounts of the developments of the past two centuries leading up to contemporary debates. If earlier works of his tended to be characterized by meticulous attention to detail and the ensuing equally painstaking documentation of each and every detail with- often unaccessible or hardly accessible- archival material and interviews with participants, the more recent output reflects a turn in approach. Professor Berend, who turned 80 just upon the publication of the current volume, has moved in the past two decades increasingly towards a global approach, putting the region in a worldwide perspective.

The author has always been in the forefront of adopting a comparative approach against the previously predominant national narratives. He also has always been anchoring his research in a plethora of economic data. Still, previously the unit of analysis tended to be Central Europe, broadly understood, and the comparison was mainly regional, or mostly continental. In the past two decades this focus shifted. The unit of analysis is increasingly Europe, primarily the expanding European Union. By the same token the comparative angle increasingly covers global trends and non-European aspects, while the leaning towards the original, smaller entity never vanishes.

The subject matter is certainly broad, for some overbroad. Still, the teaching needs of an American university, and indeed of anybody working on the broad interdisciplinary field of European studies does

require the summary view. The more the literature is split between technical and narrow, often legalistic and descriptive items on the one hand, and abstract philosophical reasoning with next to no relationship to real world phenomena, it has become a must for any good quality graduate school to search for texts covering the entire field, which may serve as a compass for a variety of audiences.

Berend's books are of this *genre*. This implies, that the author himself is never satisfied with the final outcomes, which triggers new and new syntheses, published in a book format. On the other hand, each of the books is self sufficient. Each of them exhibits a considerable degree of coherence in terms of approaches, values and conclusions. Berend has never belonged to the camp of free market enthusiasts, thus has been critical of transition from the very outset. On the other hand, he also never has joined the group of doomsdayers, who have been forecasting the collapse of the postcommunist countries ever since the eclipse of the Soviet Empire- without any factual grounding, indeed.

The current book is a sequel to preceding volumes of the author, by and large on the same subject: *From Periphery to the Periphery/2003/*, *From Laissez Faire to Globalization/2006/* and most prominently *From the Soviet Bloc to the European Union/2009/*, all brought by Cambridge University Press. The current volume, carrying the moving scene of the crowd celebrating the collapse of the Berlin Wall on the cover page, reflects the newest synthesis. In this book postcommunist change is embedded in the broader process of European trends and processes, including Europeanization, that is the direct and indirect implication of the political and economic integration processes of the old continent.

The book under review consists of five chapters. Chapter One: Europe approaches the 1980 with the dual crises. Here the author elaborates on the structural and technological crises of western Europe, the collapse of the dictatorships in the Mediterranean and the crumbling of the East, caused by the non-reformability of the system. Here too he is nuanced, and strikes a delicate balance between the fundamental/systemic and the policy-induced/coincidental factors of non-change.

Chapter Two reviews the end of two 'Europes', reflecting on the domino effects and the Gorbachev factor. And elaborates how the drive for political union in the EEC prevailed, in the form of EMU, over

competing concepts. The author is upbeat about the European unification process and- despite the well known stumbling blocks- envisions already the Community of Thirty Four, including the Balkans. He also calls attention to the contrarian processes of disintegration and fight for independence via terrorism.

Chapter Three is devoted to new trends in contemporary thinking- *Zeitgeist*- which is discussed through a comparative analysis of neoliberalism, neoconservatism and postmodernism- each challenging the postwar consensus of a universal and sustaining welfare state as the foundation for mass democracy. The reconstruction of the party systems and the eclipse of class based purely ideological movements is a major novelty, and so is the rise of transient single issue parties and extremist movements. These changes all are rooted in social transformations, such as suburbanization and the changing role of families. The broadening of middle classes goes hand in hand with the triumph of mass culture and electronic media. Here again the author is sober, while describing negative issues he never lapses into the „end of the West” type of platitudes.

Chapter Four is devoted to the European response to globalization, which took place primarily via strengthening the process of European integration. While Europe as a whole managed to sustain momentum, not least owing to the dynamizing factors of enlargement to the East, other parts of the globe, primarily Asia, but in part also the Americas, managed to outpace the old continent- a process documented in rich detail. In the global competition in deregulation- which the author sees as ending the mixed economy of the postwar period- Europe is lagging behind other major regions, and so is the case with research and development as well as in the ever more important services industry. In more immediate statistical terms the author documents the catching up of Ireland and the Mediterranean in the past two decades. Meanwhile, central and eastern Europe first had to go through 'the valley of tears', i.e. of transformational recession. Thus catching up, triggered largely by sizable FDI, has barely started- and then slowed down by the 2008-2009 global financial crisis. Berend is critical of the Washington Consensus, which in his view imposed unnecessarily restrictive policies on the postcommunist nations. But he also sees a chance in the crisis, as it swept away the naive beliefs in the free markets.

Chapter Five is devoted to truly long term issues that are close to a heart of a historian. Demographic changes- decline in the North while explosion in the South, the spread of consumerism and the erosion of the welfare state are the major trend setters. In coping with the challenge Europe needs more inward migration, in turn the need to be able to cope with multiculturalism has already become high on the agenda. The need to fight segregation and avoid the spontaneous re-emergence of an urban underclass are fundamental for sustaining the social fabric. The social shock was particularly hard felt in eastern Europe, and the challenge to the European Social Model is rather obvious. The author is again rather nuanced: while advocating the preservation of welfare arrangements, he draws attention to the unsustainability of current expenditure trends on health and old age pensions too. He underscores the need for sustaining the welfare arrangements against simplistic reform attempts if inequalities are to be kept at a tolerable level.

Chapter Six is a somewhat speculative epilogue on if, and under what conditions, Europe may become- or survive- as a superpower in the age of globalization and technological revolution. While the author is generally upbeat about Europe, based on commonalities of interests and values, as well as the ability to compromise and muddle through via crises, he also concludes on a pessimistic note. If the 19th century was that of Europe, the 20th of the United States, the 21st seems to belong to Asia, China and India most prominently.

As our fragmentary analysis might have shown, Professor Berend has produced an interesting, thought-provoking book, with his broad brush attempts to show the big picture. Certainly many bits and pieces might be criticised or expanded, but the true value of the book is in its concise nature. Published in the series 'The World Since 1800' depicting the major powers of the globe, this is a welcome addition to the general literature. The author is quite explicit about his Keynesian and social democratic inclinations, which leads him often to conclusions that are at odds with the economic and political mainstream of liberals and conservatives. One can always debate if some other subjects could have been included or certain ones cut back. For instance, while appreciating the intellectual pre-eminence of the late Nobel Laureates Milton Friedman and Friedrich August von Hayek I do not think their influence on policy-makers was half as strong as Professor Berend

describes. By contrast, theories with more science appeal, as of the rational expectations in the interpretation of Robert E. Lucas, or the efficient market hypothesis of finance theorist Eugene Fama, has been much more formative in shaping policies and business thinking alike. Similarly I would also think that the fact, that the expansion of the welfare state has come to a halt should not be equalled to the abolition of the mixed economy. But in all, and despite potential criticisms, this volume is a worthy contribution which any serious academic library should obtain. Meanwhile professionals in history and economics are well advised to continue debating the issues conceptualized and interpreted by the author at a high level, but in an accessible language.

Budapest, 28 July, 2010

László Csaba

László Csaba is Professor of International Political Economy at CEU, University of Debrecen and Corvinus, and is also a member of the Hungarian Academy of Sciences. E-mail: csabal@ceu.hu, personal website: www.csabal.com