

## ➤ 1989: Global History?

Carlos Riojas-López  
*Universidad de Guadalajara, México*

**Abstract:** This paper presents historical facts from the year 1989 in order to show the relevance of conducting comparative analysis between Latin America and Central Europe at the end of the twentieth century, in the setting of their respective processes of institutional change. It also confirms the existence of common features in the trajectories of countries in these groups, motivating studies of this type to be undertaken as part of a Global History. Common features include the influence on them of neoliberalism, the legacies left by their institutions, and finally a generalised picture of economic and institutional crisis. Hence a historical dialogue between Latin America and Central Europe may be promoted as a way of contributing to Global History. The body of the work is in two parts: an account is given of parallel facts that point to the transcendental nature of 1989, and then, historical events in Argentina, Chile, Mexico, Czech Republic, Hungary and Poland are addressed specifically. The aim of the study is to support and encourage comparative studies of the two subcontinents.

**Keywords:** Institutional Change; Neoliberalism; Global History; Latin America; Central Europe; 20th Century.

**Resumen:** El ensayo articula hechos históricos en torno a 1989 con el objetivo de mostrar la pertinencia del análisis comparado entre América Latina y Europa Central a finales del siglo xx, en el marco de los respectivos procesos de cambio institucional. Asimismo, se comprueba la existencia de características comunes en sus trayectorias que motivan este tipo de estudios como parte de una Historia global. Entre estas últimas, sobresalen la influencia del neoliberalismo, las herencias institucionales y un panorama generalizado de crisis económica e institucional. Por lo tanto, es posible promover un diálogo histórico entre América Latina y Europa Central como una forma de contribuir a una Historia global. El trabajo se divide en dos partes: se presentan hechos paralelos que dan cuenta de la trascendencia de 1989 y se abordan eventos en Argentina, Chile, México, República Checa, Hungría y Polonia. Se busca que el análisis apoye y promueva estudios comparados entre ambas regiones.

**Palabras clave:** Transformación institucional; Neoliberalismo; Historia global; América Latina; Europa Central; Siglo xx.

### Introduction

In 1983 French historian Emmanuel Le Roy Ladurie published an exemplary study in two volumes entitled *Histoire du climat depuis l'an mil*, where, amongst other things, various series of data on climate change are studied, basically for Europe from a long term historical perspective. Of interest to us here is that in the preface to the 2009 edition, with

an eye on events in Berlin, the author mentions that from 1988-89 to 1990 an increase, unusual up to then, had been detected in average temperatures (Le Roy Ladurie 2009: vii). That is to say, an overheating was recorded in these years that would then go on to provide humanity with one of its central challenges for the twenty-first century. But this increase of temperature in 1989 was not only of interest in terms of the climate, but also from the point of view of institutional change, as the increase in the temperature shown on the socio-economic thermometer of Europe was so great that it managed, as it were, to unfreeze the so-called Cold War, and make way for a new era, which has also been a challenge for a considerable part of mankind. However, the institutional overheating did not take place only in Central Europe, but also assumed a global scale as it occurred elsewhere on Earth, particularly in Latin America.

The object of this essay is essentially to present in a connected way a series of apparently isolated historical facts, which if linked to the year 1989 show the relevance of conducting a comparative analysis of Latin America and Central Europe starting in the nineteen eighties, with reference to their respective processes of institutional change. I therefore consider that their path dependencies in the last two decades of the twentieth century share common features, which motivate us to study these phenomena through a common prism, as part of a Global History of the period mentioned. That is, to study these facts under the focus of Global History becomes an attractive task, especially if we keep in mind the intense process of globalization that started in the nineteen eighties, whose principal feature has also been the transition from a bipolar to a multipolar world where the most outstanding developments are the rise of new actors such as China, and the increased number of deeper challenges internationally. A common feature of the two areas is the influence of neoliberalism on the implementation of public policies, which meant the adoption of a similar agenda for dealing with the systemic transformation in Central Europe and the structural adjustment in Latin America. Obviously, the influence of neoliberalism goes much further than the areas or spaces it is proposed to study here, and in fact it managed to seduce even some of the progressive governments of Western Europe with respect to the introduction of fiscal measures for promoting economic development (Merkel and Petring 2008: 103).

There are also similar kinds of institutional legacy, such as the supposed promotion of welfare through the centralized planning of an authoritarian state. This would later be reflected in institutional rigidities with a tendency to stagnation or lack of growth, as also in severe macroeconomic maladjustments in an environment that did not encourage diversity as a way of functioning politically and economically. However, the crucial element to help with understanding this comparative study is precisely the events of 1989, on the basis of which it is possible to set up a historical dialogue between Latin America and Central Europe as a way to contribute to the construction of a Global History and to a certain extent explore the continuities or ruptures that occurred, on the basis of that year.

In order to reach our objective, the work is divided into its two parts. In the first section I present certain facts paralleled by others elsewhere in the world that show the transcendence of the year 1989 as a key moment in Global History; then, in the next, I address in a general way certain events that took place in Central Europe and Latin America, basically in the Czech Republic, Hungary and Poland on the one side and in Argentina, Chile and Mexico on the other. My aim is for this analysis to provide support for comparative

studies between Latin America and Central Europe at the end of the twentieth century conducted under the rubric of theories of institutional change (Riojas 2009: 51-67).

## 1. Parallel events

During the winter of 2009 the Berlin museum and cultural centre *Haus der Kulturen der Welt* (The House of World Cultures) organized a number of academic and cultural events to do with the Global History of 1989. One idea that was at the forefront of this series of encounters was that historical facts recorded before and after the crucial year of 1989 were interconnected. Another prominent point was that a detailed reflection on each of the activities organized by the Centre (round table discussions, conferences, exhibitions of photos, and the presentation of books, films and concerts) revealed the specific relevance of undertaking a comparative analysis of the processes of institutional change, especially in Latin America and Central Europe at the end of the twentieth century (Riojas 2010: 131-157). There are also plans in Canada to publish a collection of texts called *Global History of the Present*, based on a series of studies whose nodal point is 1989, aiming to connect different narratives in the context of international comparisons; however so far the studies published are on specific zones such as Central and Eastern Europe, Mexico, China, Turkey and Iran, for example. Whereas our object, in the first instance, is the integration of this Global History from a comparative perspective. An extension of that perspective might well be to consider the different waves of democratization involving various regions of the world (Merkel and Croissant 2004: 107), whose common characteristic at the end of the twentieth century was the revival of civil society and a considerable reduction in the number of openly authoritarian regimes. But we also wish to include a more ample view that would cover interpretations of institutional change (whether economical, political or social), and explore a periodization allowing us to understand the unfolding of each of the transformation processes and show a greater sensitivity to the shared connections or appearance of events such as the rise of neoliberalism in the last years of the twentieth century, which was clearly visible from 1989 onwards (Douki and Minard 2008: 161-176).

Following the same line of thought, before addressing the events that mark 1989 as a crucial year for linking comparative studies of Latin America and Central Europe, it is important to note what we judge to be the most widely recognized historical facts that provide a general picture of transformation during the period around the Fall of the Berlin Wall. Such an exercise will make it possible to show the interconnections between the various transnational relations that developed over time and budded at that moment, where some of them not only meant making a real break with the past, but also had profound consequences on what happened at that time and particularly for the immediate future. Systemic transformation, as this process of institutional change in the former socialist countries has been called, was seen in the nineties with some enthusiasm by certain sectors in the developing countries, as hopes were raised by the promises of democracy it brought, to which the relative and rapid success acclaimed for Poland and Hungary also contributed. There was however an inherent concern about the situation developing in the Soviet Union (Szentes 1990: 137). Also, reputable academics expressed some doubts –though they were hardly heard for all the rejoicing– and advised caution; while they recognised the obvious ability

of the capitalist system to provide a considerable amount of merchandise and of goods in general, which seemed to be triumphant at that time. Nevertheless, as they pointed out, capitalism still had much to give, just as socialism did, in terms of working as a system that would really promote equality and a better quality of life for the majority of people living under its rule (Przeworski 1991: 172). All the same, there is no doubt that as a result of the transition from socialism to a market economy, the conditions in which the people of these countries live has improved. One example of how bad things were before is the time a young person in the nineteen eighties had to wait to obtain the right to own a small apartment in the city (from 15 to 20 years), and we can identify multiple examples of material and immaterial privations that ended up undermining the socialist system (Kenney 2006: 2-3). Following the improvements attained during the transition, the discussion moved on to strategies for raising the standard of quality of life further, to the high levels of people living in Western Europe, which provide an indispensable point of reference in this process of institutional change. Similarly, another important object of this study is the role played by the State during the process of institutional change in Central Europe and in Latin America; especially the simultaneity of a transition towards a market economy, democratic transformation, and the implementation of a new system of governance, both in the public and in the private realms, in an environment marked by commercial liberalisation worldwide. We are faced with common aims with divergent effects, presenting a challenge to the various theoretical currents addressing institutional change, especially if one takes into account institutional design and the posture of hegemonic groups (as an endogenous factor), as well as a favourable or unfavourable international context for encouraging democratisation (as an exogenous factor) (Merkel 2008: 24 and 26; Merkel 2010: 20; Ménard and Shirley 2005: 16; Croissant and Merkel 2004: 6-7). Here the influence of the European Community and the eventual integrations of nation states in the Americas (North and South) played a fundamental role.

The impacts of institutional change were not only felt in Central Europe but also transmitted in various manifestations to the other continents, which produced a phenomenon of worldwide effects, which allows us to contemplate a reconstruction of Global History around the year 1989. It is therefore theoretically possible to use this approach as a reference point for starting comparative studies with a coherent time scale, where the respective path dependencies of the parts concerned are emphasised in order to show the correlations between these paths, apparently separate both in time and in space, and thus contribute to rethinking a Global History for the end of the twentieth century. Following the same logic, there are also proposals to study the economic expansion of several countries that adopted a strategy of economic liberalisation, that was fully worked out in the nineteen nineties; this period has been called “The Great Liberalisation”, which is a way of honouring the work of Hungarian economist and philosopher Karl Polanyi that came out in 1944 (Polanyi 1983 [1944]). On the basis of this approach, two stages have been recognised; the first is earlier and runs from 1975 to 1989, and the second, which applies to these years of “economic opening”, is from 1990 to 2005 (Estevadeordal and Taylor 2008: 15 and 18). Although the proposal is of interest, I believe it is important to explain the significance of 1989 in even greater depth, as a point of rupture, and at the same time to join the two periods mentioned, in order to approach the time and the context with greater sensitivity, and especially to detect the influence certain institutions had on this process of transformation that marked the start of the twenty-first century to a considerable extent.

This becomes particularly important if we reconsider some of the principal aspects of transition that have been debated since the nineteen nineties. This refers specifically to the examples of coordination between economic reform (tending to promote or establish, as the case might be, a market economy), and the process of democratisation, which in its turn implied the design of a new governance to support these changes. Although the economic reform and democratisation did not coincide precisely at the same time in Latin America and Central Europe, they did display certain coincidences during the last two decades of the twenty century and their central linkage can be constructed around 1989. The common aim in both subcontinents was to encourage the processes mentioned to complement each other with a view to bringing the institutional transformation underway safely to port.

On the basis of what has been explained, a primary subject of debate is directly related to the consolidation of democracy and a reconfiguration of civil society, whose basic function was to show it had autonomy with respect to initiatives coming from public power. Wolfgang Merkel and Aurel Croissant, in several studies, sum up the consolidation of democracy in four moves: constitutional, representative, behavioural and through the formation of a civil society culture (Merkel 2002: 78, 79, 80 and 85; Merkel 2008: 14; Croissant/Merkel, 2004: 200). The first two can be equated with the establishment of formal institutions with their respective organizations having the power to conduct free elections; while the other two steps form part of the consolidation of informal institutions, thus requiring more time to show results, which may at some point lead to extra pressure on the transition as a whole. In Central Europe, specifically in Czech Republic, Hungary and Poland, the first three steps towards transformation have been completed, while the fourth is still underway. Even so it is possible to speak of the establishment of an operating democracy with the accompanying rule of law, accountability, responsiveness, freedom and equity. In Latin America, on the other hand, although the first two stages have clearly been achieved, both the behavioural change and the development of a civic society culture have had serious problems in becoming consolidated. This results in a defective democracy or what is known as hybrid regimes (Levitsky/Way 2010: 6), which have the power to organize free elections, with a certain amount of institutional stability, but a large deficit in other areas of democratic life due to the concentration of income or the remarkable and increasing asymmetries in socio-economic power, as well as increased corruption and a lack of justice for the majority of social groups. This situation weakens action by civil society considerably and eventually raises doubts about the working of the democratic system as a whole, as clientelist relations or local enclaves of authoritarianism grow out of it. Thus, it is of some relevance to observe the year 1989 again, but this time adopting a perspective that weighs both the optimism and the pessimism that have traditionally marked the process of transition. A brief account of the facts that we consider significant on a worldwide scale will now follow, before showing the contexts of Central Europe and Latin America in greater detail.

One of the events that has been most striking in the course of this reinterpretation of Global History, both because of what it meant at the time and because of what it led to later, was the massacre in Tiananmen Square in China on 4 June (the same day that free elections were held in Poland which were won by the political option of the Solidarity movement), which had been preceded by a series of citizen protests since April the same year. The outcome was a historical rupture with effects worldwide. On the one hand it

marked the end of a Chinese movement for democracy (or a long pause in it?), on the other it cleared the way for economic reforms that Deng Xiaoping had been pushing for since the seventies, which played a fundamental role in the economic history of China to the extent of reviving a conception of market socialism sustained to a great extent by “spontaneity”. This was in line with the hypothesis originally proposed by Oscar Lange (1981: 75-84), at the end of the nineteen fifties and later explored for the case of China, even before the systemic transformation of the former socialist countries of Central Europe, by Victor Nee. In his writings Nee highlighted the importance of the learning process in households, especially in rural areas, as one of the key factors for determining rates of return, linking it directly to the appropriate cultural capital possessed by the head of the household and his wife. A domestic learning process was a cardinal requirement before promoting reforms that would allow a successful transition to a market economy in a context where economic diversity prevailed (Nee 1989: 674-675).

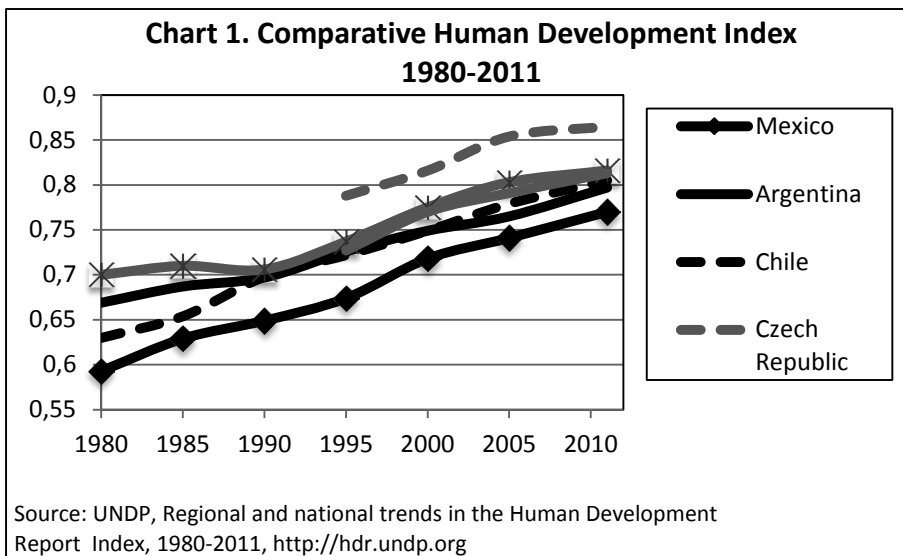
Along with the collapse of the Soviet type of socialism came the withdrawal of USSR troops from Afghanistan after ten years of occupation, at which point civil war broke out in the country, producing a series of disputes between the various ethnic groups that still wanted to have control of the country or their part of it. Here we cannot fail to mention that the attacks in New York on September 11 2001, were connected in some way with the situation in Afghanistan. Although it is true that with the collapse of the Soviet empire a number of ethnic groups gained their political independence, it is no less true that as a corollary nationalisms were exacerbated and there followed a period of civil wars, ethnic tensions, violations of human rights, and the consolidation of religious dogmas or radicalisms, which taken as a whole have contributed to keeping these societies in a state of chaos.

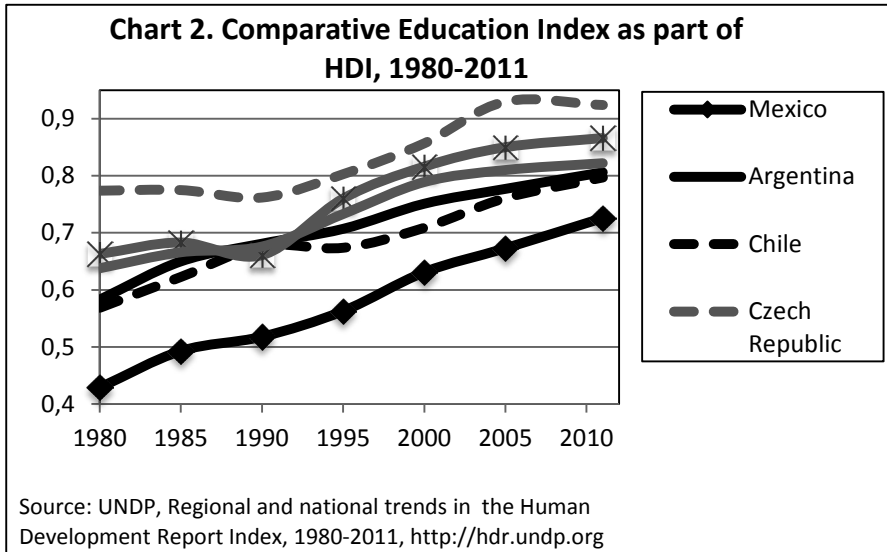
The failed attempts of reform by Mikhail Gorbachev (through *Perestroika* and *Glasnost*), the collapse of the Soviet Union and the subsequent end of the communist bloc, marked symbolically by the Fall of the Berlin Wall, also had an effect on Africa. Apartheid ceased to be government policy and Nelson Mandela came out of jail, which revived the hope for democracy in South Africa. At the same time Namibia gained its independence. Cuban troops were withdrawn from Angola and thus the influence of Fidel Castro’s regime was reduced, at the beginning of a long period of decline for Cuba. In spite of the reorganization and modernization of African civil society, the vision the United States and Europe had of this part of the world did not change much; in some conservative circles the idea still prevails that the continent is basically a provider of raw materials and many of its nations are thought of as failed states. As an example, in years to come some of the darkest pages of human rights will be written on the conflicts in Somalia.

1989 is also controversial with regard to experiences in Latin America. It represented the start of the fall of dictators such as Augusto Pinochet in Chile and Alfredo Stroessner in Paraguay, and the withdrawal of military regimes in the Southern Cone. However the eighties were also marked by the arrival of economic strategies of a neoliberal type in the context of accelerated globalization, with the impact of these felt widely throughout different spheres of society; the neoliberal policies that were applied formed part of a public policy experiment referred to as “The Great Liberalization of the Nineties” (Estevadeordal/Taylor 2008: 27). Thus the conjunction of these phenomena opened the gates to a long period of democratic and economic transition, which still had not consolidated by the start of the twenty-first century. A crucial aspect of this race to democracy has been the

level of education, which in general terms is lower in Latin America than in similar cases in Central Europe, and has had repercussions on the speed of institutional change. Even though some convergences can be found, the tendency in the Human Development Index between 1980 and 2011 (with a maximum of 1.00 and a minimum of 0) corroborates that in global terms the countries of Central Europe in our sample come in above those of Latin America in this study. And comparing Czech Republic with Mexico, the difference is even greater. In the part for education, the tendency favours the ex-socialist countries of Central Europe where the mean years of schooling (of adults) was highest in Czech Republic at 12.3, while the lowest figure was for Mexico at 8.5 (See Charts 1 and 2).

The part played by education in institutional change is a hypothesis that still needs to be explored in greater depth, but for the moment I consider that these findings agree with the proposition of Douglass C. North, who emphasises the importance of time and rhythm in the learning process as one of the elements at the core of transformation (North 2005: 23). Thus, Central Europe capitalised adequately on its inheritance from the Soviet type of socialist system which promoted a high level of education and less inequality in this area, allowing it to speed up the democratization process in one of the later phases of global capitalism, even at a time when it had to deal domestically with an environment of institutional instability, and uncertainty deriving from the dilemma of simultaneity (Merkel 2008: 12, 25 and 25; Croissant/Merkel, 2004: 2 and 5).





On the other hand, in the case of Latin America even the apologists of the Washington Consensus have seen that their prescriptions turned out to be meagre if measured against the challenges of the time, and some of them have still not been taken up today. Reactions against neoliberal strategies are another peculiarity of the region, in Venezuela, Brazil, Chile, Argentina and Mexico, where the civil societies of these countries have demonstrated in many different forms their permanent rejection of the principle initiatives deriving from the Washington Consensus. On this point the conclusive rejection of privatizing the supply and treatment of drinking water is notable, not only in Latin America but also in Central Europe (Hall/Lobina 2009: 87). Further, it may be remarked that the popular uprisings in Caracas against policies inspired by neoliberalism, contributed afterwards, at the beginning of the twenty-first century, to the growth of what has been called the Bolivarian Revolution, and has led to profound disagreements about this concept of society in Latin America.

## 2. General historical facts for Central Europe and Latin America

### a. Central Europe

The facts which form the kernel of our argument, in line with the objectives of this essay, are those that date from the Autumn of 1989, the consequences of which were felt throughout the whole of Europe. In fact, the influence they have had, and the resulting contradictions, are a factor that still has an impact on the course of Global History more than twenty years later, as can be seen from the international press since then (Vidal 2010: 4), and in the rise of the conception of a New Europe, which avoids any mention of the old classification that referred to countries of the East, as such a term today has the connotation of backwardness or is regarded as pejorative (Kenney 2006: 1 and 13). Mixed up in



these historical events are the names of important capitals of the old world such as Berlin, Budapest, Prague, Moscow, Warsaw and Bucharest. There will always be a temptation to look back into the past or to try to discern what awaits us in the future, but here the nodal point of our reflections is in 1989.

There is a consensus among the academic community that one the biggest failures of political science, and I would add of social science in general, was that it failed to anticipate the events of 1989 (Merkel 2010: 23). However, there were events that were symptomatic of the coming transformations, except that the relation interwoven between each of them, which would have provided a way of foreseeing the phenomenon as a whole, passed unnoticed by the various scholars studying the former socialist regimes, although they recognized a general feeling of decadence. Outstanding among these historical facts is that during the nineteen seventies the repressive measures taken by the communist leaders were moderated, and so was their own self-discipline. As their behaviour became more and more bourgeois, their capacity for controlling the various dissident movements that hoped to create a civil society within the socialist regime, not having as yet the ability to interact freely in a market economy, was reduced. The strength of these movements, which was hard to see, was based on elements that in a bipolar context were not traditional, such as a moral and spiritual vision of the socialist world that was undergoing a crisis of values, with the Marxist-Leninist doctrine quite exhausted. Civil society was offering an alternative both from a religious and from a liberal point of view, and it shared these opinions with key actors in the Western world. In addition, it should be noted that the socialist regime was incapable of adapting to new conditions, in particular the economic infrastructure that had been built with such pride and effort was quickly overtaken by the arrival of electronics and the dizzying technological changes of the last two decades of the twenty-century.

Nevertheless, the memory of Soviet interventions in Hungary in 1956 and Czechoslovakia in 1968 were still present in the collective mind, and acted as an effective wall of contention, though the Solidarity movement carried on with its activities even facing repression, an unusual event in the socialist world of that time. However, this situation changed in the eighties, with clear signals that the Brezhnev doctrine, based on USSR intervention in order to save soviet-inspired socialism, had been dropped. A sign of this was given when in 1988 Gorbachev said that Russia's allies in Eastern Europe were free to depart, if they wished, from communist rule; this kind of declaration was made more and more frequently and came to be known as the Gorbachev doctrine (The Economist 1988: 45). Czech historians Pavel Bělina, Petr Čornej and Jiří Pokorný, quoting political writer Zbigniew Brzezinski, say that 1968 was a tactical victory for the Soviet Union, but at the same time a strategic victory for the anti-communist forces that started a process of accumulating experiences of dissidence (Bělina/Čornej/Pokorný 1995: 459) –at least the history of 1989 confirms that this is so. Another factor that contributed to undermining socialism was that the economic system recorded an unusually high rate of inflation averaging 15 to 20 per cent a year, due to the monetary policy and fixed prices of centralized planning, while at the same time the foreign debt of these countries kept gradually rising, which was seen in Yugoslavia, Poland, Hungary, the German Democratic Republic, Bulgaria and Czechoslovakia, whose creditors were western governments and bankers. It should also not be forgotten that these countries were dependent on the Soviet Union for the supply of oil, gas and other raw materials, which made them even more vulnerable for the long term (Bogdan 1992: 355; Smolar 2001: 5, 9 and 10).

The speed at which events unfolded like a chain reaction around 1989 gave clear signals about the viability of transforming the socialist system, in an environment that was both giddy and full of surprises, because as Timothy Garton Ash so eloquently expressed in his popular book *The Magic Lantern*, the movement in Poland lasted about ten years, in Hungary it lasted ten months, in East Germany ten weeks and in Czechoslovakia, ten days (quoted by Lawson 2005: 77). So once the Berlin Wall came down in the former capital of Germany, weekly demonstrations on a historically unprecedented scale took place in Leipzig, followed by others in Dresden and Berlin, which put greater pressure than ever on the neighbouring socialist world, leaving military intervention as the only option left for containing the dynamics of the situation: but that would have been too expensive and was impracticable at the time. The rapid turn of events left little room for reflection or even for a wide intellectual debate. Paradoxically, however, a historical opening was provided, which rarely happens, for understanding at greater depth the phenomenon of a transition in an environment evolving in a way that was marked particularly by natural and artificial selection, inherited legacies, and diversity. Although an impression still remains that the historical events mentioned occurred rapidly, certain facts can be mentioned that might eventually modify our present view of the sum of events in 1989.

One of the first references to be made comparing institutional change in Latin America with that in Central Europe, was to previous transitions that had occurred such as those in Spain, Greece or Portugal as a part of the so-called *Third Wave* (Huntington 1994), but for Przeworski, this first comparison was quite wrong because at its core no precise distinction was being made between authoritarianism and totalitarianism thus ignoring the legacy of Hannah Arendt (Przeworski 1991: 1-7). She took the former to be the imposition of a regime's own ideology and political vision on a society through the everyday practices of governments laden with various types of propaganda, while the latter use and abuse their own ideology and political vision in order to impose them not only on the nation but on the world (Arendt 1976: 341-364). Not respecting these differences would make the lessons learned far smaller, and to understand the scale of the historical phenomenon we are dealing with it would become necessary to follow a particular path of enquiry. For a moment it was even thought that what was happening was like the French Revolution or the bigger revolutions recorded in Global History, while others doubted the importance of the events linked to 1989, in spite of the role played by the Polish union movement Solidarity (Kenney 2006: 6). Rather than talk of a revolution, the prevailing view so far has been the idea of an evolution, towards the design of institutions strongly inspired by democracy in an international environment dominated by a neoliberal vision of society. In other words, the fall of socialism paved the way for liberal-democratic currents as a historical alternative. The pace of the transformation captured the attention of the whole world, and this time the heroes were the people, the nation, civil society, morality, truth and human rights (Smolar 2001: 5, 8 and 15). However, as soon as these heroes had made their appearance, they vanished in the onslaught of neoliberalism as an ideology, a theory and a practice.

Another revealing development in the years of the systemic transformation was that in the ex-Soviet Union and in other countries of Central Europe symptoms of Third-Worldism appeared clearly enough for the debate on underdevelopment to be restarted. This has caused some confusion and annoyance in academic circles in the ex-socialist countries when analogies are made with what happened at the same time in Latin America. Nevertheless, comparative studies have been proposed, for example, using the cases of Poland and Mexico,

which have great differences in their historical development but also have great similarities in terms of geopolitical challenges, processes of democratic transition, and the institutional modifications that have been made since 1989 (Gentleman/Zubek 1992: 59). This has led several scholars to claim without hesitation that these manifestations are of elements that are inherent not just to a domestic phenomenon of institutional change, but also to a global process that has marked our epoch, a notable part of which is evident in the severe ecological crises of Central European countries like East Germany and Czechoslovakia or else Poland (Haggard and Kaufman 2008: 1-24; Lawson 2010: 15; Gore 2000: 793; Szentes 1990: 128; Przeworski 1991: 93 and 210; Smolar 2001: 12). All these discussions add their weight to the relevance of comparative studies of institutional change in Latin America and Central Europe at the end of the twentieth century.

However, in spite of the similarities mentioned, a comparative study also implies distinguishing certain differences that have occurred, especially from the point of view of institutional configuration. With respect to this particular point there are at least two key dates for Central Europe after 1989, which will to a great extent determine the course of its transitions. As time passes the events of these years will assume greater importance with regard to what happened in Latin America at the end of the twentieth century. The first moment was in June 1993, when the Presidency of the European Council presented its conclusions in Copenhagen, in a context of uncertainty, marked by unemployment and the need to push through structural changes inside the European Community. On the basis of this multilateral process it was suggested to the associated countries of Central and Eastern Europe (among them Hungary, Poland and the recently created Czech Republic) that they modernize their economies in order to achieve a rapid transition to a market economy based on a design of institutions that would be able to cope with competitive pressures and market forces and guarantee the democratization initiatives of each country. It should be noted that the common market of Europe was thought to be incomplete if it did not guarantee the free movement of persons and goods in general (European Council, 1993). As distinct from what was being projected at the same time in Latin America, especially in the relation of Mexico to North America (U.S.A. and Canada), where talk was limited to the free circulation of merchandise in an environment where the ideas of the Washington Consensus predominated, with a strong dose of neoliberal inspiration.

This first document prepared the way for a second key moment from the point of view of transition in Central European countries, which was when the White Paper following the European Council in Essen was issued in December 1994. In this document for the first time pre-accession to the European Union was presented on the basis of three main points. First, priority was given to those countries that would previously have signed an association agreement. Second, on the basis of these agreements, a guide would be outlined to prepare for a transition to a market economy within the regulatory frameworks and governance of the European Union. Third, this would imply taking a number of legal measures for the working of the domestic market, which would be accompanied by actions to promote competition, social policy and environmental protection. Thus the aim was to reach the *acquis communautaire* and economic freedom, on the basis of key measures and a specific sequence suggested for adopting them. The central instrument of this three pronged strategy was the PHARE programme, directed to providing assistance, especially in infrastructure improvements to deal with the arrears they had suffered for the nearly forty years that the Soviet type of socialist system had lasted (Bulletin UE 05-1995).

Independently of short and medium term evaluations that would follow the putting into action of these strategies, and the extent to which they might reach beyond their rhetoric of liberalization, in the context of neoliberal euphoria and the democratizing optimism characteristic of the nineteen nineties, not only in Central Europe and Latin America but also in large areas of the world, the importance of these events has been given little importance analytically, and they need to be put in a historical perspective sustained by a periodization with 1989 at the nodal point.

In spite of the design of this institutional framework that wanted to homogenize the road of transition to a market economy with a strong neoliberal inspiration, the process was not, obviously, homogeneous either before or after 1989. Even in the sub-set of Central Europe it is possible to find divergences with regard to the type of transition that took place. Especially if we take into account that the experience of Hungary has been classified as “controlled from above”, while that of the late Czechoslovakia was a “collapse” that of Poland was “forced from below” (Merkel 2002: 91). These differences became more acute as institutional change proceeded. With regard to the latter case, the influence of Pope John Paul II and his support for the union movement Solidarity, were a constant encouragement to those in the struggle with the Communist Party. Another source of inspiration came from the growing hope, among religious groups, that the people of Poland would play an important role in their struggle against the socialist regime and to the restoration of Catholicism to Central and Eastern Europe. Thus the participation of the Catholic Church has been interpreted as a powerful unifying force that gave the Polish transition its particular tint; intellectuals and workers gradually joined the insurrection from 1976 onwards. When the movement was mature enough to challenge the communist establishment, which had lost both its discourse and the power to convince, even among members of the party itself, then it was that agreements known as the Magdalene were worked out between the two sides. Some historians consider that the agreements signed on 5 April 1989, deriving from round table negotiations, not only made political pluralism in Poland official but also provided a point of inflection for the group of countries in Central and Eastern Europe that were still socialist at that time, as Solidarity ceased to be a dissident organization and took up a share of power in the new arrangements of 1989. Paradoxically, civil society was weakened by these developments and the opening created was reduced to letting in shock therapy with a strongly neoliberal bias (Przeworski 1991: 5, 6 and 9; Bogdan 1992: 372 and 377; Lipton/Sachs/Fischer/Kornai 1990: 143; Wasilewski 1997: 315; Smolar 2001: 10).

In August 1989 the new government took office, with Tadeusz Mazowiecki as Prime Minister and Leszek Balcerowicz as Minister of Finance and President of the National Bank of Poland. Balcerowicz became the main economic architect of the transition, which he has recorded to some extent in a work published in the mid-nineties (Balcerowicz 1995); his starting point was from the criticisms and comments on the performance of the soviet type of economic regime made by Hungarian economist János Kornai. The most pressing problems for Poland in the Autumn of 1989 were hyperinflation, dealing with foreign debt, and the sudden fall in consumption. Inflation took off basically when, in a context where market practices were being promoted, restrictions were lifted that had stopped Polish households from having direct access to foreign currency, and this caused a monetary breakdown, as it had always been possible to get hold of foreign currency informally on the black market during the communist period but during the transition's

first days it was easier. The two principle measures of economic policy that were taken in the programme presented in October 1989, considered radical at the time, were a rush to stability through the immediate liberalization of prices, and the total deregulation of trade and foreign investment, policies that modified the panorama of the economy drastically (Lipton/Sachs/Fischer/Kornai 1990: 77, 86, 109 and 111; Przeworski 1991: 289).

Although the transition experience of Hungary has many things in common with the events in Poland and other countries of Central and Eastern Europe, it also has its own peculiarities that should be noted, one of which is having been “controlled from above” as mentioned. Parallel to changes in these countries, where there were also processes of negotiations, Hungary saw the rise of independent initiatives, taken by the Socialist Party of Hungarian Workers, the gradual disintegration of the regime and the growing politicization of social movements operating outside the official sphere. Also there were round table negotiations, but specific to the Hungarian case was that the official party had lost all legitimacy among the population, and no alternative power had been created to take up this lost legitimacy, which led to a power vacuum and a greater radicalization of political positions (Kenney 2006: 8). In spite of this, the dissident groups united around the Opposition Round Table, which had frequent meetings with the leaders of the Workers’ Party. Here minor concessions would be made that left the other side unsatisfied, for example one of the demands was for truly democratic parliamentary and presidential elections to be held and another, that the Workers’ Party stop using the controls and spaces given to it by its direct participation in matters of state. As a result of the negotiations, there were free elections in July 1989 in some places, which gave the victory to opposition candidate Pastor Roszik, a member of the Democratic Forum (Bogdan 1992: 380; Bozóki 1993: 276, 277 and 305).

Further, the singularity of the Hungarian case had several sides to it, one of them directly linked to the history of the country’s economic reforms, which had been pushed for since 1956, but had left a bitter memory due to the violent reaction of the communist regime of the time. The previous attempts at reform were nonetheless essential when the transition to a market economy was being discussed in detail, most notably by János Kornai, as can be seen for example in his book *Economics of Shortage* and the subsequent recommendations made in the transition period (Kornai 1984; Kornai 1997: 125). Another peculiarity of Hungary was her unusual opening to the West in which the reestablishment of diplomatic relations with Israel was the most remarkable feature and another, the promotion of economic negotiations with South Korea. Nevertheless, the event which marked the fall of the soviet type of socialist regimes in Europe irrevocably was the government’s decision to open the 350 kilometre border with Austria, known as the *Iron Curtain*, which redirected Hungary’s international relations decisively towards the West and, most importantly, caused a domino effect on her socialist neighbours of 1989, especially with the massive exodus of East Germans. Their crossing point was the emblematic frontier between Hungary and Austria, and their massive move to the west dealt a lethal blow to the regime in the German Democratic Republic, something quite unheard of at that time (Bogdan 1992: 382 and 387).

In the Czechoslovakia of that time the civic movement against the socialist power was particularly interesting. It had started to spread in August 1988 and reached its peak, as happened in most of the socialist countries of Central and Eastern Europe, between the summer and the autumn of 1989. The Charter 77 organization, supported by the

Committee for the Defense of Unjustly Convicted Victims, provoked an unusual wave of protests due to the recent arrest of playwright Václav Havel. This event served as a thread linking the citizen movements that questioned the communist establishment openly. In spite of the climate of social discontent that prevailed in the summer-autumn of 1989, the socialist regime dispersed a pacific and legal demonstration violently on 17 November that year, which stoked the flames of the dissident movements even more, and led to the formation of the Civic Forum, that combined a significant number of people and organizations defying the socialist regime, a situation which led to the collapse of the government and provoked a difference in the way the transition was perceived by the Czech, and by the Slovak, peoples (Bělina/Čornej/Pokorný 1995: 469 and 474). Further, it is important to remember that in Czechoslovakia at that time economic conditions were not as bad as in other ex-socialist countries; in concrete terms, their foreign debt was relatively smaller and there was a less severe macroeconomic maladjustment, facts that were favourable to starting the transition towards a market economy (Barnes 2003: 551).

In terms of violence, the most notable case in 1989 was that of Romania, where the revolutionary situation was really extreme and uprisings spread over the whole country. The case of Romania is marked by the executions of Nicolae and Helena Ceaucescu, and the occupation of the television stations between 21 and 26 December. The Fall of the Berlin Wall and the consequences it had on Europe as a whole affected not only population groups of European origin but also had an impact on a number of communities that had emigrated to these countries during the socialist period in search of work. In the case of the GDR, when the regime changed, some 90,000 labour contracts with “guest workers” from Vietnam, Mozambique, Angola, Cuba, China, North Korea and Algeria and elsewhere, were suspended, forcing them and their families to choose between going back to their countries of origin or, in the new institutional context, becoming illegal workers and immigrants overnight. This story is not often told but is no less important, as it added its quota to the tension during the transition and the reunification process in Germany (Bogdan 1992: 390). Finally, it is worth noting that in the case of Bulgaria, all restrictions on foreign investment in the country were removed at the beginning of 1989 thanks to a decree that authorized the formation of mixed associations, a measure that was based on the economic reforms of two years before giving state companies more autonomy and allowing a programme of pay increases for their employees. It should be noted that one of the main countries to invest in Bulgaria was Japan, even in socialist times, but strangely enough in the process of systemic transition Japan has played a smaller part in investment in Bulgaria than the United States or Germany (Morita/Yun 2010: 12).

### *b. Latin America*

In a 1993 essay John Williamson mentions that he had given himself the job in 1989 of making a list of the principle measures Latin American countries should take in the context of economic reform, giving his reflections at that time the title “What Washington means by policy reform?” (Williamson 1990).<sup>1</sup> His question was immediately taken up elsewhere

1 The main policy instruments proposed in this paper were: (1) fiscal deficits, (2) public expenditure priorities, (3) tax reform, (4) interest rates, (5) the exchange rate, (6) trade policy, (7) foreign direct investment, (8) privatization, (9) deregulation, and (10) property rights.

and the answer transformed into what we now know as the Washington Consensus, whose hard core was an attempt to resolve, according to Williamson (Williamson 1993: 1329), the contradiction between efficiency and equity in Latin America. From then on public policy linked to structural adjustment was closely related to this idea, which not only entered the public debate in Latin American countries, but also in a wide range of countries already caught up for some time in a reform of the economy and a systemic transformation. In short, the Washington Consensus acquired a global scale with a wide range of different types of influence (Gore 2000: 790; Reynolds 1983: 967).

I shall relate the events linked specifically to Latin America particularly to Argentina, Chile and Mexico, though I shall also refer to the case of Venezuela. In Argentina, 1989 saw the electoral victory of the Peronist party with Carlos Saúl Menem standing as candidate for president of the republic, accompanied by politicians such as Eduardo Duhalde who had a big influence in greater Buenos Aires and by people like Domingo Cavallo. The elections took place in the context of hyperinflation, serious macroeconomic breakdowns and a general recession of the economy. When Menem became president in 1989, with the economic and political prospects of the country looking bad, the possibility arose of imposing public policies based essentially on the ideas and practices recommended in the Washington Consensus. Following previous failures in the process of stabilizing the economy, both in Argentina and in other Latin American countries (Mexico, for example), there was a rapid deregulation of trade, a reduction in the number of people employed in the public sector and privatization of state owned companies. Of particular interest, because of its impact on the long term, was the free convertibility of the Argentinian currency into U.S. dollars, introduced in order to reach economic stability basically through price controls, and also the legislative reforms passed in the summer of 1989, with the aim of reorganizing the state apparatus to suit the economic policy measures implemented in the second half of the year (Gibson 1997: 354 and 364; Huber 1997: 173; Toulan/Guillen 1997: 399; Caballero 2001: 64; McGuire 1996: 137). This set of measures marked the future of the Argentinian economy for the years following 1989, in the context of institutional change better known in the economic literature on Latin America as structural adjustment.

The year 1989 is also a key for understanding the institutional transformations and the road towards democracy in Chile, especially with the end, largely due to the 1988 referendum, of the military government of Augusto Pinochet (1973-1990), who had implemented the most radical economic reform of any in Latin America yet, with a strongly neoliberal influence. Thus a new constitution had been expected for 1989 in order to organize presidential elections and to set up a parliamentary legislature that would be independent of the judicial power; in May of that year the constitution was reformed to increase the number of senators, allow civilians to take part in the National Security Council, and subordinating the military to openly elected government officials. In December, the candidate of Concertación, Patricio Aylwin, won the presidential elections in Chile (Caballero 2001: 154-155; Huber 1997: 164).

The eighties turned out to be a chaotic period for the Mexican economy, marked as in other Latin American countries by debt crisis, profound macroeconomic breakdowns, the failure of most of the Stabilization Pacts and significant inflation for the national context (159.16 per cent in 1987, according to INEGI [2011]). 1989 brought some changes in that tended to deepen the neoliberal type of strategy, because the United States and Canada

had signed a free trade agreement and intended to extend its reach southwards in order to create a North American area of free trade, which would, naturally, include Mexico as a key player (Gentleman/Zubek 1992: 75). This was when the first signs appeared that negotiations for the North American Free Trade Agreement (NAFTA) were to become a central element in the process of deregulating the economy in Mexico. Other elements that went along with these changes from 1989 onwards, as part of the same neoliberal band, were negotiations to get programs for restructuring the national debt started, the privatization process which relieved the government temporarily of budget deficits and deregulated the financial markets, and included opening them to foreign investment, naturally enough. This led later to what was known when it was passed as the New Foreign Investment Law of 1993 (Ibarra 2005: 198).

There were also significant events in 1989 in other Latin American countries. For example, Carlos Andrés Pérez (1989-1993) started his second term of office, and his administration brought in an orthodox neoliberal policy and abandoned the traditional mechanisms of consultation that had been a feature of democracy in Venezuela. The measures taken had two prongs: the first was a kind of short term shock therapy; the other involved making structural adjustments in the medium term. The strategies applied immediately were to allow prices to rise, which caused popular discontent seen in urban disturbances in the streets of the main cities, and got worse as time went on until the years after 1989 they led to the death of civilians. Events that put the stability of institutions in Venezuela into serious doubt (Crisp 1998: 8, 22 and 23).

This is a broad outline of the international scene as it developed in 1989, ending the short history of the twentieth century as English historian Eric Hobsbawm put it (Hobsbawm 2007). I believe that it will be useful to promote studies of a more detailed nature to follow these observations, from a point of view that is able to compare the processes of institutional change in Latin America with those of systemic transformation in Central Europe in a methodical way, in order to answer the following questions: What can be learned in Latin America from the transition of socialism to a market economy in Central Europe? And following the same logic, what can the countries of Central Europe learn from Latin America now that a period of acute crisis has started in the heart of the European Union?

\*\*\*

The year 1989 can be seen from two points of view. The first of these shows it as a point of rupture with the governance built up mainly after the Second World War, both in Latin America and in Central Europe. It is also possible to see it from a different angle as the start of a long process of institutional change evolving into an uncertain panorama; especially for the Latin American cases, which have been unable to build a solid institutional framework, even though nearly a quarter of a century has passed since the transition began. To start with, in 1989 itself, there was a higher degree of uncertainty and general chaos in the ex-socialist countries that have interested us in this study (Czech Republic, Hungary and Poland). However, with the passage of time, they have evolved in a more balanced, solid and coherent way in comparison with how things have proceeded in Latin America. In other words, in Central Europe the year 1989 seems like a long time ago, given the institutional context of its inhabitants at the end of the first decade of the



twenty-first century. What had at first seemed impossible, to conduct at the same time a reform of the economy towards a market economy and a wide process of democratization, managed to take place largely thanks to building institutional capacities through the impulse of a policy of enlargement and *acquis communautaire* called for by the European Community at the start of the nineteen nineties. The critical route proposed by Merkel (analysis of the past, diagnosis of the present and prognosis for the future) (Merkel 2010: 18), looks attractive in the first instance (a historical perspective), for understanding this particular process of institutional change and comparing it with what happened in some countries of Latin America. All the same, Argentina, Chile and Mexico also pushed through an agenda of economic integration, though in a completely different institutional context to the one that had been built in Central Europe, and the results are plainly visible in the second decade of this century, especially for a country like Mexico that is absorbed in this complicated process of institutional change whose outcome is still uncertain. This situation calls for deeper studies of a comparative kind to be made of the way in which institutional change evolved in the two regions during the last two decades of the twentieth century.

Hence on the basis of the events noted in this article, a detailed research agenda can be worked out for conducting a study project covering the various processes of transition experienced in Latin America and Central Europe, in an international context where neoliberal prescriptions played a crucial role in the design of public policies, especially in settings of deep institutional change. In this sense, the bursting onto the scene of neoliberalism is another element to be considered with regard to how the transformation of institutions evolved in the two sub-continent. That is to say, the rise of neoliberalism as discourse and practice in the sphere of public policies forms one of the nodal links in the reconstruction of a Global History around 1989. This is important because we have trajectories that appear to diverge but may have points in common (Testot 2008: 5 and 6), thanks to the various processes of institutional change. It is therefore worth considering that to delve deeper in comparative studies between Latin America and Central Europe contributes to understanding the nature and the scope of the processes of institutional transformation, as a fundamental piece in the reconstruction of a Global History for the end of the twentieth century. Also, this type of study, which is above the traditional division into cultural areas of study, has the potential to show us the links, connections or circulation of ideas in a multipolar world, which has tended to increase its interdependence and complexity over the years.

## Bibliography

- Arendt, Hannah (1976): *The Origins of Totalitarianism*. San Diego: Harvest Book.
- Balcerowicz, Leszek (1995): *Socialism, capitalism, transformation*. Budapest/London: Central European University Press.
- Barnes, Andrew (2003): "Comparative theft: Context and choice in the Hungarian, Czech, and Russian transformation, 1989-2000". In: *East European Politics and Societies*, 17, 4, pp. 533-565.
- Bělina, Pavel/Čornej, Petr/Pokorný, Jiří (1995): *Histoire des pays tchèques*. Paris: Points.
- Bogdan, Henry (1992): *La historia de los países del Este. De los orígenes a nuestros días*. Buenos Aires: Javier Vergara Editor.

- Bozóki, Andreas (1993): "Hungary's road to systemic change: the opposition roundtable". In: *East European Politics and Societies*, 7, 2, pp. 276-308.
- Union Européenne (1995): "Bulletin UE 05-1995. Pays d'Europe centrale et orientale, pays baltes. Stratégie de préadhésion. Préparation à l'intégration dans le marché intérieur". In: <[http://europa.eu/documentation/official-docs/white-papers/index\\_en.htm#block\\_13](http://europa.eu/documentation/official-docs/white-papers/index_en.htm#block_13)> (accessed: 12 November 2012).
- Caballero, Ricardo J. (2001): *Macroeconomic volatility in reformed Latin America. Diagnosis and policy proposals*. Washington D.C.: Inter-American Development Bank.
- Crisp, Brian F. (1998): "Lessons from economic reform in the Venezuelan democracy". In: *Latin American Research Review*, 33, 1, pp. 7-41.
- Croissant, Aurel/Merkel, Wolfgang (2004): "Introduction: democratizing in the early twenty-first". In: *Democratization*, 11, 5, pp.1-9.
- Douki, Caroline/Minard, Philippe (2008): "Pour un changement d'échelle historiographique". In: Testot, Laurent (ed.): *Histoire globale. Un nouveau regard sur le monde*. Auxerre: Sciences Humaines, pp. 161-176.
- Estevadeordal, Antoni/Taylor, Alan M. (2008): "Is the Washington Consensus dead? Growth, openness, and the Great Liberalization, 1970s-2000s". In: *NBER Working Paper* 14264, pp. 1-44.
- European Council (1993): "Conclusions of the Presidency- Copenhagen, June 21-22 1993 SN/180/93". In: <[http://www.europarl.europa.eu/summits/copenhagen/default\\_en.htm](http://www.europarl.europa.eu/summits/copenhagen/default_en.htm)> (accessed: 12 November 2012).
- Gentleman, Judith/Zubek, Voytek (1992): "International integration and democratic development: The case of Poland and Mexico". In: *Journal of Interamerican Studies and World Affairs*, 34, 1, pp. 59-109.
- Gibson, Edward L. (1997): "The populist road to market reform policy and electoral coalitions in Mexico and Argentina". In: *World Politics*, 49, 3, pp. 339-370.
- Gore, Charles (2000): "The rise and fall of the Washington Consensus as a paradigm for developing countries". In: *World Development*, 28, 5, pp. 789-804.
- Haggard, Stephan/Kaufman, Robert (2008): *Development, democracy, and welfare states: Latin America, East Asia, and Eastern Europe*. New York: Princeton University Press.
- Hall, David/Lobina, Emanuele (2009): "Water privatization". In: Arestis, Philip/Sawyer, Malcolm (eds.): *Critical essays on the privatization experience*. London: Pelgrave-Macmillan, pp. 75-120.
- Hobsbawm, Eric (2007): *Historia del siglo xx*. Barcelona: Crítica.
- Huber, Evelyne (1997): "Options for social policy in Latin America: neoliberal versus social democratic models". In: Esping-Andersen, Gøsta (ed.): *Welfare state in transition. National adaptations in global economies*. London: UNRISD/Sage, pp. 141-191.
- Huntington, P. Samuel (1994): *La tercera ola de la democratización a finales del siglo xx*. México: Paidós.
- Ibarra, David (2005): *Ensayos sobre economía mexicana*. México: Fondo de Cultura Económica.
- Instituto Nacional de Estadística y Geografía (INEGI) (2011): "Índice nacional de precios al consumidor y sus componentes". In: <[www.inegi.org.mx/sistemas/IndicePrecios/Cuadro](http://www.inegi.org.mx/sistemas/IndicePrecios/Cuadro)> (accessed February 2, 2012).
- Kenney, Padraic (2006): *The burdens of Europe: Eastern Europe since 1989*. London: Zed-Books.
- Kornai, Janós (1984): *Socialisme et économie de la pénurie*. Paris: Economica.
- (1997): "Adjustment without recession: a case study of Hungarian stabilization". In: Zecchini Salvatore (ed.): *Lesson from the economic transition. Central and Eastern Europe in the 1990*. Boston: Kluwer Academic Publisher, pp. 123-151.
- Lange, Oskar (1981): *Economía política I*. México: Fondo de Cultura Económica.
- Lawson, George (2005): *Negotiated revolutions. The Czech Republic, South Africa and Chile*. Aldershot: Ashgate.

- (2010): “Introduction: the ‘what’, ‘when’ and ‘where’ of the global 1989”. In: Lawson, George/Armbruster, Chris/Cox, Michael (eds.): *The global 1989. Continuity in world politics*. New York: Cambridge University Press, pp. 1-20.
- Le Roy Ladurie, Emmanuel (2009 [1983]): *Histoire du climat depuis l’an mil*. Paris: Flammarion.
- Levitsky, Steven/Way, Lucan A. (2010): *Competitive authoritarianism. Hybrid regimes alter the Cold War*. New York: Cambridge University Press.
- Lipton, David/Sachs, Jeffrey/Fischer, Stanley/Kornai, János (1990): “Creating a market economy in Eastern Europe: The case of Poland”. In: *Brooking Papers on Economic Activity* 1, pp. 75-147.
- Mcguire, James W. (1996): “Strikes in Argentina: Data sources and recent trends”. In: *Latin American Research Review*, 31, 3, pp. 127-150.
- Ménard, Claude/Shirley, M. Mary (2005): “Introduction”. In: Ménard, Claude/Shirley, M. Mary (eds.): *Handbook of new institutional economics*. Berlin: Springer-Verlag, pp. 1-18.
- Merkel, Wolfgang (2002): “Civil society and democratic consolidation in Eastern Europe”. In: *Central European Political Science Review*, 3, 10, pp. 78-100.
- (2008): “Plausible theory, unexpected results: The rapid democratic consolidation in Central and Eastern Europe”. In: *Internationale Politik und Gesellschaft*, 2, pp. 11-29.
- (2010): “Are dictatorships returning? Revisiting the ‘democratic rollback’ hypothesis”. In: *Contemporary Politics*, 16, 1, pp. 17-31.
- Merkel, Wolfgang/Croissant, Aurel (2004): “Conclusion: good and defective democracies”. In: *Democratization*, 11, 5, pp. 199-213.
- Merkel, Wolfgang/Petring, Alexander (2008): “La socialdemocracia en Europa. Un análisis de su capacidad de reforma”. In: *Nueva Sociedad*, 217, pp. 99-117.
- Morita, Ken/Yun, Chen (2010): *Transition, regional development and globalization (China and Central Europe)*. London: World Scientific.
- Nee, Victor (1989): “A theory of market transition: from redistribution to markets in the State Socialism”. In: *American Sociological Review*, 54, 5, pp. 663-681.
- North, Douglass C. (2005): “Institutions and the performance of economies over time”. In: Ménard, Claude/Shirley, M. Mary (eds.): *Handbook of new institutional economics*. Berlin: Springer-Verlag, pp. 21-30.
- Polanyi, Karl (1983 [1944]): *La grande transformation. Aux origines politiques et économiques de notre temps*. Paris: Gallimard.
- Przeworski, Adam (1991): *Democracia y mercado. Reformas políticas y económicas en la Europa del Este y América Latina*. New York: Cambridge University Press.
- Reynolds, Lloyd G. (1983): “The spread of economic growth to the Third World: 1850-1980”. In: *Journal of Economic Literature*, 21, 3, pp. 941-980.
- Riojas, Carlos (2009): “Between crisis and adaptation: economic aspects of institutional change in Latin America and Central Europe”. In: Scott, James W. (ed.): *De-coding new regionalism: Shifting socio-political context in Central Europe and Latin America*. Aldershot: Ashgate, pp. 51-76.
- (2010): “Adaptaciones institucionales en la época neo-liberal”. In: *Política y Cultura* 34, pp. 131-157.
- Smolar, Aleksander (2001): “History and memory: the revolution of 1989-91”. In: *Journal of Democracy*, 12, 3, pp. 5-19.
- Szentes, Tamas (1990): “La transición desde las ‘economías de planificación centralizada’ a las ‘economías de mercado’ en la Europa del Este y la URSS: La ruptura final con el Estalinismo”. In: *Pensamiento Iberoamericano*, 18, pp. 125-144.
- Testot, Laurent (2008): “Introduction”. In: Testot, Laurent (ed.): *Histoire global. Un nouveau regard sur le monde*. Auxerre: Sciences Humaines, pp. 5-15.
- The Economist (1988): “The Gorbachev doctrine”. In: *The Economist (US)*, 26 Mar., p. 45.

- Toulan, Omar N./Guillen, Mauro F. (1997): "Beneath the surface: the impact of radical economic reform on the outward orientation of Argentina and Mendozan firms, 1989-1995". In: *Journal of Latin American Studies*, 29, 2, pp. 395-418.
- Vidal, Dominique (2010): "Besoin d'utopie". In: *Manière de Voir*, 112, p.4.
- Wasilewski, Jacek (1997): "Elite research in Poland: 1989-1995". In: Best Heinrich/Becker Ulrike (eds.): *Elites in transition. Elite research in Central Europe and Eastern Europe*, Opladen: Leske-Budrich, pp. 310-327.
- Williamson, John (1990): "What Washington means by policy reform". In: <<http://www.piie.com/publications/papers/paper.cfm>> (accessed February 2, 2012).
- (1993): "Democracy and the 'Washington Consensus'". In: *World Development*, 21, 8, pp. 1329-1236.