
THE GREENGROCER'S REVENGE

The fall of communism in 1989 was a great relief to most citizens of the eastern bloc. But in parts of the region many people now feel that only the elites were truly liberated—and now populists are playing on people's dismay

IVAN KRASDEV

The revolutions of 1989, which saw communist governments toppled across eastern Europe, used to be considered among the continent's most agreeable. The left praised them as an expression of people power and the victory of civil society against the state. The right celebrated them as a triumph of the free market and the free world. But the combination of the global economic crisis and the rise of political populism in eastern Europe is challenging long-held assumptions. The financial crisis has put neoliberal capitalism on trial and the claim that democracy is best at delivering growth has been shaken by the success of China.

The geopolitical gains from the end of the cold war now also look uncertain. Writing in the *Observer* in September 2008, the philosopher John Gray prophesied that “the upheaval we are experiencing is more than a financial crisis.” He argued that “the era of American global leadership, reaching back to the second world war, is over... a change as far-reaching in its implications as the fall of the Soviet Union.” And the EU's declining global relevance is acknowledged even by Brussels. The revisionists' hour has arrived.

The revolutions have always been celebrated for setting people free. But an alternative interpretation of the events of 20 years ago is gaining ground: that in 1989, the elites broke free. It is easy to dismiss this as a conspiracy theory. It is not, however, easy to ignore its political followers. In eastern Europe, populism—a political doctrine that represents the interests of “ordinary people” as opposed to “elites”—is on the rise. Populists have held power in Poland, Slovakia and Bulgaria. But why should people be angry at their ruling elite, when these rulers have made them freer, wealthier and citizens of the EU?

Václav Havel wrote about the ordinary eastern bloc citizen

Ivan Krastev is chairman of the Centre for Liberal Strategies in Sofia and visiting fellow at Vienna's Institute for Human Sciences

in a 1978 essay, “The Power of the Powerless.” Havel imagined a greengrocer who places a sign in the window of the shop where he works. The sign reads “Workers of the world, unite!” Yet, Havel says, the greengrocer doesn't care about the proletariat and its unity. The slogan was a declaration of loyalty to those in power, and a plea to be left alone by them. Since 1989, of course, the greengrocer has been free to take down the sign. But how else did he fare during the past 20 years?

Perhaps the greengrocer succeeded in privatising the shop. He may have replaced the sign with one reading “The best fruit in town” (with his customers complaining that one lie had been supplanted by another). But his situation may not have improved. In the 1990s, the communist welfare state was replaced by a post-communist farewell state. He could have avoided paying taxes—but would have been forced to pay off the local criminals who wielded the real authority instead.

More probably he failed to take control of the shop. If it was in a desirable location it was probably privatised by his boss. Subsequently, the greengrocer may have lost his job, and therefore his social status and his financial security.

It is quite likely that the greengrocer's son left the country to work in western Europe, and that his daughter's children received a poor education in the local school. One of his neighbours probably got rich and constantly complained about the ineffectiveness of the state. Perhaps a newly arrived supermarket took away his customers. And the greengrocer was haunted by the spectre of comparisons: comparing his lot with how he lived before, or how his peers live in western Europe. He may live a life of anxiety and disappointment.

This picture is not exaggerated. A 2003 Bulgarian study found that only 15-20 per cent of people had benefited from the transition from communism, measured in terms of income, social mobility and consumption. Only 5 per cent of people identified themselves as winners from the transition.

And there have been even darker outcomes. According to a

study published in the *Lancet* earlier this year, rapid privatisation increased the death rate in the former Soviet Union and eastern bloc by 13 per cent in the early 1990s. Russian life expectancy fell by almost five years between 1991 and 1994.

So it is not hard to understand why the greengrocer may hate his post-communist rulers and blame them for his problems. (He is, however, unlikely to be nostalgic for communism.) But paradoxically, political populism in eastern Europe rose after the situation had improved—when the decade or so of lawlessness and oligarchic capitalism was, for most countries, over. What then is driving the discontent?

In 2004, two prominent left-wing sociologists, Andrei Raichev and Kancho Stoychev, published a book, *What Happened? A Story About the Transition in Bulgaria (1989-2004)*. The book had a clear and unabashed message. The transition is over. Political polarisation is over: there is no right and left any more. Communism was our common past (stop being hysterical about it), capitalism is our common future (stop being frightened by it). It is pointless to talk about citizens or subjects. The new society is populated only by consumers and failed consumers. The transition was messy, painful and unjust, but it fulfilled its function of transforming communism into a market democracy and in selecting the new elites to run it. This new elite are a strange breed: they have the brains of bankers, the manners of waiters and the dreams of teenagers. They are not in the business of governing, but of managing and entertaining—part of the service industry—effectively. And they look powerless, so they are less likely to be threatened by social movements from below.

What Happened? caused a sensation in Bulgaria's sleepy intellectual landscape. Raichev and Stoychev were also successful businessmen—shareholders in the country's first golf course—and so numbered among the new elite. The book was taken as a manifesto: the emancipated elites proclaiming victory over the rest of society and declaring their independence, not caring if the public hated them, it seemed. Most of the book's critics did agree with its argument that the meritocratic groups in the old elite were the main beneficiaries of the revolution. But they did not share the authors' benevolent view of the transition. The left was infuriated by their anti-egalitarianism and the right by their assertion that the revolution led to the re-legitimisation of communist elites.

Whether Raichev and Stoychev are correct or not, the fall of the Berlin wall divorced eastern bloc elites from the rest of their societies. Under communism, elites had everything but could not enjoy it openly. They hid in special shops and Mercedes with dark windows. The price they paid for privilege in an ideologically egalitarian society was permanent insecurity. Stalin's purges and Mao's cultural revolution were reminders of what can go wrong for those at the top. The transition to communism, unlike to capitalism, was never over.

While communist elites were brutal, they were also accessible—they were obliged to mix with the ordinary people. It was an ideological imperative and a precondition of the party's control over society, but it was also an unavoidable reality imposed by shortages. The key to understanding late communist society is the mysterious (and at the same time prosaic)



Kiev 2009: an elderly woman walks past a row of luxury cars

practices that the Russians called *blat*, the Poles *zalatwic sprawy* and the Bulgarians *vruzki*: the informal arrangements, exchanges of services, black market deals, party contacts and connections that people used to get along or ahead.

Today, the greengrocer may well earn more money than in communist times, but he has lost his well-connected friends. Twenty years ago, even a member of the elite had to befriend his greengrocer if he wanted fresh fruit. He had to return a favour if the greengrocer asked him. In the perverse world of the shortage economy, the greengrocer decided who would get what. He was powerless and powerful at the same time. He “owned” the shop without taking the risks of real ownership. Corruption both eroded and sustained communism, by

redistributing not only goods but also power. The exchange of favours unintentionally empowered the weak.

But, while the greengrocer benefited from the corruption of the communist system, he became the victim of the post-communist corruption. The revolution liberated him from having to decorate the shop with ideological nonsense. He gained the freedom to talk, to travel, to vote, to consume. But he lost his limited leverage over the elites. The power of the ballot is more abstract than the tangible influence he derived from his connections. Now there is no need for anybody to befriend the greengrocer to get fresh fruit. He cannot ask for favours from powerful customers. And the modern politician talks to the voters through television and listens via opinion polls. The rise of social inequality was accompanied by a process of social segrega- ▶

“
Being a loser
in a
meritocratic
society is
much more
devastating
than being
one in an
ideological
society. It
simply means
that you have
failed

“

tion. A recent study in Bulgaria found that low-income people have virtually no contact with those with high incomes.

Many Bulgarians disliked *What Happened?* for being a self-serving, if half-true, justification of the status quo. But what shocked them was the realisation that the authors were spokesmen for the new meritocracy: the rule of those with competence and training. After being ruled for half a century by mediocre party loyalists, the protagonists of the 1989 revolutions desired meritocracy. That belief, much more than democracy, was the common ground on which communist reformers and anti-communist dissidents met. As an illustration, in the early sessions of the March 1990 roundtable talks that paved the way for free elections in Bulgaria, the communist leaders started off by addressing their opponents as “comrades.” When the opposition objected, the only compromise that could be agreed on was to use academic titles.

The late 1990s saw the opening of the post-communist economies and the end of large-scale privatisation. At that point, meritocrats began to replace the oligarchs as the backbone of the establishment in eastern Europe. Thuggish insiders were slowly replaced by well-educated outsiders. Today, throughout the region, income is more closely related to educational status than any other factor. Mastery of the English language and education at a western university is the best predictor of a person’s success. The meritocratic elites—those with education and talent—are the real winners of the transition.

Meritocracy is the natural utopia of post-political societies. It promises competent leadership, the opportunity to enjoy a private life (with no need for civic participation), and social mobility through education. But the eastern European experience sheds light on a broader global backlash against meritocracy fuelled by the economic crisis. Meritocracy is preconditioned on good education systems, on a sense of community and responsibility among the elites, and on rational voters who reward performance. These conditions do not exist.

Plus, as Michael Young foresaw in *The Rise of the Meritocracy* (1958), meritocracy creates a world with clear, justifiable winners and losers. As a consequence elites, convinced of the legitimacy of their success, tend to have little compassion for the poor, at least less than their predecessors. Liberal philosophers such as John Rawls have argued that just inequality is more acceptable to people than unjust inequality. But the opposite may be true in the former eastern bloc. Under communism, being a loser could be an expression of moral principle. Being a loser in a meritocratic society is much more psychologically devastating: it simply means that you have failed.

The elites have never had it so good. Traditional aristocratic elites had their duties and were brought up to perform them. The fact that generations of their forebears, who looked down on them from portraits on the walls of their castles, had done these duties before meant that they took them seriously. In Britain, for example, the proportion of the upper class who died in the first world war was greater than the proportion of the lower classes. But the new elites do not know sacrifice. Their children don’t die in wars. The mobility of the meritocratic elites make them practically independent from

“
Populists want to renationalise the elites and inject some insecurity into their lives. It is not a struggle for justice or for equality but rather for intimacy

“

the pressure of the state. In his book *The Revolt of the Elites* (1995), American social critic Christopher Lasch distinguishes meritocratic elites from their predecessors by their lack of interest in leadership and their wish to escape from the common lot. They are not dependent on their country’s education system (their children go to private schools) or national health service (they can afford better hospitals). And they have lost what anthropologist Iyaylo Ditchchev calls “emotional citizenship”—the tendency to share the passions of their community.

The end of communism set in motion the process that has liberated the meritocratic elites from fear, guilt, ideology, the chains of community, national loyalty and even from the necessity to govern. This is the true legacy of 1989 and the key to understanding the rise of populism in eastern Europe. The populists do not offer a real alternative, nor are they egalitarian. Their attraction lies in their promise to renationalise the elites, to re-establish the constraints that were removed in 1989. The covert aim of populists is to inject fear and insecurity into the life of elites, or even imprison them (the one thing elites cannot escape is the justice system). It is not a struggle for justice or equality, but for intimacy. Populists are like an abandoned wife who cannot accept her husband’s new freedom and indifference and will do everything to remind their partner that they are still married.

Armed with the ammunition of the global financial crisis, the populists’ campaign to renationalise the elites will continue. It remains to be seen how successful their counter revolution will be in undoing the legacy of 1989. ■

FROM THE PROSPECT ARCHIVE

JANUARY 2008 Ivan Krastev calls for two cheers for populism
www.prospect-magazine.co.uk



Cartoon caption in here