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### Europe

## The world after 1989

# Walls in the mind

Nov 5th 2009

From *The Economist* print edition

**The ex-communist countries of central Europe have fared well, mostly, since 1989. But they still have to shed their image as poor and troubled relations**

Rex Features



PICTURE yourself in a smoky café somewhere in the middle of Europe—Prague, say—in late 1989. Sipping muddy coffee sweetened with gritty sugar, served by a sullen waiter at a greasy table, you are discussing the future with friends. Their ill-cut clothes are in dull blue, brown and green, the hallmarks of planned-economy tailoring. Your foreign gear stands out a mile.

In the café window, posters tell of a revolution won (see article). One is a poignant death notice for “Comrade Fear”—the once omnipresent and omnipotent embodiment of the totalitarian regimes, newly toppled by candles, flags and courage. Another poster shows a simple starburst, with the words “Gloria in Excelsis Deo”. Religion, like so much else, is now a matter of free choice. But a third poster shows the task ahead. It depicts Europe divided by a cliff that runs along the old Iron Curtain. A precarious ladder leads from the gloomy east to the sunny western uplands. “Back to Europe”, it reads. Before the communist era, countries such as Czechoslovakia, Poland and Hungary were at the centre of the continent, not its impoverished and isolated backwater.

The cliff looks dauntingly steep. Climbing it means long queues at Western consulates before facing the suspicious officials inside them. Western Europe may have cheered the revolution, but it fears a flood of riff-raff from the east. Abroad, easterners feel like

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humiliatingly poor relations. Their savings and salaries are all but worthless. You buy the coffees without a glance at the bill. When easterners head west, they pack sandwiches.

Ghosts of the past are everywhere. Some are welcome. Old songs, long-banned, are on the radio again. Heroes once vilified by official propaganda are celebrated. Other ghosts are more sinister. Central Europe before communism was no paradise. What will emerge as the region defrosts? Will Hungarians be content with their constricted borders? Will the Germans, so brutally deported from Silesia and the Sudetenland after the war, now demand justice? Will it be safer to be a Jew—or more dangerous?

Nor are the more recent spectres of the evil empire laid to rest. Will the secret police, still hunkered in their bunkers, give up their power peacefully? What will happen to the millions of guilty secrets in their files? Scariest of all, what happens if the wind from the east changes? Hundreds of thousands of Soviet troops still occupy the region. Will they leave peacefully? Facing all those questions is a fragile new political elite: dissidents, oddballs, turncoat communists and university professors, blinking at the task of building justice and prosperity on the ruins of communism.

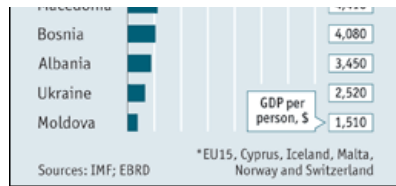
Central Europe 20 years later, if glimpsed from 1989, would have seemed a glorious pipe-dream. A generation has grown up in free and law-governed societies. Fears of economic ruin and political chaos have proved unfounded. Ten countries have climbed that cliff and joined the European Union. Two more, Croatia and Albania, have joined NATO.



For all the unsolved and new problems facing the region now, it is voters, not outsiders, who determine who rules and how. Judges, lawyers and police have shed the shackles of Communist Party control. Courts may be slow, politicians meddlesome and bribery a problem. But nobody can count on impunity.

The huge exception has been Yugoslavia, seen in 1989 as a template of multi-ethnicity and pluralism, a halfway house between centrally planned socialism and the harsh and distant world of Western capitalism. It is still an example, but a dreadful one. For a decade, the outside world was unable to stop rampaging ethno-nationalist militias turning ancient grudges into bloody revenge. Some 140,000 people died in wars in Bosnia, Croatia and Kosovo, as authoritarian politicians purged their countries of those they saw as subversive or subhuman.

That was far worse than anything



that was far worse than anything witnessed in central Europe before the war, though it still pales by comparison with the horrors of the Nazi era. Even outside ex-Yugoslavia, authoritarian and bigoted ideas still haunt the political fringe. Explicitly racist parties come and go in some parliaments; in Slovakia, one is in the government. But in no country over

the past 20 years have they gained full political power. That is cause for relief and pride.

The economic achievements are barely less astonishing. At the end of 1989 it was easy to imagine the region staying mired in poverty for decades. Only the over-60s remembered how a market economy worked. For decades official propaganda had lambasted capitalism as akin to cannibalism. Industry was state-owned and run by party placemen. Management meant hunting for resources and then hoarding them, not dealing with costs, customers and competition. Foreign trade involved haggling with state planners in Russian, not closing deals in English.

So even granted the will-power to stabilise the economy, privatise state property and liberalise markets, would it work? As Lech Walesa, Poland's first freely elected post-war president, noted, it is easy to turn an aquarium into fish soup. Reversing the process is much harder.

Yet free prices, free exchange rates, free trade, free labour markets and privatisation have proved a colossal success. The profit motive—however ugly, sleazy or vulgar—unleashed the caged talents of millions of entrepreneurs. Foreign investors, at first deterred by scarce telephones, bumpy roads and obnoxious officials, have come in droves, bringing a huge transfer of management and technical know-how. The first wave came because of low labour costs. Membership of the EU attracted the next influx. The EU has improved life in other ways too, forcing the pace of reform as a condition of membership and providing billions of euros for modernisation. Borders once sealed by minefields are now just lines on the map. You can drive from the Baltic Sea to the Mediterranean without even showing your passport. Water and air are cleaner than in 1989, transport faster and safer.

For the young, flexible and ambitious, the past 20 years have proved a bonanza. For the losers—the old, the timid, the dim—life has been punishingly difficult (see article). Yet outside the former East Germany, nostalgia for the past plays no part in politics. Only in the Czech Republic does a Communist party still have a political role. Elsewhere, the former proletarian internationalists have rebranded themselves as slightly sleazy centre-leftists.

The third big achievement, alongside democracy and prosperity, is the partial restoration of public-spiritedness, trust, decency and kindness. Communism habitually imposed horrible moral choices: denounce your colleague, or your child will never go to university. It preached altruism but ingrained selfishness. Statistics can barely capture the legacy of 50 years of lies and fear. Freeing central Europe's captive nations has proved far easier than freeing its captive minds. Most adults in the region spent their formative years under communism. Only when those in charge have no memory of totalitarian rule will communism's shadow finally be lifted.

The biggest disappointment is the continuing power and wealth of the old system's elite, who have proved much better at running the capitalism they decried than the socialism they preached. Party bosses and their secret-police henchmen successfully squirreled money abroad, using it to buy assets cheaply in the chaotic years of the 1990s.

The western half of the continent can still seem far off when viewed from the middle. And vice versa. Toomas Hendrik Ilves, Estonia's sharp-tongued, American-educated president, says Westerners privately regard people from ex-communist countries as "troublesome cripples whose views can be ignored". Seen through the fug of a café in late 1989, 2009 looks pretty good. But central Europeans can be forgiven if they see the present a bit cynically.

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