

EXPECTATIONS AND REALITIES in connection with the sustainable development of Eastern Central European countries.

This paper was prepared for presentation to The Other Economic Summit 1992 held in Munich in July at the same time as the G7 summit. It was written by TAMAS FLEISCHER who is a senior research fellow at the Institute for World Economics of the Hungarian Academy of Sciences. He is also a founder member of the Non Governmental Organisation ISTER (East European Environmental Research) based in Budapest...

EXPECTATIONS AND REALITIES concerning the role of environmental movements in political changes:-

1) Expectation: Since in Eastern Central European countries considerable masses engaged themselves in defence of the environment, both in the West and within Eastern Central European countries, there was a hope that there are in those countries masses who think in a modern, environmentally conscious way.

1) Reality: Already at the time of the revolutionary changes it became clear that the environment movement became so important in Eastern Central European countries only because this was the only - quasi-legitimate - possibility for people to express their dissent towards the system. The moment an opportunity did arise for political movements and parties to develop many people, who previously joined environmental movements, dispersed into different parties.

2) Expectation: There was yet another hope that the former activists of environmental movements who now had important roles in the larger parties could make these parties "green" -- and through the parties also government policy.

2) Reality: The new parties needed a recognisable profile and therefore they searched for goals and characteristics which would differentiate them from the others. Environmental protection was inappropriate for this purpose since at the level of slogans everybody said the same thing - everybody is for the protection of the environment. Before elections the environmental proposals of individual parties were much closer to one another than to the other parts of the economic strategy of those same parties. Interest was focused on questions lending themselves to confrontation and environmental problems remained marginal.

EXPECTATIONS AND REALITIES as to problems arising during the change of system:-

3) Expectation: There were several international environmental problems among former socialist countries which previously, during the era of controlled information, were totally suppressed, which were politically taboo. Besides the problem of international waterways and air contamination there were nuclear reactors located near borders, the use of border rivers

and, in a broader sense, contamination at evacuated Soviet barracks as well. There was an assumption that mass publicity concerning such problems would enhance environmental thinking.

3) Reality: In relations between countries of the former Soviet bloc and among nationalities within them, national ideologies and different kinds of nationalism have been reinforced. Environmental conflicts have been submitted to this logic and acquired greater or smaller weight according to how they could be used as an argument in national disputes.

4) Expectation: There was a belief that, after the Western pattern, the desire for a better quality of life would have an important role in concentrating attention on the environment.

4) Reality: This tendency has been opposed by just the opposite tendency i.e. a focusing on material questions. For the poor it is the difficulties of everyday life that suppresses demands for a better quality of life while for the richer strata it is the financial demands of the new entrepreneurialism.

5) Expectation: Not only the above mentioned international information but generally the greater freedom to obtain information gave a hope that, learning the real situation, people would demand much more care in relation to our environment.

5) Reality: Precisely because of the increased information flow louder and politically manipulated information suppresses the facts about our environment. It turned out that the selection of information differed from expectations: to absorb information about the environment would require a certain previous consciousness towards our environment.

EXPECTATIONS relative to the myth of the market:-

6) Expectation: A Western, rather leftist, hope relied on just the lack of the market in these countries. The hope was that here there was a possibility to avoid the many disadvantages and traps of capitalism, that there was a chance to create a workshop for new solutions to the common problems on Earth.

6) Reality: In the Eastern bloc countries people for 40 (or 70) years were living in an experimental society. The experiment was not successful, and now it does not seem the time to begin with another experiment. Eastern people compare their domestic living standards with those of some developed countries. In sociological terms East Europeans would like first to achieve the level of the existing developed nations, and only afterwards begin with new projects.

7) Expectation: Logically we can see that this argument is not correct. It is impossible that the whole world (India, China etc., 6 billion people) should follow the Western consumption model. But, there is still an illusion that at least the "European" countries, or at least the

"three" (Poland, Czechoslovakia and Hungary), or at least "we alone" can jump into the club of developed countries. Part of this illusion is a kind of myth of the market growing out of earlier illusions and simplifications. According to this view the root of all problems was because the Soviet army was here, because of the one party system, because of the planned economy.

7) Reality: As each of these pillars collapsed one-by-one we were forced to realise that this was not enough. What remains is a structurally well embedded way of thinking and system of conditions. There was an even bigger surprise: for the politicians to "overcome" these conditions they had to come to terms with patterns and visions of a more remote feudal past, and these could bring us further rather than closer to what we call "Europe".

ISTER (East European Environmental Research) can be contacted at:-

Vaci utca 62-64, Budapest H-1056.

Tel:(36-1) 118-3933/77

Fax: (36-1) 117-2000.

ECONOMIC ALTERNATIVES FOR EASTERN EUROPE, VOLUME TWO

Copyright 1993, New Economics Foundation

ISBN 0-9509909-7-3

Edited by Martin Summers (East European project worker).

New Economics Foundation, 2nd Floor, Universal House, 88-94 Wentworth St., London E1 7SA. Tel:071 377 5696 Fax: 071 377 5720.

These discussion documents for eastern Europe and the former Soviet union have been produced by the London based New Economics Foundation. The foundation was created as a permanent expression of the principles which have informed The Other Economic Summits (or TOES). The Other Economic Summit met first in 1984 in tandem with the G7 summit. These alternative summits are a response to the failure of conventional economic theory and practice to promote general economic security and human welfare. These documents are part of a series free upon request to individuals and organisations in eastern Europe and the former Soviet Union. If you know of others who would like to receive these documents please contact us.

The first 12 of the discussion documents produced by the foundation are now available as a book "Economic Alternatives for Eastern Europe" (ISBN 0 9509909 6 5). It includes contributions from the ex-civil servant and futurologist James Robertson, Mrs. Maneka Gandhi (former Indian environment minister), Dr. Marek Gruchelski (advisor to Rural Solidarnosc), Dr. Mohammad Suliman (Institute for African Alternatives), the Russian organisation "Ecology and Peace", Australian social entrepreneur Shann Turnbull, engineer and manager John Davis, Jeffrey Gates (US employee share ownership expert), David Weston (Canadian expert on local currencies) and Hunter and Amory Lovins (energy experts).

This second collection of papers includes a rather ironic assessment of environmental consciousness in eastern countries by the Hungarian economist Tamas Fleischer, a ground breaking paper by the eminent economist Herman Daly on the ecological limits to economic activity (first presented to TOES 1984), a discussion of the rationale of alternative measures of the impact of economic activity (by Victor Anderson) and a consideration of the changes in the management of human resources required, in order to develop a truly sustainable enterprise culture (originally presented in Prague by Nick Robbins in 1991).

The final section of this collection is devoted to a discussion of the immense problems for the global economy presented by the international debt crisis and its implications for eastern Europe and the former Soviet Union. This includes a brief history of the crisis and some discussion of suggested solutions by the Hungarian economists Karoly Lorant and Laszlo Kapolyi, an open letter to the G7 leaders meeting in Munich from European Non Governmental Organisations and a wider consideration of the "debts" of the past in today's Hungary by Tamas Fleischer. We hope there is something here of interest to you.

Martin Summers (east European project worker).

Economic Alternatives for Eastern Europe

Volume Two

*Editor : Martin Summers
New Economics Foundation*

New Economics Foundation
2nd Floor, Universal House
88-94 Wentworth Street
London
E1 7SA