

**Florian Peters: Von Solidarność zur Schocktherapie.** Wie der Kapitalismus nach Polen kam. (Studien zur Geschichte der Treuhandanstalt, Bd. 7.) Ch. Links Verlag. Berlin 2023. 543 S. ISBN 978-3-96289-190-9. (€ 35,-.)

Florian Peters demonstrates impressively that Leszek Balcerowicz's economic "shock therapy" by no means was the starting point for Poland's transition from a centrally planned to a liberal market economy, but rather a further stage of an already ongoing transformation.

P., who on the example of Poland undertakes a "historicization of the transformation period" and seeks to "understand it as an epoch in its own right" (p. 25), zooms in on the interlinked economic, social, and political transition processes that late state-socialist and early post-socialist Poland underwent from the late 1970s to the mid-1990s. Accordingly, he locates his study in the historical transformation research of Central and Eastern Europe (CEE), drawing in the introductory chapter on standard works of, for example, Anders Åslund<sup>1</sup> and Philipp Ther<sup>2</sup>. P. asks to what extent the economic reforms of the state-socialist regime already paved the way to a liberal market economy, what significance could be attributed to various forms of social (economic) self-organization beyond the state, and how much influence Western advisors such as Jeffrey Sachs or George Soros had on Warsaw's economic decisions after 1989.

In debating these key questions, P. draws on an elaborated corpus of sources, including archival sources, contemporary press articles, memoirs as well as contemporary Polish empirical social research findings. In the six core chapters, of which each has several sub-chapters, P. proceeds chronologically (apart from minor leaps in time). He starts with outlining common experiences of daily life in state-socialist Poland, positive attitudes of larger parts of the Polish society towards the state socialist regime's egalitarian and collectivist promises for social welfare and the growing economic crisis that followed Edward Gierek's "prosperity" years. P. convincingly reveals the collectivist and egalitarian character of the early Solidarność's reform debates in the first years after the workers strikes of 1980, outlining that market liberals represented a tiny and eccentric minority among the opposition at that time. Martial law (1981–1983), however, caused a caesura for collectivistic reform attempts within the (at that time already illegal) Solidarność, since many members lost faith in reforming the state-socialist system itself with the Jaruzelski regime remaining in power. At the same time, various forms of bottom-up private entrepreneurship increased markedly in the country. P. hereby refers to the Polonia firms (private small and medium sized enterprises, SME) in People's Poland that were founded by compatriots from the West) as well as a growing number of "underground entrepreneurs" among Solidarność members who started their profit oriented businesses with underground press publishing and/or the production of Solidarność merchandise. Although scepticism towards private entrepreneurs (pejoratively called *prywaciarze*) was still widespread among the population, private SMEs like the Polonia firms became favorable employers for a rapidly growing number of Polish citizens.

P. shows that the growth of the private sector was accompanied by a visible pro-market shift in the reform discourses not only among oppositional economists but especially in the state party itself. While the economic reforms under Prime Minister Zbigniew Messner made only sluggish progress, some rhetorically skilled members of the party apparatus publicly announced their recommendations for significant market liberalization. None other than one of the political pioneers of the neoliberal turn in the West, Margaret Thatcher, earned growing respect in the Polish economic discourses at that time. Above all, the hard-charging course of the Iron Lady in her numerous internal political conflicts was admired.

1 ANDERS ÅSLUND: *Building Capitalism: The Transformation of the Former Soviet Bloc*, Cambridge 2002.

2 PHILIPP THER: *Die neue Ordnung auf dem alten Kontinent: Eine Geschichte des neo-liberalen Europa*, Berlin 2014.

With Prime Minister Mieczysław Rakowski and his Minister of Industry, Mieczysław Wilczek, convinced supporters of further market liberalization took over power in the party in 1988 and promised to remarkably speed up the liberalizing economic reforms. In fact, Wilczek's well-known reforms ultimately also paved the way for the party nomenclature to enter the rapidly growing private sector. By threatening to wind up the Lenin shipyard in Gdańsk, the market-liberal Wilczek, who publicly advocated shutting down unprofitable state enterprises, also took a sideswipe at *Solidarność*.

Meanwhile, as P. shows, left-wing reform ideas on the 'third way,' resp. on establishing a social market economy within the opposition, were clearly losing ground. Economic intellectuals in oppositional networks like the "Gdańsk liberals" insisted that there would be no alternative to an (ultra) liberal market economy, and some already dreamed, for example, of Kraków becoming a liberal economic free trade zone. P., who does indeed see the 1987 democratic referendum as a considerable break in the party's omnipotence, asks at the same time whether political democratization did not fall by the wayside in the economic liberalization discourses in the very last years of People's Poland. The population, however, became increasingly apathetic as a result of daily experiences of a deeply crisis ridden economy, and the growing bazaars (especially in the cities) also met with rejection, particularly in the bazaars' neighborhood. P. underlines that by 1988 the population was already showing signs of fatigue with the ongoing market liberalization.

During the Round Table negotiations, party members once again often appeared to be more market liberal than their counterparts from *Solidarność*. After the fall of state socialism, Balcerowicz (as Poland's Minister of Finances) had already praised the economic reform attempts of the last PZPR-rulers around Rakowski as more realistic than those of *Solidarność*. P. sees the last state-socialist rulers as the actual "impulse generators" for the shock therapy rather than attributing it to purely economic reasons or individual Western advisors, resp. representatives of the IMF, who were occasionally themselves surprised by the radicalism of Balcerowicz's austerity policy.

However, the privatization of the state sector in the 1990s, which went hand-in-hand with a deindustrialization of Poland's economy, as P. shows, proved to be slow, mainly because it took place in the turmoil of Polish politics during that decade. P. emphasizes in his concluding remarks that Poland's transformation ended up in a market liberal variety of capitalism, because a transition towards market liberalism had much earlier found its path into the discourses of economic and political elites and everyday economic practices.

Summing up, this book is not an isolated history of Poland's 1989 transformation through the lens of economic reforms, nor is it about intellectual debates only (although P. pays great attention to them). It is definitely not a stereotypical history of transformation "from below," about shady *biznesmeni*, bazaars and street markets, even if the introductory chapter beginning with the *Polenmarkt* in West Berlin may be somewhat unfortunate in this regard. On the contrary, a particularly strong value of P.'s book is that he elaborates the interplay between versatile intellectual debates on economic reforms, the appearance of capitalist practices in the rapidly growing private sector (in its legal and semi-legal varieties) and the shifting perceptions of "capitalism" in the broad population. Thus, P. manages successfully to explore the transformation epoch in Poland's recent history in a multi-perspectival way, which makes the book a valuable contribution to the historical transformation research on CEE.

This is a clear recommendation to everyone who wants to read a well-written and enjoyable book about how capitalism gradually found its way into the minds and agencies of many Poles over the long term and into a cross section of the late state-socialist Polish society before it officially arrived to Poland after 1989.

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