

Introduction: Failed and Forgotten? New Perspectives on the History of the Council for Mutual Economic Assistance¹

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This volume has two main objectives. *First of all*, it will present some new approaches to understanding the history of the Council for Mutual Economic Assistance (CMEA).² We believe it a worthwhile venture because the CMEA, and exploration of the issues surrounding its existence, has been treated for a long time as a complete. During the Cold War, naturally, a great interest in the functioning of the organization prevailed, which concerned the management of the economic cooperation within the Eastern bloc countries. On both sides of the Iron Curtain, particularly in the 1980s, a few general overviews on the CMEA were published.³ Yet, even those suffered from limited access to statistical data and information on internal decision-making processes. In addition, social science research was, to various degrees, (self-)censored in the communist countries. However, not only communist social sciences but also Western research was often influenced by the ideological preconceptions that arose as a product of the Cold War. At

1 I would like to thank Pauline Siebert and Carl Roberts for proofreading the text.

2 In this volume, the two common terms for the Council for Mutual Economic Assistance “CMEA” (sometimes also “Council for Mutual Economic Aid”) and “Comecon” are used synonymously.

3 See J.M. van Brabant, *Economic Integration in Eastern Europe. A Handbook*, New York 1989; R. Damus, *RGW. Wirtschaftliche Zusammenarbeit in Osteuropa*, Opladen 1979; G. Neumann, *Die Entwicklungsbedingungen des RGW. Versuch einer wirtschaftshistorischen Analyse*, Berlin 1980; *Rat für gegenseitige Wirtschaftshilfe. Strukturen und Probleme*, Bonn 1987; A. Zwass, *Der Rat für gegenseitige Wirtschaftshilfe. Der dornige Weg von einer politischen zu einer wirtschaftlichen Integration 1949–1987*, Wien/New York 1988.

that time, “observing the enemies” had many more resources at hand than today’s historical research. This, however, cannot negate the value of Eastern publications as historical sources. Indeed, publications produced in the East did not consist exclusively of propaganda phrases, but sometimes even upheld a very critical attitude towards the CMEA.⁴ In this respect, reading into the implications of such statements may offer a more nuanced understanding of the dynamics at play. The neglected mass of publications, along with an arsenal of new approaches, calls for a renewed exploration.

After the dissolution of the CMEA in 1991, only a few historical studies on its development have been published.⁵ Contrary to this, the political, and partly also the cultural and social, conditions within the communist states; the political relations between the Soviet Union and the other Eastern bloc states; and the focal points of the Cold War were thoroughly investigated topics in contemporary history due to the easier accessibility of sources.⁶ Meanwhile, the development of the CMEA was regarded as an ultimately completed story, which hardly anyone was interested in already at the end of the 1990s.⁷ In 2010, Martin Dangerfield stated: “Ten years ago the 50th anniversary of the founding of the CMEA passed without anyone taking notice of it, and with its 60th anniversary it was no different.”⁸

In the last few years, a new generation of historians has rediscovered the CMEA as an object of research. They were personally much less influenced by the ideological clashes of the Cold War. Probably, therefore, it was easier for them to take up the current tendencies of contemporary historical research in the beginning of the twenty-first century and to apply them to an object of investigation, in which – contrary to previous assessments – there are still secrets to be discovered. Some results of looking at the history of the CMEA from new perspectives are presented in this volume.

While the research on the CMEA until 2000 was concentrated on its internal functioning, today it is understood much more in the context of a global contemporary and economic history. It is, therefore, a complementary concern of this volume to present some insights into the positioning of the Eastern bloc in the globalizing world economy.

4 In some cases this should, however, deflect the deficiencies of the local economic system or of mistakes by politicians or economic planners who were active at the national level.

5 R. Ahrens, *Gegenseitige Wirtschaftshilfe? Die DDR im RGW – Strukturen und handelspolitische Strategien 1963–1976*, Köln et al. 2000; L.K. Metcalf, *The Council of Mutual Economic Assistance. The Failure of Reform*, Boulder 1997; G. Neumann, *Probleme der osteuropäischen Wirtschaftsintegration*, in: J. Wysocki (ed.), *Wirtschaftliche Integration und Wandel von Raumstrukturen im 19. und 20. Jahrhundert*, Berlin 1994, pp. 159–187; R. W. Stone, *Satellites and Commissars: Strategy and Conflict in the Politics of Soviet-Bloc Trade*, Princeton 1996; See also A. Steiner, *The Council of Mutual Economic Assistance. An Example of Failed Economic Integration?*, in: *Geschichte und Gesellschaft*, 39 (2013), pp. 240–258.

6 See, for example, M. Kramer and V. Smetana, *Imposing, Maintaining, and Tearing Open the Iron Curtain: The Cold War and East-Central Europe, 1945–1989*, Lanham et al. 2013, which almost entirely neglects the economy as such.

7 F. Golczewski, *Der RGW – eine europäische Einigungsorganisation? Die Beziehungen zwischen dem RGW und den EG*, in: G. Clemens (ed.), *Die Integration der mittel- und osteuropäischen Staaten in die Europäische Union*, Münster et al. 1999, p. 36.

8 M. Dangerfield, *Sozialistische Ökonomische Integration: Der Rat für gegenseitige Wirtschaftshilfe (RGW)*, in: B. Greiner, C.T. Müller and C. Weber (eds.), *Ökonomie im Kalten Krieg*, Hamburg 2010, p. 369.

At first glance, this question does not appear to be particularly attractive. Although the collapse of socialism in European states in the years 1989–1991 was a great surprise for almost all contemporaries, only shortly afterwards was it interpreted as the inevitable consequence of a comprehensive crisis of the state socialism. The economic side of this crisis was obviously the increasing technological gap between the West and the East, the inability of the socialist economies to master the challenges of the structural change during the “third industrial revolution”, and of intensifying globalization since the 1970s. This culminated in economic stagnation, or even decline as in the case of Poland, as well as the unsatisfied consumption needs of the population, together with the debt trap.⁹ Nearly all economists and many social scientists would be satisfied with such a simple analysis of these economic mechanisms that explains the economic crisis and the collapse of socialism. Social scientists with a good knowledge of history, however, know that inefficient institutional arrangements in history tend to be the rule rather than the exception.¹⁰ They are therefore interested in the scope of action and motives of actors, which were crucial in certain decision-making situations.¹¹ The articles of this issue deal precisely with this. *Erik Radisch* vividly describes various Soviet attempts to make the CMEA an effective instrument of socialist economic policy. While supranational planning was never introduced and trade integration was only marginally successful, CMEA member states succeeded in building up transnational infrastructures, as *Falk Flade* shows for the case of the electricity grid “Mir”. The preparation of these projects was an essential part of the work of the CMEA bureaucracy. *Simon Godard* shows that many members of the CMEA staff were changing from representatives of national interests to organizers of international cooperation.

The history of the CMEA can only be understood as a part of global history. *Suvi Kansikas* shows that the CMEA, with the increasing importance of the European Community (EC), became an actor of foreign policy, which had not originally been envisaged. *Christian Gerlach* recalls that the reintegration of the Union of Soviet Socialist Republics (USSR) into the world market in the early 1970s was less due to its demand for high technology, and more because of the Soviet Union’s inability to meet the needs of its own people for food. *Martin Dangerfield’s* investigation of trade relations between the Visegrád states after 1991 shows once again that many potentials for exchange could not be exploited under the conditions of a planned economy and the state monopoly over

9 D. H. Aldcroft and S. Morewood, *Economic Change in Eastern Europe since 1918*, Aldershot 1995, pp. 156-157; S. Kotkin, *The East bloc goes borrowing*, in: N. Ferguson, C.S. Maier, E. Manela and D.J. Sargent (eds.), *The Shock of the Global: The 1970s in Perspective*, Cambridge 2010, pp. 80-93; J. von Puttkamer, *Ostmitteleuropa im 19. und 20. Jahrhundert*, München 2010, pp. 130-135, 140; A. Steiner, *The Globalisation Process and the Eastern Bloc Countries in the 1970s and 1980s*, in: *European Review of History: Revue européenne d’histoire*, 21(2014) 2, pp. 165-181.

10 D.C. North, *Institutions, Institutional Change and Economic Performance*, New York/Cambridge 1990; D. Acemoglu and J.A. Robinson, *Why Nations Fail: The Origins of Power, Prosperity, and Poverty*, New York 2012. See about the phenomenon of the “persistence of inefficient institutions” with reference to the CMEA: Stone, *Satellites*, pp. 22-25.

11 R. Ahrens, *Gegenseitige Wirtschaftshilfe*, pp. 12-13.

foreign trade. *Dagmara Jajeśniak-Quast* synthesizes these perspectives by presenting the actors of “hidden integration” between the East and the West.

This introductory contribution aims to assemble some important findings from the literature on the CMEA and its position in the global economy. This should help clarify the significance of the individual essays for a historization of the CMEA, which is still in its initial steps.

1. The Master Narrative of a Complete Failure or What “Integration” Means in the case of Centrally Planned Economies

An important reason for the lack of interest in the history of the CMEA is certainly the unambiguous judgment that Western literature of the 1980s as well as the small number of studies in the 1990s disseminated about this international organization. All of them tell us a story of countless deficits and a complete failure.¹² A research subject with such a negative image is usually not attractive to a historian. However, today we should be aware that this master narrative of complete failure was the result of a specific historical context and of a specific perspective and methodology: the collapse of the socialist world system around 1990 and the comparison with the European (Economic) Community (EEC) as the Western counterpart of the CMEA.

If we want to question this master narrative in order to achieve a more differentiated picture of the CMEA or – putting it in other words – if we try to historize the CMEA, we should, first of all, raise the following questions: In what respect and by what standards did the CMEA fail? Was the failure of the CMEA only one part of the general crisis of the communist states and economies? Was the CMEA even within the socialist order with its own specific logic unable to fulfil its mission? The answer to the first question in the relevant literature almost always reaffirms that the CMEA was never an organization with supranational power, and it did not succeed in creating an actually integrated economic area.¹³

Dealing later with the argument of political scientists, this exploration begins with an economic perspective on integration processes. The term “integration” is used in different contexts.¹⁴ However, an assessment of an integration process or of the organization which is to promote it as “failed” presupposes a precise set of criteria for success and/or failure. In (neo-)classical economic theory, there is the idea that increasing trade generally has prosperous effects. Economic integration theory assumes that the convergence and the expansion of commodity and production factor markets result in a more efficient allocation and use of resources, which enhance the use of scale effects and promote inno-

12 C. Gati, *The Bloc that Failed: Soviet-East European Relations in Transition*, Georgetown 1990; Steiner, *The Council*.

13 See, for example, Zwass, *Der Rat*; van Brabant, *Economic Integration*.

14 W. Plumpe and A. Steiner, *Dimensionen wirtschaftlicher Integrationsprozesse in West- und Osteuropa nach dem Zweiten Weltkrieg*, in: *Jahrbuch für Wirtschaftsgeschichte*, 2008, vol. 2, pp. 23-28.

vation as an effect of more intense competition.¹⁵ Even in studies on socialist countries, it is often assumed that “a successful regional economic integration is expressed in an increase in trade volume”.¹⁶ This, at least implicitly, concludes that the main task of the CMEA was to increase trade between its member states.

However, the prerequisite for the above-mentioned growth and productivity effects of integration processes is – in addition to free trade, which should prevail in an integrated economic space – a competitive economic order, which generates production at the lowest opportunity costs. In principle, such an order existed in Western Europe, although in the EEC restrictive market regulations dominated agricultural as well as numerous other industries and service branches for sometimes very long periods. In the CMEA, by contrast, there was never any real competition between different suppliers.¹⁷ Thus, “international economic intercourse among CMEA countries has never been based on considerations of comparative advantage. Even the theory of comparative advantage has been emphatically refuted as aimed at conserving structural dependencies established under imperialism”.¹⁸

For this reason, it is not surprising that an increase in foreign trade per se was never one of the most important economic policy objectives of the socialist countries: “The CMEA was never intended to maximize integration through trade, but rather to provide a protected environment within which to maximize the power, stability and economic growth of the socialist states.”¹⁹ In fact, the share of CMEA countries in global industrial production was approximately three times higher than their share of world trade.²⁰ In the economic order, “planned economy” foreign trade mainly aimed at completing the supply of the national economy. The focus was on imports of raw materials that were not available in the respective country as well as goods that could not be produced for technological reasons. The importance of exports was primarily determined by the achievement of foreign exchange income to ensure these imports.

The second argument for the failure of integration within the CMEA came from political science. Many authors stress that the CMEA was never able to take over substantial competences and rights from the member states. In contrast to the EEC, the CMEA never created supranational institutions with decision-making power:

15 Sometimes, however, it is forgotten that even in (neo-)classical economic theory, trade is of “no value in itself”. Only if there are corresponding changes in the price and thus in the real income levels, integration will generate increasing welfare. G. Ambrosius, *Wirtschaftsraum Europa. Vom Ende der Nationalökonomien*, Frankfurt a.M. 1996, pp. 30–41 (cit. p. 40).

16 Dangerfield, *Sozialistische Ökonomische Integration*, p. 356; See also S. Kansikas, *Socialist Countries Face the European Community. Soviet-Bloc Controversies over East-West Trade*, Frankfurt a. M. 2014, p. 24.

17 In competition with each other, “companies” from the CMEA countries came at best on third markets, which was however quantitatively hardly relevant.

18 L. Csaba, *Joint Investments and Mutual Advantages in the CMEA. Retrospection and Prognosis*, in: *Soviet Studies*, 37 (1985) 2, p. 228.

19 R. Bideleux and I. Jeffries, *A History of Eastern Europe: Crisis and Change*, London 1998, p. 538.

20 A. Inotai, *Industrialisierung und Industriepolitik*, in: *Rat für gegenseitige Wirtschaftshilfe. Strukturen und Probleme*, Bonn 1987, p. 42.

*According to its statutes, the organization's resolutions were not binding for its member states, but they did have to be approved by the national legislatures. [...] Additionally, all CMEA decisions had to be unanimous.*²¹

This lack of political integration is often perceived as an indicator for the secondary role of the CMEA in the development of economic relations in the Eastern bloc.

Indeed, if we take the key events of CMEA history, we get the impression of a rather weak institution. In the first years after its founding in 1949, the CMEA was no more than an umbrella that included a set of bilateral trade agreements that the Soviet Union and the other bloc countries signed with each other.²² Therefore, “[i]t was not endowed with any authority, any significant functions, or any substantial staff [...] for the first decade of its existence it lived only on paper.”²³ Its weakness is usually attributed to Stalin, who deliberately chose to keep the CMEA debilitated in order to keep its allies divided and powerless against him.²⁴

In the early 1960s, the interests, and more importantly the perception, of CMEA actors had changed fundamentally. Nikita Khrushchev suggested the establishment of a joint CMEA Central Planning Office to introduce a supranational planning system.²⁵ This idea was rejected by Romania – acting probably in the interests of other small members – for fear of Soviet domination and of degradation to the producer of agricultural goods for the Eastern Bloc. Planning of the economy was regarded as an essential part of national sovereignty and Romania wanted to uphold its national industrialization policy.²⁶

In the late 1960s, a second Soviet attempt failed to introduce a supranational planning authority within the framework of the CMEA. At the time, the Soviet Union received support from Poland, which was, however, primarily politically motivated. Polish fears of the Federal Republic of Germany (FRG) and mistrust of East Germany's privileged status vis-à-vis the FRG brought a temporary alliance of convenience with Moscow. In March 1969, for example, a British diplomat reported that Poles described their push for closer CMEA integration as an effort to keep the Soviet bloc intact by preventing East Germany from moving closer to the West.²⁷ At the same time, leading economists from Czechoslovakia and Hungary had quite different concepts in mind for the future

21 Kansikas, *Socialist Countries*, p. 30.

22 I. T. Berend, *An Economic History of Twentieth-Century Europe: Economic Regimes from Laissez-Faire to Globalization*, Cambridge 2006, p. 166; See also Bideleux, Jeffries, *A History of Eastern Europe*, pp. 534-543.

23 Stone, *Satellites*, p. 29.

24 Bideleux, Jeffries, *A History of Eastern Europe*, pp. 539-540.

25 Ahrens, *Gegenseitige Wirtschaftshilfe*, p. 12. The seriousness of Khrushchev's proposal is assessed differently in the literature. See M. Simai, *A Case Study of Economic Cooperation in Eastern Europe*, in: D. Nicol, L. Echevarria and A. Peccei (eds.), *Regionalism and the New International Economic Order*, New York et al. 1981, p. 126; Stone, *Satellites*, p. 34.

26 E. Dragomir, *New Explanations for Romania's Detachment from Moscow at the Beginning of the 1960s*, in: *Valahian Journal of Historical Studies*, 13 (2010), pp. 51-82. For Poland see W. Jarzabek, *Polish Economic Policy at the Time of Détente, 1966-78*, in: *European Review of History: Revue européenne d'histoire*, 21/2, pp. 293-309.

27 D.R. Stone, *CMEA's International Investment Bank and the Crisis of Developed Socialism*, in: *Journal of Cold War Studies*, 10 (2008) 3, p. 55.

development of the CMEA. They generally believed that integration should be fostered by more rational pricing, a convertible CMEA currency, and a free socialist market. Therefore, they rejected a stronger centralization of planning in Moscow.²⁸ “These two competing visions of the CMEA’s future, Soviet supranational planning versus Czechoslovak and Hungarian free trade and convertible currency, clashed at the CMEA’s 23rd Session, in Moscow on 23–26 April 1969.”²⁹ In a way, however, the Comprehensive Programme of 1971 can be interpreted as a compromise between these two concepts. The programme aimed to coordinate medium-term economic plans. This, however, was limited in practice to the exchange of goods and to specialization in the manufacture of certain goods. Joint planning by the CMEA was not foreseen. Consequently, the structure and investment policy was not coordinated but remained the full responsibility of the member states. Closer cooperation was only possible with the implementation of individual projects, in which interested countries could participate.³⁰

In the last two decades of its existence, the CMEA was never capable of developing its own institutions with real decision-making powers. Regarding the formation of supranational institutions, the (West) European Community was a more integrated association, because the West European member states granted discretionary competences to Brussels.³¹ However, the much-loved comparison between the EEC and the CMEA is in some respects methodologically questionable. The member states of the EEC transferred only part of their decision-making power under certain political conditions to supranational institutions, which was a lengthy and conflicting process. In the CMEA, the establishment of a supranational planning authority would have meant the loss of the most important economic policy instrument for its member states.³²

Thus, it was no accident that the term “integration” was not used to describe the aims of the CMEA during the development of its most important institutions between 1957 and 1963. The 1962 programme, which focused on developing the basic principles of the CMEA, was largely dedicated to the “International Socialist Division of Labour”³³ The contemporary socialist political economy interpreted “integration” as a process that could only take place within capitalism.³⁴ This corresponded in a certain way to reality since, of course, entanglements between national planning economies could not constitute an integration process in the form of a “free play of market forces”. Accordingly, the installation of a supranational planning procedure did not succeed. Moreover, it can be

28 J. Kučera, Zwischen „kapitalistischem“ und „sozialistischem“ Weltmarkt: Die tschechoslowakische Wirtschaftsreform der 1960er Jahre und der RGW, in: C. Boyer (ed.), *Zur Physiognomie sozialistischer Wirtschaftsreformen: Die Sowjetunion, Polen, die Tschechoslowakei, Ungarn, die DDR und Jugoslawien im Vergleich*, Frankfurt a. M. 2007, pp. 179-200; See also Ahrens, *Gegenseitige Wirtschaftshilfe*, pp. 213-225.

29 Stone, *CMEA’s International Investment Bank*, pp. 52-58 (cit. p. 58).

30 H. Machowski, *Der Rat für gegenseitige Wirtschaftshilfe. Ziele, Formen und Probleme der Zusammenarbeit*, in: *Rat für gegenseitige Wirtschaftshilfe. Strukturen und Probleme*, Bonn 1987, p. 20.

31 Kansikas, *Socialist Countries*, p. 24.

32 *Ibid.*, 32.

33 A. Uschakow, *Integration im RGW (COMECON): Dokumente*, 2nd edition, Baden-Baden 1983, pp. 1018-1036.

34 Kansikas, *Socialist Countries*, p. 20; See also Machowski, *Der Rat für gegenseitige Wirtschaftshilfe*, p. 19.

assumed that even if there had been the political will to install a supranational planning, this would have failed due to technical problems. Even at the national level, the planning authorities lacked reliable information on capacities and, above all, on real demand.

The socialist division of labour was equally striving to achieve the optimal coordination of national economies as the central controlling instrument. To this end, the institutions of the CMEA prepared specialization agreements that were supposed to allow single countries to produce certain products for the entire CMEA market. This kind of division of labour was especially developed in engineering. The Hungarian Ikarus company, for example, held a monopoly in bus production in the CMEA and evolved into the world's sixth largest bus producer, with a six per cent share of the world's bus output.³⁵

This resulted in the interim conclusion that the CMEA did not strive for economic and political integration as defined in the West. It was mainly concerned with the division of labour, which had to be planned in socialist economies and was primarily aimed at the use of scale effects.³⁶ A discussion of whether the CMEA failed and, if so, why, must be guided by the tasks assigned to the CMEA by the leadership of its member states. However, there are several indications that the CMEA was only moderately successful in the organization of the planned division of labour between its member states. At this point, it is sufficient to mention only two of these. Firstly, in all socialist countries, there were strong efforts to produce as many products as possible in their own country despite existing specialization agreements within the CMEA. Secondly, particularly in the early 1970s, being the honeymoon period of détente, the share of Western imports within the total imports of the CMEA increased from 26 (1970) to 36 (1975) per cent.³⁷ Both trends suggest that the specialization agreements could not achieve the desired effects and that confidence in the functioning of the CMEA had generally declined as well.³⁸

2. The Disadvantages of the Economic Order “Planned Economy” and its Effects on the Functionality of the CMEA

If we want to historicize the CMEA, we should try to understand whether it was the economic order of “central planned economy” that was generally and fundamentally inefficient, or whether it was certain decisions made within this order that led to the “failure” of the CMEA. With these questions in mind, historians Simon Godard and Erik Radisch are interested in the scopes of action of important persons. In order to answer these questions, it is necessary to note both the knowledge of the systematic and of the

35 I.T. Berend, *An Economic History*, p. 167; See also Z. Bódy, *Der Ikarus-Bus als ungarische und sozialistische Ikone: Die symbolische Aufladung alltäglicher Objekte mit politischen Bedeutungen*, in: *Österreichische Zeitschrift für Geschichtswissenschaften*, 21 (2010) 2, pp. 152-172.

36 van Brabant, *Economic Integration*, pp. XXI-XXII.

37 Aldcroft and Morewood, *Economic Change*, pp. 156-157.

38 Puttkamer, *Ostmitteleuropa*, p. 131.

historical sciences.³⁹ Within the field of systematic sciences, the theory of “economic orders” (Wirtschaftsordnungen) has dealt specifically with economic systems organized by central plans. Again, this is a normative theory that mainly makes comparisons with the ideal type “market economy” to identify the “deficits” of the “planned economy”. Nevertheless, analyzing the economic order provides valuable evidence concerning the CMEA failure because on this level many of the general “deficits” of the planned economy were particularly dramatic. These “deficits” seem almost irreconcilable in hindsight, making failure inevitable. However, the contemporary actors saw this – at least in the 1950s and 1960s – quite differently. In the East, many people considered the CMEA as an instrument to resolve the problems of the post-war era, and in the West, not just a few people considered the socialist world a serious opponent.⁴⁰

There is an abundance of studies that show how the essential features of the planned economy negatively affect its productivity.⁴¹ Often the same factors made it difficult for the CMEA to fulfil its tasks. The planning of processes within a national economy is already a very ambitious project. The problems begin with the acquisition of information about the current state. Subsequently, numerous supply relationships must be created in such a way as to achieve the desired result with minimal effort. Regarding international trade, planned economies had an additional problem. The national planners could not know what foreign partners would buy from it. International trade relations had to operate on a market basis, but the socialist countries were lacking freely convertible currencies. For this reason, it was necessary to artificially establish market relations. Prices were therefore fixed in lengthy negotiations because the signal effects of supply and demand were missing.

*Under these conditions, it was logical to want to minimize even unexpected foreign economic influences, which were supposedly guaranteed by the state's monopoly in foreign trade and currency. [...] And so at first a strategy of substituting imports with domestic products, which was one of the factors promoting extensive economic development, was pursued.*⁴²

This explains, on the one hand, how difficult it was to initiate and to increase foreign trade even within the CMEA. In addition, with the foundation of the CMEA the fun-

39 About the differences of systematic and historical sciences: H. Seiffert, Einführung in die Wissenschaftstheorie. Geisteswissenschaftliche Methoden, Vol. 2. Phänomenologie, Hermeneutik und historische Methode, Dialektik, München 2006, pp. 234-246.

40 R. N. Cooper, Economic Aspects of the Cold War, 1962–1975, in: M.P. Leffler and O.A. Westad (eds.), The Cold War, Vol. II. Crises and Détente, Cambridge 2010, p. 45.

41 See the classical study J. Kornai, The Socialist System. The Political Economy of Communism, Princeton 1992. The observation of a negative effect of planned economies on productivity is principally true, although in certain historical situations, such as the reconstruction period after the Second World War, planned economies could achieve considerable economic growth. See f. e. W. Loth, The Cold War and the Social and Economic History of the Twentieth Century, in: M.P. Leffler and O.A. Westad (eds.), The Cold War, Vol. II. Crises and Détente, Cambridge 2010, p. 503 and 514. Moreover, this observation is true independent of the fact that capitalism, especially in its unregulated variant, is often simultaneously economically efficient and socially destructive.

42 Steiner, The Globalisation Process, p. 168.

damental idea of self-sufficiency was transferred from the national level to the whole bloc. After the Second World War, Eastern Europe experienced a reorientation of foreign trade, which was unique in economic history. Trade of the Soviet allies with the USSR increased between ten- to twentyfold.⁴³ However, this was only to a very small extent a result of the CMEA, and rather a consequence of the exclusion from trade with Western Europe. One estimate of the value suggested that the trade of socialist nations with the capitalist world declined precipitously from 74 per cent of its total trade in 1938 to just 14 percent by 1953.⁴⁴

In the processing of trade relations within the Eastern bloc, hard currency was basically excluded, whereby the countries paid each other with deliveries of goods. Money terms (in our case the transferable rouble) were only used for accounting and control.⁴⁵ The prices were fixed for several years. However, already in the 1950s, nearly all socialist countries complained about losses because of the price freeze. For example, coal exporters, like Poland, were unable to profit from the world market boom. This led to the adoption of the simulated world market pricing principle that was introduced by the 9th council session of the CMEA in Bucharest in 1958 and maintained its validity (in a modified form) until the self-dissolution of the CMEA in 1991.⁴⁶

Although negotiations about price changes and the trade deficits still remained conflictive, the barter trade was largely of use for all sides.

*Bilateral trade agreements guaranteed the energy and raw material supply for the small Central and Eastern European countries from the Soviet Union, while they mostly paid by industrial products, which helped Moscow ease the shortage of investment and consumer goods.*⁴⁷

However, a multilateral organization such as the CMEA was naturally set back by the preference for bilateral barter relations.

The economic advantages and disadvantages of this foreign trade system are very obvious. On the one hand, the economies of scale could not be optimally used, and, on the other, the monopoly position weakened the incentive to innovate. From the perspective of economic history, this system – combined with the protectionism of the CMEA – essentially eased the import substitution industrialization of the agrarian countries (especially Romania and Bulgaria and partly also Hungary and Poland), which were able to sell their often low-quality industrial products in other CMEA countries and especially in the huge and, in many respects, functional Soviet “market”. However, Polish and Hungarian economists, in particular, recognized the ambivalent character of the situation:

43 Aldcroft and Morewood, *Economic Change*, p. 134.

44 F.D. Holzman, *The Economics of Soviet Bloc. Trade and Finance*, Boulder, Col. 1987, p. 180.

45 Plumpe and Steiner, *Dimensionen wirtschaftlicher Integrationsprozesse*, p. 35; Stone, *CMEA's International Investment Bank*, p. 57 f.

46 Machowski, *Der Rat für gegenseitige Wirtschaftshilfe*, pp. 22-24. See also the article of Erik Radisch in this volume.

47 Berend, *An Economic History*, p. 167.

*All these advantages [...] were realised in a rather contradictory way. An isolated and safe market which was not competitive blocked not only the destructive effects of competition from the advanced industrialised countries but its challenging and stimulating effects as well.*⁴⁸

Since the 1970s even the most developed industrial states of the CMEA, the German Democratic Republic (GDR) and Czechoslovakia, benefited from the fact that they were able to supply industrial products that were no longer competitive in Western markets to the Soviet Union and, in return, received raw materials and fuel on relatively favourable terms.⁴⁹

This kind of organizing of intra-CMEA trade had a negative impact on both the integration and the structural development of the socialist economies. The Soviet Union mainly exported subsidized goods and mostly imported overpriced goods in return.⁵⁰ It did so mainly for political reasons, which will be discussed in more detail later. However, it must already be noted at this point that the Soviet Union had an urgent interest in changing the modalities and the terms of intra-CMEA trade, especially when its own economic problems arose.

The structural effect of the form of processing and goods-flows in intra-CMEA-trade was the continuation of the development of those sectors which in the Soviet concept of planned economy and in the concepts of the smaller states of import substitution had already been the focus of the growth strategies. The socialist as well as the national industrialisation concepts concentrated on the development of mining and 'heavy' branches of manufacturing (metallurgy, shipbuilding, heavy armaments such as tanks, and basic chemicals such as fertilizers) at the expense of consumer goods industries, services and technologically advanced high-skill branches.⁵¹ This production structure mentioned above corresponds to the findings demonstrating that the socialist division of labour consisted mainly of the exchange of raw materials and finished products. More complex delivery relationships, which used the specific advantages of individual production sites, were difficult to plan. They also posed a great risk to companies; as experience had shown, the supplies often did not arrive on time or were inferior in quality. There was no effective system in place to compensate for such damages.

Adam Zwass – a Polish Jew, who was an executive of the Central Bank in Warsaw and from 1964 to 1969 the head of the financial department in the CMEA, and who later escaped to Austria – characterized the difficult position of the CMEA in the economic system of the Eastern bloc countries as follows: The CMEA was a unique attempt to

48 I.T. Berend and G. Ránki, *The Hungarian Economy in the twentieth Century*, London/Sydney 1985, p. 280.

49 Inotai, *Industrialisierung*, p. 44.

50 Stone, *Satellites*, p. 5.

51 A part of the literature still overlooks the continuity of the national economic policy of the 1930s and argues that the concentration on the heavy industry in the 1950s was based solely on the transfer of the Soviet industrialization model. See e.g. Puttkamer, *Ostmitteleuropa*, p. 122.

unite economies, which are principally more introverted because of their internal money and price system and their foreign trade monopoly.⁵²

Another expert from the region, András Inotai, who was the general director of the Institute for World Economics in Budapest from 1981 to 1989, identified 10 factors that hampered a deeper integration of the CMEA:⁵³

1. The national strategies of industrialization were oriented to the needs of the respective national market and aimed at substituting imports.
2. The large absorption capacity of the Soviet market allowed several countries to orient to the same market without considerable competition.
3. The stability of the foreign market decreased the efforts to change structures and offers.
4. Economies of scale lost their growth potentials.
5. The principles of bilateralism and the equalization of trade balances caused the weakest economy to determine the pace.
6. The lack of convertibility of currencies distorted price relations.
7. In the case of violations of contracts, for example in the case of non-delivery, there were rarely sanctions.
8. Specialization and cooperation agreements contributed little to international competitiveness.
9. Opposing interests between companies and the national economy caused a mutual blockade. Firms were not involved in decision-making about specialization, and often failed to realize their advantages.
10. Exports were urgently needed for the payment of interest and for the repayment of debts, but with the industrial structure based on the strategy of import substitution and on the requirements of the Soviet Union, there was only little chance on the world market.

There are also arguments explaining the weakness of integration in the Eastern bloc, which are not directly linked to the question of the economic order. In this line of thought, some authors stress that the effectiveness of the CMEA had also been hampered by the great differences in the levels of development between the member states and/or by the asymmetry between the large Soviet economy and the much smaller ones of the East Central and Southeast European states.⁵⁴ This certainly played a role. However, we should keep in mind that from the perspective of an economic historian, the position of the Soviet Union as the hegemon of the firmly hierarchical Eastern bloc and military superpower could not be described by simple and usual models, such as the dichotomy of centre and periphery. After all, the internal economic developmental level of the Soviet

52 Zwass, *Der Rat*, pp. 13 and 149.

53 Inotai, *Industrialisierung*, pp. 50-53.

54 Plumpe and Steiner, *Dimensionen wirtschaftlicher Integrationsprozesse*, p. 22 and 28; Golczewski, *Der RGW – eine europäische Einigungsorganisation*, p. 34.

Union was extremely heterogeneous, and as the leading country of the Eastern bloc, it had to import a lot of modern technologies from its satellite states.

3. Primacy of Policy and Hegemony of the Soviet Union in the CMEA?

The relations between the Soviet Union on the one hand and the other socialist states on the other also play an important role within the often held argument that the CMEA could not become economically successful because all its key decisions were mainly based on political motives and aims and not on economic rationale.⁵⁵ This frequently corresponds with the view of many contemporary historians, who regard the CMEA primarily as a part of the Soviet power politics to control its sphere of influence, or as an instrument of foreign policy.⁵⁶ This opinion is especially represented by many historians from East-Central and Southeast European countries. This is also due to the fact that the interpreting of the socialist period as a time of limited state sovereignty and exploitation by the Soviet Union is still very popular in all former Eastern Bloc states.⁵⁷ The already mentioned economic advantages for the smaller member states due to the terms of trade in the intra-CMEA trade are completely ignored.

However, it is indisputably true that in the socialist system of one-party rule, nearly all fundamental decisions concerning economic and social policies depended on whether they promised an extension or at least stabilization of communist power. Perhaps the best proof of this thesis is the appreciation of consumption policy after the uprisings and disturbances of 1953, 1956, 1968, 1970, and 1976. Again and again, measures were taken that exclusively served to maintain the political power of the communist parties, without paying attention to economic effects.⁵⁸ However, was the CMEA primarily a “weapon of Soviet domination”?⁵⁹ And did the main decisions of the CMEA completely follow a political logic neglecting economic interest?

On closer inspection, it soon becomes clear that in the case of the CMEA, the relationship between politics and economy cannot be grasped by categories such as primary or secondary importance.⁶⁰ Similarly, and possibly in contrast to the Warsaw Pact, the

55 Zwass, *Der Rat; van Brabant, Economic Integration, Metcalf, The Council*; G. Herzog, *Schwäche als Stärke: Bargaining Power im RGW* (= Arbeitspapiere des Osteuropa-Instituts der Freien Universität Berlin, 17, 1998).

56 Golczewski, *Der RGW – eine europäische Einigungsorganisation*; G. Thum, „Europa im Ostblock“. *Weißer Flecken in der Geschichte der europäischen Integration*, in: *Zeithistorische Forschungen/Studies in Contemporary History*. Online-Ausgabe 2004.

57 Golczewski, *Der RGW – eine europäische Einigungsorganisation*, p. 31; S. Troebst and U. Brunnbauer (eds.), *Zwischen Amnesie und Nostalgie: Die Erinnerung an den Kommunismus in Südosteuropa*, Köln 2007.

58 C. Békés, *East Central Europe, 1953–1956*, in: M.P. Leffler and O.A. Westad (eds.), *The Cold War, Vol. I. Origins*, Cambridge 2010, p. 351; C. Boyer and P. Skyba (eds.), *Repression und Wohlfahrtsversprechen*, Dresden 1999; Cooper, *Economic Aspects of the Cold War*, p. 50; A. Kemp-Welch, *Eastern Europe: Stalinism to solidarity*, in: M.P. Leffler and O.A. Westad (eds.), *The Cold War, Vol. II. Crises and Détente*, Cambridge 2010, p. 229.

59 I. T. Berend, *Central and Eastern Europe, 1944–1993: Detour from the Periphery to the Periphery*, New York/Cambridge 1996, p. 82.

60 See Ahrens, *Gegenseitige Wirtschaftshilfe*, pp. 13–15.

relationship between the political leader of the Eastern bloc and the smaller states in the field of economy cannot simply be understood as a relationship between a ruler and subordinate subjects. One of a few general observations is that the Soviet Union “was unquestionably the moving force within in the CMEA”.⁶¹

This was undoubtedly the case since the founding of the CMEA. However, just the formation process reveals how many different interests and influencing factors determined the history of the CMEA. In addition, this event continues to be a source of controversy, or at least for a different weighing of several factors. Contemporaries “believed that the creation of Comecon [the CMEA] was part of a slowly unfolding plan for Soviet domination of post-fascist Europe. However, Western ‘revisionist’ historians of the Cold War [in the 1970s and 1980s] have long maintained that such a plan never existed, and we [these historians] share the view that Stalin was merely reacting defensively to unforeseen Western challenges and provocations, improvising as he went along”.⁶² In the 1990s, the majority of the authors stressed the ideological driving forces of the Cold War:

*Stalin proclaimed the existence of two independent, capitalist, and socialist world markets. As a pragmatic consequence, the Council of Mutual Economic Aid (CMEA) was established in 1949.*⁶³

Alternatively, the move has been seen as a wrecking manoeuvre to nip in the bud emerging efforts towards regional economic integration among the East European states. Indeed, there were several Balkan federation schemes as well as a Czechoslovak-Polish trade agreement, which were designed to promote closer economic links among the member states. The Bulgarian-Yugoslav plan had especially alarmed the Kremlin, which was anxious to isolate Yugoslavia economically and stamp out its alternative socialist economic vision.⁶⁴ Furthermore, the foundation of the CMEA can also be seen as an important step in the transformation of the Soviet Union’s policy in its sphere of influence. In the first post-war decade, the Soviets plundered around USD 14 billion from six East European countries.⁶⁵ However, since 1947, the Soviet Union gradually came to concede that if it was to continue occupying the void in trade links with Eastern Europe left by the defeated Germans, it would have to make loans in the form of grain and other foodstuffs in order to relieve food shortages and provide some raw materials and consumer goods. In return, it would accept anything the East Europeans could offer. In 1947, the Soviets renegotiated credit agreements with Bulgaria, Czechoslovakia, and Yugoslavia and wrote off half the Hungarian and Romanian reparations.⁶⁶ In a way, the founding of the

61 Aldcroft and Morewood, *Economic Change*, p. 137.

62 Bideleux and Jeffries, *A History of Eastern Europe*, p. 535. For the development of Cold War historiography in the 20th century see O.A. Westad, Introduction: Reviewing the Cold War, in: O.A. Westad (ed.), *Reviewing the Cold War: Approaches, Interpretations, Theory*, London et al. 2000, pp. 1-23.

63 Berend, *Central and Eastern Europe*, p. 82.

64 Aldcroft and Morewood, *Economic Change*, p. 133.

65 Ibid., p. 132.

66 van Brabant, *Economic Integration*, pp. 12-16.

CMEA was a further step in the context of the change in Soviet policy from exploitation to stabilization.

In view of these circumstances, it is astonishing that the CMEA remained so inactive after its establishment. However, the initial absence of steps towards the integration of the East European economies in the years after the founding of the CMEA was not just due to Stalin's distrust and power calculations, but also due to structural reasons. In the late 1940s, the USSR was largely self-sufficient, whereas the level of development of productive forces in the East Central Europe had not yet reached the degree of international cooperation that could be called "integration" in the full sense implied by the concept.⁶⁷ A second example of the interaction between political and economic factors and the complexity of the relations between the Soviet Union and the other European CMEA countries are the already mentioned terms of trade in the CMEA. At least since the early 1960s, commodities such as oil were generally underpriced on the CMEA "market". The Soviet Union provided "hard goods" with a relatively high value on the world market and in return received machinery, equipment, and consumer goods from its allies, much of which could not have been sold on the world market.⁶⁸ Already in the 1980s, there were several attempts to quantify the implicit Soviet trade subsidies to other European CMEA members. In the probably most famous study on this matter, the authors conclude that these subsidies constituted around USD 87 billion for the period from 1960 to 1980.⁶⁹ Most economists considered that these estimates were too high.⁷⁰ What is not in doubt is that Soviet subsidization was widespread and considerable.

The main beneficiaries of this generosity were the GDR, Czechoslovakia, and Poland, and in the 1970s also Bulgaria. The differences in behaviour of the Soviet Union towards its allies are partly due to their respective economic structures. However, the foreign policy and geostrategic interests of the Soviet Union were more important. In general, the Soviet Union rewarded its supporters and punished detractors. For example,

*East Germany [...] permitted 20 Soviet divisions [with about 500,000 army personnel] to be stationed on its territory, and, through its economic links with West Germany, acted as a conduit for Western expertise and technology and was the Soviet Union's principal supplier of technologically advanced goods. Equally, the Soviets were always conscious of the GDR's vulnerable strategic position and it was no accident that it became the Soviet Union's most important trading partner.*⁷¹

67 Simai, A Case Study of Economic Cooperation, p. 127; Csaba, Joint Investments, p. 230.

68 Stone, Satellites, pp. 5-9.

69 M. Marrese and J. Vanous, Soviet Subsidization of Trade with Eastern Europe. A Soviet Perspective, Berkeley 1983.

70 J.M. van Brabant, The USSR and Socialist Economic Integration: a Comment, in: Soviet Studies, Vol. XXXVI, (January, 1984) 1, pp. 135-153; M. Lavigne, The Soviet Union Inside 'Comecon', in: Soviet Studies, Vol. XXXV (April, 1983) 2, pp. 127-138.

71 Aldcroft and Morewood, Economic Change, pp.137-139, at p.138.

Czechoslovakia was also located directly at the Iron Curtain and remained – only intermittently interrupted by the Prague Spring – a similarly loyal ally, housing five Soviet divisions. These two cases prove that Moscow provided large hidden economic subsidies to its allies in exchange for their political and military loyalty. Bulgaria was less strategically important, but had always been a reliable and obedient client, in sharp contrast to Romania. The indirect subsidies, as well as loans to Poland – which was politically unreliable and economically unstable but was also strategically important – could also be described as expenditures of the Soviet Union for the preservation of its empire in addition to the immediate military expenditures. Accordingly, the countries brought into the Soviet fold were “effectively subsidized by a country that was, in fact, less developed than many of them.”⁷² These circumstances could confirm the primacy of politics.

However, the situation changed when the USSR faced increasing difficulties in maintaining its economic growth, particularly the growth of oil production. The inability to innovate, or even to absorb foreign innovations, the loss of discipline among Soviet workers, and the failure to maintain installed equipment explains the gradual but steady decline in economic growth.⁷³ Additionally, the poor performance of its own agricultural sector, which necessitated the Soviet Union taking ever greater food imports from the West, caused problems in the Soviet balance of payment. Christian Gerlach shows in his contribution to this volume the great and increasing value of food imports within Soviet foreign trade after 1972. The imports were not enough to stop the deterioration of living standards, which were worse in the allegedly leading country of the Eastern bloc than in most of the satellite states. This highlighted the need for fundamental reforms, which later were tried under Gorbachev.

The economic crisis in the Soviet Union also had an impact on the relations of other CMEA members. In 1973, the Soviet Union initially proved willing to shield its Eastern satellites from the ravages of the oil price inflation. But increasingly, as it too faced the problem of countering slower economic growth, this benign attitude proved ever more difficult to sustain. When in 1981, Gerhard Schürer, the head of the GDR’s State Plan Commission, complained that the Soviet Union supplied less oil to the GDR and was also unwilling to give credit to its most important front-line state on the Iron Curtain, Nikolai Baibakov, the head of Gosplan, responded:

[I have to think about] *the People’s Republic of Poland! When I cut back on oil there (I am going there next week) that would be unbearable for socialism ... And Vietnam is starving. We have to help. Should we just give away South East Asia? Angola, Mozambique, Ethiopia, Yemen. We carry them all. And our own standard of living is extraordinarily low. We really must improve it.*⁷⁴

72 O. Sanchez-Sibony, *Red Globalization: The Political Economy of the Soviet Cold war from Stalin to Khrushchev*, Cambridge 2014, p. 70.

73 Cooper, *Economic Aspects of the Cold War*, p. 48.

74 Cited in: J. Kopstein, *The Politics of Economic Decline in East Germany, 1945–1989*, Chapel Hill 2009, pp. 93–94.

4. Conclusion. Paths to Historize the CMEA

The relative accessibility of the archives in Moscow and those in other former socialist countries, and perhaps also the decline of the immediate political relevance of this topic, are good conditions for the historization of the CMEA. The newly accessible sources enable the reconstruction of the decision-making processes, thereby sketching a much more detailed picture of different interests and conflicts within this organization. Thus, it will also be possible to understand the CMEA through its own logic. As a result, we are not left with the discovery that “integration” has not succeeded in the CMEA. We will know in more detail what goals had been set, how they should have been achieved, and the concrete obstacles to the implementation of the objectives.

The studies of recent years, as well as the contributions in this volume, show three main approaches to deepen our knowledge about the CMEA. This is, *firstly*, an actor-centred approach, which not only considers the party leaders but also focuses on economic experts, technicians, and above all CMEA staff.⁷⁵ For example, experts from East Central Europe were also involved in the founding of the CMEA, drawing on experiences gained during the interwar period. The intra-CMEA trade was organized by a clearing system that was already demonstrated in the 1930s between East Central European states and within the so-called German Großraumwirtschaft, and that was easily applicable in planned economies.⁷⁶

Although the CMEA was not a supranational organization, it built up its own public service with several hundred, and by the 1980s more than one thousand, employees.⁷⁷ Many of them originally had been national stakeholders, but they developed a more or less “internationalist” identity over the years. Besides the staff of the headquarters in Moscow, about 25 standing committees for special branches or tasks located in other capitals of the smaller CMEA member states employed technical experts with several connections also to the West.⁷⁸

Secondly, it is worth looking at the more successful projects of the CMEA. The results of these activities have continued to some extent until today. The joint investment projects, intensified due to the Comprehensive Programme of 1971, also relativize the picture of the subsidization of the smaller states by the Soviet Union. It was precisely because of unfavourable price structures in foreign trade that from the early 1960s raw material exporters like the Soviet Union increasingly tended to incrementally restrict supplies on the condition of investment contributions, a CMEA term for such joint investments.

75 See the articles by Simon Godard and Erik Radisch in this volume.

76 Z. Drabek, Foreign Trade Performance and Policy, in: M.C. Kaser and E.A. Radice, The Economic History of Eastern Europe 1919–1975, Vol. I. Economic Structure and Performance between the two Wars, Oxford 1985, pp. 435 f. and 450–454; W.S. Grenzebach, Germany's Informal Empire in East-Central Europe: German Economic Policy toward Yugoslavia and Rumania 1933–1939, Stuttgart 1988.

77 This is one of the parallels to the EC and Brussels.

78 D. Jajeśniak-Quast, „Hidden Integration“ – RGW-Wirtschaftsexperten in europäischen Netzwerken, in: Jahrbuch für Wirtschaftsgeschichte, (2014) 1, pp. 179–195.

This form of cooperation, which was the first of its kind, is most closely related to the underdeveloped state of the monetary sphere of integration under the conditions of socialism.⁷⁹ Joint investments of CMEA countries were concentrated on industrial branch programmes, such as the complex computer programme and its future developments; programmes of a “pendulum type”, for example the ethylene pipe line between the Tisza Chemical Combine and Kalus; and transnational programmes, for example the Friendship oil pipeline and the Orenburg gas pipeline.⁸⁰ The results of these joint investments and their benefits for the various stakeholders have not yet been sufficiently investigated.

Thirdly, it is fruitful to regard the CMEA not as a closed entity but rather to consider its development within the (economic) history of the socialist countries and, above all, the effects of the Cold War and the development of the world economy under the conditions of globalization. Only a few years ago, Suvi Kansikas stated:

*There are so far relatively few studies that analyse the CMEA as part of the international history of the Cold War. There are even fewer studies that have used materials from the CMEA archive, and they to a large extent have analysed the CMEA within the socialist bloc framework, overlooking or ignoring altogether the influences coming from outside the bloc, such as the EC.*⁸¹

Once again, we can point to the establishment of the CMEA, which in several respects was linked to the Marshall Plan. As Kansikas further stated:

*The establishment of the CMEA in January 1949 needs to be seen in the context of the ensuing Cold War bloc division. The single most important external factor pushing the Soviet bloc together was the US-sponsored aid plan for European recovery, the Marshall plan.*⁸²

The autarchic orientation of the CMEA in the 1950s was less an implementation of the communist industrialization ideology and instead a consequence of Western embargo politics.⁸³ And last but not least, the relative decline in intra-CMEA trade in the early 1970s, along with the turn towards the countries of the Global South and the partial revival of the intra-CMEA trade since the end of the 1970s, can only be understood by taking into account the growing East-West trade and the debt crisis.⁸⁴

We should reintegrate the history of the CMEA into contemporary world history and especially into the history of the recent period of globalization. In other words, only a

79 Csaba, *Joint Investments*, p. 227.

80 K. Botos and G. Hajdu, *Coordination of Investment Policies in the CMEA*, in: *Soviet and Eastern European Foreign Trade*, Vol. 15 (Summer, 1979), 2, p. 5. See also Csaba, *Joint Investments*, pp. 227-247, and the article by Falk Flade in this volume.

81 Kansikas, *Socialist Countries*, p. 25.

82 *Ibid.*, p. 37.

83 Sanchez-Sibony, *Red Globalization*, pp. 70-80.

84 Steiner, *The Globalization Process*, and the other articles in *European Review of History: Revue européenne d'histoire*, 21 (2014) 2.

transnational approach to the CMEA will keep us from writing the CMEA history only from the perspective of its dissolution. As historians, we should not step into the “the trap of teleology”.