

## **Moderator's introduction to the workshop**

The drastic changes in Eastern Europe that took place at the end of the 20th century marked a major event that changed the political and economic landscape of Europe. Since then, all Central and Eastern European countries have looked to the West and started a comprehensive transformation covering political, economic, cultural and other fields. The breadth and depth of the transformation have provided new materials and knowledge for the field dubbed “transitology.” Standing at the node of 30 years of transformation in Central and Eastern Europe, in the context of the rise of populism and Euroscepticism and the emergence of new changes in the European political and economic order, it is particularly important to review and reflect on the changes, costs, and development prospects in Central and Eastern Europe since the transformation.

The scholars who participated in this workshop all put forward their own distinct views and discussed them in depth. Lu Nanquan, deputy director of the Institute of Russian, Eastern European & Central Asian Studies of Chinese Academy of Social Sciences, believes that Russia's systematic transition and institutional changes are unified. This transition was not a reform and improvement of the original framework, but a fundamental change. But in this process, Russia has not fundamentally solved the problem of economic development. The main factors impeding the economic transformation of Russia include the failure of privatization policies, the emergence of a large number of monopoly economic organizations, the inconsistency between the transformation of the political system and economic structures, the lack of a good

investment environment, and the decline of manufacturing and processing industries.

Xu Xiangmei, a research fellow at the Institute of Party History and Literature of the CPC Central Committee, pointed out that the transformation of Russian institutions was done in a radical way. Politically, Russia got rid of previous turmoil and gained stability. Economically, it has recovered from recession and resumed growth. But with ups and downs and frequent crises, it has never been able to embark on a stable growth track. At present, it seems that the structural problems have been around for a long time, and it is difficult to solve them easily.

Ma Xipu, a research fellow at the Institute of World History of the Chinese Academy of Social Sciences, believes that the criteria for successful transformation in Eastern European countries is neither membership in the EU or NATO, nor left- or right-wing political parties in power, nor having a certain social system in place, but the living conditions of society, the satisfaction of the people and the prospects for development. Specific analysis should be carried out according to the situation of specific countries.

Kong Tianping, a research fellow at the Institute of European Studies of Chinese Academy of Social Sciences, believes that Central and Eastern European countries have established a market economy system and the economic transition has been completed. Central and Eastern Europe, as an important part of global emerging markets, has a market economy that is different from other emerging market economies. The differentiation between the Central European countries, the Baltic regions and the Western Balkan countries is

remarkable. This differentiation is not only reflected in the difference in the maturity of the market economy system, but also in the difference in economic performance.

Gao Ge, director of the Department of Central and Eastern European Studies, Chinese Academy of Social Sciences, pointed out that the political transition of Central and Eastern European countries refers to the transition of the state system to capitalism and the transition of the system of government to Western democracy. The transition of the state system was completed with the end of the drastic changes in Eastern Europe but the transition of the system of government will take longer.

Ji Wengang, associate professor of Xi'an International Studies University, summarized the development of left-wing parties in Central and Eastern Europe. He pointed out that under the influence of socialist historical legacies and other factors, in the context of the obvious decadence of the left wing across Europe and the rise of populism, the extreme right wing and other extreme, anti-establishment political parties, the left-wing of Central and Eastern Europe will inevitably maintain a downturn for a long period of time, in a complex environment in which there are divergences within the Party and constant changes outside the Party.

In my view, the following lessons can be drawn from the 30-year transformation of Central and Eastern Europe. Social transformation is a continuous process. The reform of the legal and institutional framework can be achieved in a short time, but the consolidation of the system requires a long-term process. The correlation between political democracy and economic development is not strong, and political democracy cannot bring

economic prosperity in the short term. There is a strong relationship between the premise of transition and the consequences of transition. There is also a close relationship between political stability and economic development. The stronger the stability of the government, the smoother the transition, and the better the results. Political division and political turmoil will bring about twists and turns in social development and even serious economic recessions.

This workshop is closely focused on the theme “Review and Reflection of the Post-Communist Countries’ Transformation.” The participating scholars reached the following policy reference points through speeches and discussions. Reforms need to be resilient, and policies need to be sustainable. Reform should be in the interest of the people and benefit the people, and this is the basis for the ruling party to be able to govern and receive support for its governance.

The transformation of post-communist countries cannot be judged to have concluded simply with success or failure. In the process of the transformation to capitalism, Central and Eastern European countries are also facing serious problems. Populism cannot be simply denied. Its emergence is a comprehensive product of globalization and the transformation of countries. The main supporters of populism are middle- and lower-class people.

Participants suggested that, given that most of the post-communist countries are participating countries in the Belt and Road initiative, clarifying the current status of these countries can provide a basis for China to formulate effective and sensible policies. Chinese companies need to take the diversity and complexity of post-communist countries into

consideration when carrying out activities in relevant countries.

Xiang Zuotao

November 15, 2019

**The 26th Broadyard Workshop**  
**Thirty Years of ‘Departure from the Soviet Union to the**  
**West’: Review and Reflection of the Transformation of**  
**Post-Communist Countries**  
**November 8, 2019**

Experts and scholars from Peking University, the Chinese Academy of Social Sciences, the Institute of Party History and Literature of the Communist Party of China Central Committee, Xi’an International Studies University, Sichuan University and other institutes were invited to participate in the workshop.

Prof. Qian Chengdan, director of the Institute of Area Studies of Peking University (PKUIAS), first welcomed the participants and introduced the academic exchanges and talent training conducted by PKUIAS to the participants. He said that after the disintegration of the Soviet Union, most of the post-communist countries turned to the West, and the development and transformation of Russia and Central and Eastern European countries has become a hot topic of current concern. However, at present, domestic research in this field is still weak, and he hopes to promote the exchange of domestic scholars through this workshop.

The title of the presentation by Lu Nanquan, deputy director of the Institute of Russian, Eastern European & Central Asian Studies of Chinese Academy of Social Sciences, was “Analysis of Several Issues on Russia’s Systematic Transition.” It mainly focused on the main tasks and basic issues at various stages of the Russian transition. He stated that the specific time for the start of Russia’s transition was January 2, 1992, marked by the first large-scale lifting of price controls, showing the

characteristics of radical reform.

Russia's transition was mainly divided into three stages. The first stage was Yeltsin's eight years as president. The main task was to destroy the planned economy of the Soviet Union, establish a market economy framework and a Western-style political system. The basic economic problem was mainly private ownership. As of 1996, through privatization reform, 70 percent of Russian enterprises had been privatized, and the private economy accounted for 60 percent of GDP. Despite a serious transition crisis during the process, with GDP falling by 40 percent in eight years, Russia established an irreversible market economy system during the Yeltsin period, which laid the foundation for future development in Russia.

The second stage was Putin's presidency. After Putin came to power in 2000, in view of the disorder and chaos of the Yeltsin economy, the main task of Putin's economic transition was to establish a stable, orderly, and institutional market economy. At the same time, Putin strengthened the political power of the state and stabilized national politics, paving the way for future reforms. Putin's economic reforms in the first eight years mainly focused on two basic issues. One was the tax system reform in the form of a substantial reduction in taxation, so that enterprises had more funds to develop the economy. The second was land privatization. Economic theory at the time believed that if land could not be privatized, production factors could not enter the market and a market economy would be difficult to form. The privatization of land created the conditions for economic development in Russia.

The third stage was the "Putin and Medvedev period," the

period when Putin and Medvedev partnered together. In this stage, Russia's economic development mainly focused on creating an innovative economy and economic modernization. To achieve this goal, Putin formulated and adjusted a series of policies.

Lu Nanquan believes that there are two points that should be given attention when evaluating Russia's 28-year systematic transition. First, the transition of Russia's systems and institutional change were unified, with marketization and democratization proceeding simultaneously. Second, the fundamental problems of the economic system and the political system have not been resolved during the reform process, which has caused difficulties for the current Russian economy. There are ten major problems in the Russian transition. First, there were mistakes in Russia's privatization policy. During the privatization process, the leading collectives and management methods of a large number of State-owned enterprises were not involved, and it was difficult for enterprises to adapt to the excessively rapid privatization reforms. Second, a large number of monopoly economic organizations emerged, and collusion between government officials and businessmen is serious. Third, systematic transition and the transition of economic structures have not proceeded at the same time, and the model of economic growth has become increasingly simplistic. Fourth, manufacturing and processing industries are in decline, and the country lacks core competitiveness. Fifth, the scale of enterprises is too large, so that the survival space for small and medium enterprises is lacking. This irrational enterprise structure leads to the lack of competitiveness in the Russian



economy. Sixth, a backward growth model has not changed, and labor productivity is quite low. Seventh, infrastructure development is backward, and transportation capacity is restricted. Eighth, corruption issues have not been resolved. Ninth, the policy of State-owned enterprises lacks continuity. Tenth, the investment environment has not been improved, and excessive emphasis has been placed on maximizing profit in economic cooperation, lacking a win-win spirit.

The speech of Xu Xiangmei, a research fellow of the Institute of Party History and Literature of the Communist Party of China Central Committee, focused on three issues. The first is political system development and political environment evolution. The second is market economy system development and structural economic growth dilemmas. The third is the future of Russia.

Xu Xiangmei believes that after Russia established its presidential government, the evolution of the political environment mainly involved the relationship between the president and the State Duma. During the Yeltsin period, there was tension between the president and Duma, and Yeltsin was constrained by the Duma. During the Putin period, the relationship between the President and the Duma was rationalized. Putin's support rate has remained high and the political situation is relatively stable.

Regarding the development of a market economy, Russia quickly completed the transition, and the market economy system has been continuously improved. Russia's market economy status was recognized by the US in 2002, and its economy thus achieved rapid development and maintained high

growth for a long period. Since the economic crisis in 2008, the Russian economy has been in a cycle of crisis, recession, recovery, growth, repeated crisis, repeated recession, and repeated recovery, and has not entered a path of stable growth.

Regarding the future of Russia, Xu Xiangmei gave the following basic conclusions. First, according to the March and December 2016 poll results of the Russian Public Opinion Research Center, 64 percent of respondents clearly expressed their support for the retention of the Soviet Union, but most of them were over 60 years old. In addition, 68 percent believe that it is impossible to rebuild the Soviet alliance in its old form, but 52 percent of them support the rebuilding of the alliance in a new form. This shows that the statement that the Russians generally miss the Soviet Union is exaggerated. The people who miss the Soviet Union are mainly the elderly who supported the retention of the Soviet Union. As the years pass, the Soviet Union is becoming history for Russia, and at the same time, the possibility of rebuilding the alliance in a new form does not actually exist.

Second, Putin gave a specific definition of democracy in 2012. He pointed out that Russia agrees with the general principles of democracy, but Russia's democracy must conform to the tradition of national autonomy and the rights of the people. Russian democracy should not be an externally imposed standard, the country's social foundation cannot be shaken, the continuity of national development cannot be interrupted, and sovereignty and civil rights cannot be damaged. In this sense, Russia's political tradition has an important impact on its democratic political development.

Third, the current status of Russian society is related to the ownership and distribution of its means of production. The current proportion of the State-owned economy in Russian society has risen, and the private economy has receded. The proportion of redistribution has risen, and the level of social security is relatively high. This reflects the goal of the Russian government's social development to establish a social system with unique Russian characteristics.

Fourth, from the perspective of GDP alone, it is difficult for the Russian economy to rank in the top 10 in the world. However, if various factors such as the country's size, natural resources, human resources and social capital are considered together, Russia is still a world power. Based on current information, Russia's future recovery is still unknown, because Russia is relying solely on energy exports to develop its economy.

In short, Russia is the successor of the Soviet Union. Since the transformation, it has tried its best to undergo de-Sovietization. In addition, Russia inevitably inherited the legacy of the Soviet Union and the historical and cultural traditions of Russia. On the one hand, Russia yearns for the freedom of the West, and on the other hand, it admires the authority of the East. So, there is an inevitable entanglement about the choice of where to go in the future.

The speech of Ma Xipu, a research fellow at the institute of World History of the Chinese Academy of Social Sciences, focused on the social transformation of Central and Eastern European countries. He pointed out that the analysis of Central and Eastern European countries should be based on the specific

conditions of each country. Different countries have different transformation processes and problems, so it is necessary to evaluate the social transformation of Central and Eastern European countries from different perspectives. He emphasized that in studying the social transformation of Central and Eastern European countries, we should pay attention to the differences in historical periods, countries, and forces within the countries, and insist on analyzing according to specific circumstances.

The social transformation of Central and Eastern European countries is divided into three stages. The first stage was the first ten years of the transformation of Central and Eastern Europe, which belonged to a period of political transition. The characteristics of this period were the chaotic situation, the decline in production, economic difficulties, social unrest, the proliferation of anarchism, and the confusion of the people's thinking. The second stage was from 2004 to 2008, which belonged to a period of economic transition. Central and Eastern European countries joined the EU one after another. The economy achieved transition. The privatization of the property rights system and the market economic system was established. The economic growth rate remained at about 5 percent. The third stage is from 2008 to the present, a period of diplomatic transition. Affected by the 2008 financial crisis and the Greek sovereign debt crisis, Central and Eastern European countries began to adjust their relations with the EU, demanding a higher status and more just and equal rights.

The social transformations of different countries in Central and Eastern Europe have different characteristics. Poland, the Czech Republic, Hungary, and Slovakia in Central Europe have

a relatively high level of economic development, and the people are leading comfortable lives. The economies of Bulgaria and Romania in Southeast Europe are relatively backward. The situation in the countries of the former Yugoslavia is also different. As member states of the EU, Slovenia and Croatia have high living standards. Countries such as Serbia, Northern Macedonia and Montenegro are relatively backward. In addition, the state-building of Kosovo and Bosnia and Herzegovina has not yet been completed. In general, when evaluating the transformation of Central and Eastern Europe, it cannot be regarded as a simple whole. The analysis should be based on the specific conditions of specific countries.

There are different problems in the social transformation of Central and Eastern European countries, and new criteria need to be used to evaluate the transformation. Among them, people's satisfaction is an important criterion. Overall, the people of Central and Eastern European countries are satisfied with the current social situation. Despite frequent demonstrations, these demonstrations are mainly economic rather than political in nature. Therefore, when observing Central and Eastern European countries, one should not understand one-sidedly according to economic or political factions, but should pay attention to the satisfaction of the people with their standard of living.

Ma Xipu pointed out that when studying Central and Eastern European countries, one has to avoid the idea of binary opposition and look at the problem dialectically. Take Poland as an example. Poland needs a security environment that only the US can provide. So, it is necessary to have a rational

understanding of the relations among the US, China and Poland. In general, we should not look at the Central and Eastern European countries from the perspective of China, but should go deep into the society of these countries and understand the social realities of the countries and the needs of the people to promote the development of mutual relations.

The title of the presentation by Kong Tianping, a research fellow at Institute of European Studies of Chinese Academy of Social Sciences, was “Central and Eastern European Economic Transition: Reflection and Prospects.”

He said that as of the mid-1990s, most Central and Eastern European countries established a market economy system through macroeconomic stabilization, economic liberalization, and privatization of State-owned enterprises. From the perspective of the property rights system, private property rights in various countries currently dominate. From the perspective of economic decision-making, economic decision-making is not made by administrative agencies, but by the independent decisions of manufacturers, which effectively achieves decentralization. From the perspective of system development, Central and Eastern European countries have established a number of systems that are compatible with the market economy, including legal systems, statistical systems, audit systems, and constitutional systems.

There are three characteristics of the market economy system in Central and Eastern European countries. First, the market dominates economic life, and the state’s role in economic life is minimal. Second, the economy is small and open. With the exception of Poland, Central and Eastern

European countries are basically small and open economies that rely heavily on Western European capital markets and technologies. Third, although the welfare system established during the socialist period was affected to some extent during the initial transition, it was still maintained.

After nearly three decades of development and transformation, the gaps between different Central and Eastern European countries grow wider, and an obvious division emerged. According to the statistics, three echelons have formed. The first echelon is mainly Baltic and Central European countries, among which are Hungary, Poland, the Czech Republic, Slovakia, Slovenia and Croatia. The second echelon mainly includes Romania and Bulgaria. The third are mainly Western Balkan countries, including Serbia, Montenegro, Northern Macedonia and Albania. Some scholars believe that this differentiation is related to geographical location. Countries that are closer to developed countries in Western Europe -- the economic center -- enjoy better economic development, while marginal countries far from the economic center encounter troubles in development. There are also explanations based on culture, saying that Protestant and Catholic countries usually are the most developed, followed by Orthodox countries, while Islamic countries come last. Looking back on the development paths over past 30 years, we can see that the Western Balkan countries did meet with serious ethnic and religious problems, and a least promising development outlook. Therefore, this view generally corresponds with historical facts.

Kong Tianping pointed out that we should not be fettered by geographical determinism or cultural hermeneutics. The real

causes are the strategies and policies of transformation. First, from a historical perspective, Central and Eastern European countries belong to different empires in history, hence left with different empirical heritages which have dissimilar effects on them. The Austro-Hungarian Empire had a profound impact on the economies of Central European countries, while the Ottoman Empire exerted greater influence on the Western Balkan states. Second, Central and Eastern European countries have adopted different policies during transition. Some of them represented by Poland adopted shock therapy, while Hungary took gradual steps. Hungary is lagging behind Poland in terms of growth. Third, Europeanization also deeply influences these countries. During the past 30 years, there have been two major institutional redirections in Central and Eastern European countries. One is the comprehensive institutional change since Central and Eastern Europe started transforming in 1990. The other is the institutional change since Central and Eastern European countries joined the EU in 2004. Since then, Central and Eastern European countries obtained huge benefits, and EU funds played an important role in their development.

Kong Tianping believes that Central and Eastern European countries will confront five issues in their future development.

First is the relationship between government and market. This is also an issue facing all countries in transition. According to the law of the market economy, the state should protect private property rights and promote competition. However, after the financial crisis, nationalist forces in Central and Eastern European countries have risen, constantly challenging the consensus of liberal democracy, free market economies and



globalization.

Second, there are problems in the growth models of Central and Eastern European countries. The ultimate aim is not to build market economy, but to achieve sustainable economic growth. In the past, most Central and Eastern European countries mainly relied on cheap and high-skilled labor to attract manufacturing investment from Western Europe and to achieve economic growth. However, this model is unsustainable. Due to the low fertility rate in Central and Eastern European countries, the labor force is shrinking, and high-skilled workers flow to Western Europe, resulting in a serious drain in labor.

Third, Central and Eastern European countries are facing the challenges of a new technological revolution. Emerging and high-tech industries like the digital economy, artificial intelligence, big data, cloud computing, the Internet, and electric vehicles have been creating new requirements for national development. However, most Central and Eastern European countries still need improvement in this respect, and are thus facing great challenges.

Fourth, rural issues remain prominent. Compared with Western European countries, urbanization in Central and Eastern European countries is still at quite a low level, with a rate of less than 60 percent, and many people living in rural areas. This social structure has affected the political environment of Central and Eastern European countries and brought populist right-wing governments to power. For example, the supporters of Poland's Law and Justice party and Fidesz-Hungarian Civic Alliance are basically voters in rural areas.

Fifth, population growth is still a serious issue. The fertility

rate in Central and Eastern European countries is too low to maintain reproduction. In addition, huge numbers of workers migrate to Western Europe. This will lead to a series of economic and social problems, and in particular it will also pose serious challenges to social welfare systems in these countries.

Gao Ge, director of the Central and Eastern European Research Office of the Chinese Academy of Social Sciences, delivered a presentation titled “Observation and Reflection on the Progress of Political Transformation in Central and Eastern European countries.” She pointed out that the transformation goal of Central and Eastern European countries is twofold. One is changing the state system to capitalism. The other is shifting the system of government toward Western democracy.

The transformation of the state system was simple and rapid, and was completed after the revolutions of 1989 in Eastern Europe, which manifested themselves as the promulgation of a new constitution or constitutional amendment, the establishment of the principle of separation of powers, and the implementation of a multi-party system and parliamentary system. However, transforming into a Western democratic government is much more complicated and time-consuming. Since the mid-to-late 1990s, most Central and Eastern European countries have established parliamentary systems and multi-party systems, but in recent years, this process has seen backsliding. For example, although the ruling coalition led by Fidesz-Hungarian Civic Alliance in Hungary since 2010 has won a two-thirds majority of seats in parliamentary elections for three consecutive terms, the basic laws and media laws adopted by Fidesz-Hungarian Civic

Alliance have been deemed to violate EU values. In 2015, Poland's Law and Justice party also won more than half of the seats in elections, to be able to rule without a coalition. After taking office, it carried out judicial reforms and strengthened national control over the justice system, actions that were considered a challenge to EU values.

Regarding this situation, Gao Ge believes that it can be analyzed from three aspects:

First, although Hungary, Poland and other countries have gone backwards in their transformation of the system of government, they have not withdrawn from the framework of the Western system of government.

Second, political retrogression is not exclusive to Central and Eastern European countries. In recent years, signs of populism have also been witnessed in Western European countries, which challenged EU values as well.

Previously, there were views that the transformation period of Central and Eastern European countries was just to learn from the Western states and imitate their systems. Now that both Central and Eastern European countries and Western Europe have experienced political regression at the same time, is it another form of convergence between the two?

Third, Western scholars acknowledge that, apart from its core principles, Western democracy can manifest itself variously in line with different conditions, historical situations, and cultures. Does the retrogression in Central and Eastern European countries mean that they have reflected on the indiscriminate copy of the Western model and turned to explore a model that matches the reality of their countries?

Gao Ge said that the system of government of Central and Eastern European countries is still within the framework of Western democracy. Although there are no detailed answers to the questions above, when retracing the 30-year political transformation process, it is certain that Central and Eastern European countries once set the same goals at their outset, that is, capitalism in the state system and Western democracy in the system of government. In the past 30 years, not only have the Central and Eastern European countries varied in their progress of transformation, but also their goals have diversified. For example, Orbán, the leader of Hungary, explicitly stated that they want “democracy, not liberalism,” that is, non-free democracy, which is different from the previous aim of Central and Eastern European countries — a liberal democratic system. Two factors contribute to this diversion, concomitant factor and the initial factor.

The concomitant factor synchronizes with political transformation. This has three aspects. First, the economic transformation from a planned economy to a market economy. Economic performance shows that there is a positive correlation between economic and political transformation. In the early stage, when political transformation brought about economic recession, the public was strongly dissatisfied with their government and democracy. As the economic reforms went smoothly and the economy gradually recovered, the reforms’ negative effect on political transformation decreased little by little. At this time, the economic and political transition showed a more interactive relationship. However, affected by the 2008 financial crisis and the European debt crisis, Central and Eastern

European countries faced economic recession and troubles again, which also once again caused political instability and public dissatisfaction with Western democracy.

The second aspect is the diplomatic transition from following the Soviet Union to embracing Europe again. Except for Serbia, Central and Eastern European countries all made joining NATO and the EU their diplomatic objectives, which played a significant role in guiding and regulating the political transformation of Central and Eastern European countries, and even determined the transformation progress to some extent. However, the EU has a lot less leverage since the accession of Central and Eastern European countries, and the EU's punishment for wayward member states has been very limited. In addition, the EU has faced multiple crises in its own development in recent years, which has left Central and Eastern European countries leeway to backslide in their political transformation.

The third aspect is the constructive process of moving from a federal state to a sovereign state, which specifically refers to the dissolution of the Czechoslovak Federation and the Yugoslav Federation and the establishment of a series of subsequent sovereign states. As a prerequisite for political transformation, state-building directly affects the progress of transformation. First, the earlier a country gains independence, the more likely it will undergo political transformation earlier and make progress as soon as possible. Next, the political transformation in peacefully developed nations is quite smooth, as best evidenced by the Czech Republic and Slovakia. Third, countries with high recognition enjoy a relatively fast political transformation.

With respect to the initial factor, Gao Ge believes that political transformation in Central and Eastern European countries is based on the Soviet model that had been implemented for more than 40 years. They believe that this model could not adapt to the realities of Central and Eastern European countries and also alienated people. Since the conflict between the Soviet Union and Yugoslavia, the Yugoslav Federation has replaced the Soviet model with socialist autonomous democracy. One of the shortcomings of this system is its emphasis on decentralization, so that the power is too fragmented to maintain a federal state.

Therefore, the drastic change in Yugoslavia was largely presented as the collapse resulting from ethnic conflicts. However, it is inadequate to attribute the initial factor to the pure dissatisfaction with the Soviet model. Instead, we should also consider the long-standing history. Western democracy was born in its unique history, culture, and religion. Although Central and Eastern Europe shares the same Greek and Roman Christian origins as Western Europe, with the division of the Roman Empire, especially the Christian Church, and influence from Byzantine culture, the Orthodox Balkans began to go their separate ways. When the Ottoman Empire occupied the Balkans, this area moved farther and farther away culturally from the West, with Albanians and Bosnians even converting to Islam. In contrast, Central Europe ruled by the Habsburgs and Austro-Hungary has never been separated from Western Europe. Therefore, not all Central and Eastern European countries experienced a similar democratic journey as Western Europe, and the retrogression in recent years also seems to have a lot to

do with the lack of Western democratic culture and democratic traditions in Central and Eastern European countries.

Gao Ge also pointed out that in the past 30 years, while Central and Eastern European countries have all become capitalist without exception, their transformation to Western democracies has appeared in diverse ways due to different concomitant factors and initial factors. There is still more or less a gap between most Central and Eastern European countries and the Western democracy they pursue, and this gap has widened in recent years. Nevertheless, given the rise of populist forces in Western Europe, the backsliding in the transformation of Central and Eastern Europe and the populist trend in Western Europe may affect each other, together posing a challenge to Western democracy.

Xiang Zuotao, associate professor at the School of International Studies, Peking University, gave a presentation titled “Reflection on Three Decades of Transformation in Central and Eastern Europe.”

He first spoke of populism in Central and Eastern European countries, saying that European political scientists often consider “populism” to be a highly derogatory term. To understand populism clearly, it is necessary to answer the following questions: Why do people tag populist labels on some political parties in Central and Eastern European countries and their proposals? Who tagged them? Who supports populism? Who is against populism?

By collecting and analyzing election data from Central and Eastern European countries in recent years, Xiang has concluded that most supporters of populism are from the middle and lower

classes, who gained less during the transformation. They are eager for economic equality and they desire an affluent life, which political parties promised them in the early stage of transformation. Now that 30 years has passed, due to the large gap between their living conditions and what they were promised, they want to choose new representatives. At this point, populism has emerged, claiming to represent people, even though it only stands for the lower and middle classes, not all the people.

Data shows that populist parties did not take votes from capitalist parties. Rather, many former supporters of the social democratic parties have voted for populist parties in recent years, leading to the current populist governments of Poland, Hungary, the Czech Republic and other countries. In Xiang Zuotao's view, the decision of middle and lower classes to bypass traditional parties and chose new parties should not be regarded as anti-democratic. Moreover, these parties should not be considered as vulgar parties who ignore the so-called elitist rules only because they support populism. As for the groups who object to populist parties, Xiang believes that there are two categories: the elite and Europe's powerful business community. During the transition in Central and Eastern European countries, the elite closely allied with Western European investors gained huge benefits from privatization. Today, populists hold that traditional party elites have stolen the fruits of national transformation. Populists hold that elites and Western European capitalists are opponents because of their vested interests. The contest between populism and mainstream parties is actually the contest between the lower classes and the elites.



Xiang Zuotao estimated that in the future populism in Central and Eastern European countries will develop as follows:

First, populism will stay within the existing political framework. Although Orbán declared that he wants democracy, not liberalism, most of his methods and demands are still fine adjustments made within the existing framework, and the system of government formed since the transformation has not been overturned, so the original political framework will not see any significant change. Second, social divisions in Central and Eastern European countries will further be aggravated. At present, Poland and Hungary have formed a new pattern of “encircling the cities from the countryside.” Poor and rural areas in these countries choose populist parties, while some richer cities support non-populist parties, which has led to a serious confrontation. Balancing the relationship between big cities, small cities and the countryside is a test that the Central and Eastern European countries will face in the future.

Xiang Zuotao believes that in terms of total GDP, per capita GDP growth, marketization and market abundance, Central and Eastern European countries have undoubtedly made great achievements. However, the gap between most of the countries in Central and Eastern Europe and Western Europe after the transformation has not yet been closed, and moreover the international status of some countries has even declined. Therefore, it is hard to evaluate their success in transformation from a mere economic perspective. First, it cannot be concluded from current data that a country’s economic development level is directly related to its degree of democratization. Second, current economic data does not reflect any measurable

differences between radical transformation, progressive transformation, and shock therapies. For example, countries such as Poland and Bulgaria that implemented shock therapy perform similarly to progressive countries like Hungary in terms of marketization and privatization. Third, political stability also has a significant impact on the country's economic development. According to statistics released by the World Bank on the political stability and economic development of Central and Eastern European countries, the correlation between political stability and economic development in most countries has reached 70 to 80 percent, among which Latvia is the highest with more than 90 percent, and Montenegro the lowest at 66 percent.

Xiang Zuotao pointed out that despite Brexit, Central and Eastern European countries will not leave the EU, because the EU plays an indispensable role in their economic development, especially in the financial field. From the perspective of external investment, Central and Eastern European countries also rely heavily on the capital of Western European countries. In addition, EU aid funds also play a part in their economic development. For the time being, Europe is an integrated Europe, that is, Central and Eastern European countries are tied to the industrial chain of Western European countries, especially Germany. As the industrial system formed during the socialist period was basically destroyed, Central and Eastern European countries are positioned downstream in the EU industrial chain and still rely heavily on the EU. If the Chinese "Belt and Road Initiative" wants to enter Central and Eastern European countries and carry out "16+1" cooperation with them, we may

find it difficult to build a connection to industrial chain. In this regard, will China choose to work with Germany to cooperate with Central and Eastern European countries, or choose to build a new industrial structure that steers clear of Germany or even replaces Germany? This remains a very important issue.

Ji Wengang, an associate professor at the Poland Research Center of Xi'an International Studies University, spoke about the development of left-wing parties in Central and Eastern Europe over the past 30 years., with a focus on four aspects: their development process over three decades; election performance, ideology and policy propositions; development factors; and future trends.

Ji Wengang opined that left-wing parties are an important part of the political spectrum in Central and Eastern Europe and are divided into two types –democratic socialism parties and communist parties, with the former further divided into reformed social democratic parties, partly reformed social democratic parties, and newly reformed social democratic parties. The left-wing parties in Central and Eastern Europe have unique characteristics in terms of “transformation” and distinctive regional traits, from the perspectives of ideology, organizational patterns, historical inheritance, party constitution, party guidelines, policy plans and inter-party relations. In terms of scale, newly reformed social democratic parties are the largest, followed by reformed social democratic parties and then partly reformed social democratic parties. In terms of strength, reformed social democratic parties are stronger than partly reformed social democratic parties, which are stronger than newly reformed social democratic parties.

Central and Eastern Europe's left-wing parties experienced four stages in development. The first stage, between 1989 and 1992, was a period of organizational crisis or a phase of reshaping. Generally, it is a political process emerging during the transformation, with the left-wing party basically suppressed or in disarray. Parliamentary elections were held in countries including Poland, Hungary, Romania, Czechoslovakia, Bulgaria, Yugoslavia, and Albania. As a result, the original ruling parties lost their power and chose to become social democratic parties.

The second stage is from 1992 to the mid- and later 1990s, when left-wing parties adapted to new institutions and revived themselves. Since 1992, left-wing political parties have successively stepped onto the center of power in Central and Eastern European countries to become ruling parties. In this period, the Central and Eastern European countries completely established the multi-party election system at both the constitutional level and legal level, and finished the first parliamentary elections. The institutionalized framework of political parties was basically established. The revival of left-wing parties was closely related to their possession of historical heritage at the time. Local organizations of left-wing parties were weakened but not banned. Their members declined in number but still existed.

The third stage was from the mid-1990s to 2005, during which all Central and Eastern European countries finished several parliamentary elections with most left-wing parties becoming ruling parties on multiple occasions. In this period, free elections were held in accordance with regulations and the election results were respected by both left- and right-wing

parties. The losing party in the election could hand over the power to the winning party peacefully. Politicians of all factions understood how to restrain power, respect laws, and deal with the media. Generally, this period witnessed the normal development of left-wing parties.

The development of left-wing parties in Central and Eastern European countries encountered a downturn after 2005. The number of votes and seats for most left-wing parties was gradually declining, as well as their opportunity to rule. At the same time, division and new combinations frequently happened within the left-wing party alliance. In addition, the development of left-wing parties was unbalanced in different countries. In Poland, Hungary and Czech Republic, where the transformation was deemed successful, the decline of left-wing forces after 2005 was obvious. In Slovakia, Albania and Romania, where economic development was poor, the left-wing parties rose in influence.

The ideology and policy of left-wing parties in Central and Eastern European countries have the following characteristics:

First, unique Marxism and socialism. Left-wing parties in Central and Eastern European countries have formed a relatively stable ideology and policy during their long-term development. The policy of left-wing parties in various countries shows both diversity and consensus. Unique Marxist and socialist views are one of the consensuses. Most left-wing parties in Central and Eastern European countries sympathize with and support the pluralistic exploration of socialism, and tend toward democratic socialism in terms of value identity. Left-wing parties in Central and Eastern European countries do not completely deny that

Marxism is scientific and correct. They just mostly adhere to democratic socialism or promote the establishment of the socialist system in a peaceful and moderate manner.

Second, the protection of vulnerable groups' interests and support of a socialized market economy. Most left-wing parties' economic policy is based on the protection of the interests of the middle- and lower-class vulnerable groups and strongly opposes neoliberal economic development. This is reflected in their criticism of the Washington model in the early stages of their transformation, their proposal of a fusion of state and market forces and an emphasis on the government's supervision over the market and the diversification of intellectual property's forms. Generally, they are in favor of a socialized market economy. The political guidelines, values, goals and principles of the Democratic Left Alliance (SLD) of Poland, the Bulgarian Socialist Party, and the Czech Social Democratic Party all clearly state the idea of protecting vulnerable groups and defending the welfare state.

Third, the support of European integration. Most left-wing parties follow a pro-EU policy, extensively support European integration theoretically, and propose to solidify Europe for better economic development, share European well-being and intensify cultural exchanges among European countries. They also actively participate in and promote European integration, fully support their own countries joining the EU, and agree with the values of the EU, including the EU's economic orientation and its orientation in the global order.

Fourth, the proposal of union and solidarity among international left-wing organizations. All left-wing parties in

Central and Eastern European countries joined international left-wing organizations with a similar ideology to theirs, including the Party of European Socialists, Socialist International, and International Meeting of Communist and Workers' Parties. Some left-wing parties even joined in several such organizations. This promoted inter-party exchanges between European left-wing parties. In addition, this was out of the consideration of intelligence-sharing and a unified position.

Factors that impact the development of left-wing parties in Central and Eastern European countries include the following aspects:

The first factor is the historical foundation of socialism. As the first to be impacted by the transformation, left-wing parties will have three separate tendencies in the way they develop. The first tendency is to proactively make a clear division with its past and stress a new political identity, with elections as the main focus. The reformed social democratic party is the typical representative of this tendency. The second tendency is to completely cut off the connection with the past from an organizational perspective, with the Polish Labour Union as a typical example. The third tendency is to admit that socialist history is positive, and never change the organization and thinking of communist parties, with the Communist Party of Bohemia and Moravia (KSCM) the typical representative.

Among these three types of political parties, the first type once experienced a brief renaissance and was the most powerful organization, but currently falls into stagnation. The political practice of the second type of political parties completely failed. The third type has suffered from long-term suppression and

chose to forbear and persevere, and is seeing new development.

The second factor is party organization and the grass-roots foundation. Most of the left-wing parties in Central and Eastern European countries are the legacy of the former system. They are first and foremost grass-roots-based political parties with a stable support basis from the masses.

The third factor is the conflict between the stability of political parties and the volatile nature of voters' preferences. This contradiction is actually a manifestation of dynamic representation in the electoral field, but also poses a problem for left-wing parties: the party elite must systematically respond to the diversity of voters' preferences, thus leading to the emergence of a decoupling between left-wing parties and voters.

The fourth factor is the full-scale transformation of political parties and a shift to the right in governing policy, leading to a loss of core voters. With left-wing parties' primary goals switched to become the ruling party by winning elections, they turned from grass-roots-based political parties to election-oriented political parties. The models of a catch-all party and electoral-professional party have become the product of an in-depth transformation of left-wing parties in Central and Eastern European countries.

Ji Wengang pointed out that, first, the positive role played by left-wing parties in advancing the institutional transformation of Central and Eastern European countries should be acknowledged. Second, since 2008, new problems have emerged in left-wing parties amid the exacerbation of existing problems. Their electorate base has been further weakened, and the probability for them to win elections has continued to decline. In



general, left-wing parties are in a situation featuring constant divergence within the party and a complex and changing environment outside the party. Any future revival depends on reforms and their ability to adapt to the changing political and social environment. Their prospects are not very positive within the foreseeable time frame.

Yuan Hang, an associate professor at the School of International Relations, Sichuan University, analyzed the development of foreign relations in Central and Eastern Europe from the perspective of multi-layered dynamic construction.

He pointed out that in research about a country's transformation, studies on international relations are marginalized. But in fact, the organizational life of human society has other structures beyond the dimension of a power structure, and so does the international community, with the state as the unit. In addition to the power dimension, there is also a spiritual and conceptual dimension. In the study of international relations, realism focuses on material power, while liberalism, constructivism and the English School pay more attention to spiritual concepts when analyzing the international community. In this sense, there may be more discoveries if we analyze the transformation of the Central and Eastern European countries from a different perspective.

Yuan Hang opined that discussion on the transformation of Central and Eastern European countries involves the study on the history of Europe or even the entire Western history. If we go further, from concrete to abstract, it involves exploring some fundamental issues of human society. One is how human activities are carried out, and the other is how human society

should be organized.

In the past few hundred years, the West explored Western modernization paths, and achieved a series of results that have affected humankind at the four levels of concept, politics, economy, and foreign relations. Examples include the Renaissance and the Age of Exploration. This has pushed the West to have huge successes in the past 500 years, and the West has formed many mature development models. In terms of foreign relations, the West also shaped modern human history through colonial expansion and events such as World War I, World War II, and the Cold War. At the same time, non-Western civilizations face the problem of how to regard the West. On the one hand, many civilizations want to stick to traditions, such as Confucian civilization in East Asia, and Islamic civilization in the Middle East and North Africa. On the other hand, they encounter strong Western influence, thus having some complex reactions. Non-Western civilizations have always faced the question of whether to follow the Western path. Politically, it means whether to establish Western-style democracy. However, this has also led to the emergence of a number of major issues, such as whether there is only one path and goal for human modernization. There are different ideas on this issue. One view holds that the path and goal for human modernization is unique, and standards are universal. The other view is the opposite, believing that the world is diverse and exceptionalism exists.

Yuan Hang opined that the transformation featured the political transition from non-democracy to democracy, and the economic transition from a non-market economy to market economy. The extension of the idea of transformation is the

three “waves” of democratization outlined by Huntington, which is a definition in a narrow sense. The definition of transformation in a broad sense refers to all processes in human society that advance human liberation, push society to move toward equality and freedom, and promote balanced and restrained power and economic vitality. In this regard, the extension of transformation will expand from the third wave of democratization to the modernization phenomenon that human beings have experienced in the past few hundred years.

Yuan Hang pointed out that during the 30 years of transformation, changes also happened to the external environment of Central and Eastern European countries, which can also be analyzed from the perspective of transformation. Take Europe for instance. The Soviet Union disintegrated, with the emergence of new countries. European integration has been advancing and the EU has also been changing in the past 30 years. In addition, the North Atlantic Treaty Organization is also changing and continuing to wrestle with Russia. Changes also happened to countries in the Mediterranean area, with Turkey getting stronger but encountering difficulties in seeking to participate in the EU, and the situation in Balkan areas is getting increasingly complicated. If we ignore the changes in its surroundings when studying the transformation of Central and Eastern European countries, it is difficult to get the whole picture of the transformation of Central and Eastern European countries.

From a global perspective, the past 30 years have been extremely unusual. The world is facing big changes and the international balance of power is seeing a shift. With regard to

the changes in the international order, from the end of the Cold War to 2008, the US, relying on its outstanding international status, launched a series of color revolutions in the Middle East and other regions by waging anti-terrorism wars, promoting “American-style democracy” and the rapid expansion of the liberal international order it dominated. After 2008, the US and the EU encountered an economic crisis and the European debt crisis. Meanwhile, emerging markets represented by China are on the rise.

The EU is also undergoing transformation. Tracing back the history of the EU, the early stage of European integration was advanced by elites including capitalists, government leaders and heads of states by continuously amending inter-government provisions. As a body directly elected by the people, the European Parliament did not play a substantive role until the signing of the Treaty of Lisbon in 2009. In this way, the EU has always faced the problem of democratic deficits, which the EU now hopes to address.

At the end of the presentation, Yuan Hang introduced the perspective of multi-layered dynamic construction of the development of foreign relations in Central and Eastern European countries. He said that sub-regional, regional, international, and even global-level actors all played an important role in the transformation of Central and Eastern European countries, in addition to national-level actors. “Dynamic” refers to the process of multidirectional interaction between actors at multiple levels. Taking a simple view of the transformation of Central and Eastern European countries, we would think they are imitating Western European countries. But

taking more details into consideration, we'll see that the transformation of Central and Eastern European countries is not a one-way process of learning from Western Europe, but a process of two-way interaction with Western Europe, and there are also other factors in their external surrounding environment playing a role in the process.

Therefore, factors other than the national level cannot be ignored in multi-layered research. In terms of the local level, taking Poland as an example, the power of local governments in Poland is expanding and strengthening, while the power of the state is decentralized, which is reflected as the decentralization of the country in foreign relations. At the sub-regional level, the coordination role of the Visegrád Group in Central and Eastern European countries cannot be ignored. At the regional level, Central and Eastern European countries integrated into Europe's regional integration and participated in the EU's foreign governance. At the international level, Central and Eastern European countries were affected by the expansion of the liberal international order in the past 30 years. At the global level, the contest between Western and non-Western countries, the change of international order, globalization, and the emergence of global governance issues have all affected the transformation of Central and Eastern European countries. Notably, multiple levels mutually influence and help each other develop. It is their combined role that shaped the transformation and development of foreign relations of Central and Eastern European countries.

During the Q&A session, attendees had an in-depth discussion focusing on the presentations.

Qian Chengdan: There was a turning point in European

integration, that is, the eastward expansion of the EU to the former Soviet Union region, which, as a result, caused a very negative impact on European integration. The so-called populism that appears in Western European countries reflects ordinary people's dissatisfaction with those from the former Soviet camp for stealing their employment opportunities and affecting their living standards and culture. In this sense, a serious division of opinion has appeared within the EU. How will this affect the EU in the future? What impact will it have on Central and Eastern European countries?

Kong Tianping: The impact of the EU's eastward expansion on the EU is controversial. Many people think that the negative impact outweighed the positive impact. But I think that Central and Eastern European countries' joining the EU had a very positive impact on the unification of Europe and even economic globalization. First of all, nearly 100 million people from Central and Eastern Europe entered the EU's unified large market, bringing a large number of high-quality workers, which played a positive role in the development of Western European multinational companies. In fact, the current security crisis, refugee crisis, and debt crisis facing the EU are not caused by new members of the Central and Eastern European countries. They are more affected by internal issues and changes in sentiment within Western European countries.

Central and Eastern European countries will not follow the UK to choose to leave the EU. Although the Polish ruling party advocates leaving the EU, the proportion of people who support staying is high. The same is true in Hungary. The government and the EU have disputes over some issues, but in essence it is a

bargain between them, and the people are not willing to leave the EU.

Ji Wengang: The view of populism is divided, and its political stance against the elite is generally a common consensus. In this way, I think that populism will still be the mainstream in Central and Eastern European countries, especially Poland and Hungary, and even dominate politics. In the current situation, ordinary people or voters in the middle and lower classes in some countries need to find a party that can represent their interests or speak for them. Populist parties still have a space to survive in these countries.

Yuan Hang: Is the populism in Central and Eastern Europe the same as the populism in Western Europe? I think it is a good question. What is populism? How should we understand populism? What is the relationship between populism and democracy? What is the relationship between populism and revolution?

Kong Tianping: Populism has been a trend of world politics in the past 10 years, with Trump from the US, Orbán from Hungary, and Kaczynski from Poland as representatives. Their political ideas are very similar. Seen from the course of world's political change, Central and Eastern Europe is a pioneer of populism, and there are also some interactions between Central and Eastern Europe and the US in this regard. For example, Orbán called Trump to congratulate him when he was elected. The current populism in Europe is not simply national populism in the general sense, but more a manifestation of identity and identity politics.

Xiang Zuotao: Globalization has brought cross-border

flows of capital, leading to two consequences. First, the capital of the old European countries was invested in areas that did not collect enough taxes. The fiscal revenue of old European countries was affected, and the countries became increasingly short of money, so a sovereign debt crisis emerged. Second, in the eyes of ordinary people, the flow of capital has reduced their employment opportunities to a certain extent, and their income is insecure. The middle class, which was a social stabilizer, began to become poor and their political behavior became more proletarian. At the same time, thanks to the Internet in the era of globalization, European people are more influenced by immigration, refugee, and Eastern European issues, resulting in their increasingly strong sense of national identity and xenophobia. Populism is not much different in Eastern Europe and Western Europe from the perspective of anti-elitism. However, Eastern Europeans pay more attention to economic issues, while Western Europeans such as Germans who have relatively higher incomes put more emphasis on the issue of national identity.

In his concluding remarks, Xiang Zuotao thanked PKUIAS for setting up an inclusive and open academic exchange platform for domestic researchers engaged in studies of Central and Eastern European countries. At this workshop, scholars discussed many profound issues and put forward valuable opinions on the study of Central and Eastern European countries. He said researchers should absorb these valuable insights and do deeper research in preparation for the next academic conference.