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Book

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Schriftenreihe

Arbeit, Organisation und Personal im Transformationsprozeß

Herausgegeben von

Rainhart Lang — Christof Baitsch — Peter Pawlowsky

Dieter Wagner (Hg.)

Bewältigung des ökonomischen Wandels

—

**Entwicklungen der Transformationsforschung
in Ost und West**

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Geleitwort

Arbeit, Organisation und Personal im Transformationsprozeß

Die Schriftenreihe verfolgt das Ziel, theoretische und empirische Arbeiten zum Wandel von Arbeit, von organisatorischen Strukturen und Kulturen und zu organisationalen Lernprozessen sowie zum Personalmanagement in gesellschaftlichen Transformationsprozessen einer wissenschaftlich interessierten Öffentlichkeit zugänglich zu machen. Inhaltliche Schwerpunkte sind dabei einerseits Fragen und Probleme im Zusammenhang mit dem Transformationsprozeß in Ostdeutschland und Osteuropa. Zugleich soll sich die Reihe jedoch ebenso Auswirkungen der östlichen Transformation auf Westdeutschland und Westeuropa zuwenden und Entwicklungstendenzen einer zunehmenden Globalisierung und Interdependenz von Entwicklungsprozessen in Ost und West und ihre grundlegenden Konsequenzen für den Wandel von Arbeit, Organisation und Personal thematisieren.

Zielgruppe der Reihe sind die an Wandlungs- und Transformationsprozessen und den aus ihnen erwachsenden Erfahrungen und Erkenntnissen interessierten Wissenschaftler, Praktiker und Studenten der Betriebswirtschaftslehre und weiterer sozialwissenschaftlicher Disziplinen. Die Reihe versteht sich damit auch als ein Forum für den interdisziplinären Meinungs austausch und will zur Verbreitung sozialwissenschaftlicher Erkenntnisse über Transformationsprozesse innerhalb der Betriebswirtschaftslehre beitragen.

Für eine Publikation in dieser Schriftenreihe kommen Sammelbände von wissenschaftlichen Veranstaltungen über den genannten Themenkreis, aber auch einzelne wissenschaftliche Arbeiten, wie Dissertationen, Habilitationen, größere Forschungsberichte oder sonstige Monografien in Frage. Dabei steht die Reihe auch Interessenten aus anderen Hochschulen und Universitäten offen.

Im vorliegenden 4. Band der Schriftenreihe finden sich Beiträge zur "1st Potsdamer Summer School in Management and Economics 1996", auf der Entwicklungen in der Transformationsforschung in Ost und West im Mittelpunkt des Interesses standen. Bei dem von unserem Kollegen Dieter Wagner herausgegebenen Buch kommen sowohl volkswirtschaftliche als auch betriebswirtschaftliche Fragen der Systemtransformation in Ostdeutschland und den Ländern Osteuropas zur Sprache. Die Herkunft der Autoren aus Ost und West vereint Betroffene und Beobachter der Prozesse und sichert dem Buch eine

Perspektivität, die uns (hoffentlich) vor allzu schnellen Generalisierungen bewahrt und zugleich ein vielfältiges Bild der ablaufenden Prozesse zeichnet.

Chemnitz, 02. Juni 1997

Rainhart Lang

Bisher erschienene Titel im Rahmen der Schriftenreihe:

Band 1:

Alt, Ramona (1996): Einführung von Informationssystemen in Umbruchsituationen — Eine mikropolitische Prozeßanalyse in ostdeutschen Industrieunternehmen.

Band 2:

Lettke, Frank (1996): Habitus und Strategien ostdeutscher Unternehmer — Eine qualitativ-empirische Analyse unternehmerischen Handelns.

V o r w o r t

Die Vielzahl von Veröffentlichungen zum Thema „Transformationsforschung“ in den letzten Jahren ist ein Indiz dafür, daß wichtige Aspekte dieses Fachgebietes — wenn auch unterschiedlich fundiert — sehr intensiv bearbeitet werden. Wirtschaftswissenschaftler sehen sich jedoch weiterhin explanatorischen Defiziten gegenüber: Es fehlt sowohl an umfassenden betriebs-, wie auch an volkswirtschaftlichen Theorien und Ansätzen um gravierende und dynamische Umbruchsituationen zu erklären. Sicherlich können hier auch sozial-ökonomische Begründungszusammenhänge weiterhelfen.

Beim derzeitigen Erkenntnisstand ist es zweifellos für den Fortschritt der Transformationsforschung von Vorteil, wenn wissenschaftliche Fachvertreter *interdisziplinär kommunizieren*. Die interdisziplinäre Kommunikation ist ein sinnvolles Hilfsmittel für das Ausbilden einer wirtschaftswissenschaftlichen Transformationstheorie als gedanklich und begrifflich umfassendes Gefüge. Der Weg dahin kann über die *Verbindung* von einzelnen — evtl. aus unterschiedlichen Disziplinen stammenden — Erklärungen ermöglicht und entwickelt werden.

Eine markantes Kennzeichen der Wirtschafts- und Sozialwissenschaftlichen Fakultät der Universität Potsdam ist die interdisziplinäre Kommunikation zwischen den wirtschafts-, politik-, sozial- und verwaltungswissenschaftlichen Fachgebieten. Dieser Grundsatz prägt sowohl die institutionellen Gegebenheiten, als auch die Aktivitäten dieser Fakultät. Ende Juni 1996 fand an der Universität Potsdam die erste „Potsdam Summer School in Management and Economics“ statt. Diese einwöchige, öffentliche Vortragsreihe sand unter dem Leitgedanken „East and West in Transition — Approaches to Success“ und gliederte sich in die drei inhaltlichen Komplexe „Aktuelle Transformationsprobleme in Osteuropa“, „Aspekte des Internationalen Managements“ und „Institutionelle Rahmenbedingungen und Europäische Integration“.

Die folgenden sechsundzwanzig Beiträge geben einen guten Einblick in das breite Forschungs- und Meinungsspektrum zum gewählten Thema. Bei der Systematisierung und abschließenden Zusammenstellung der Beiträge wurde das Leitmotiv „Entwicklung“ gewählt und die Aufsätze nach drei Kapiteln gegliedert.

Die Beiträge von Isaak, Austin und Schwarz werden als *Entwicklungslinien* verstanden, da sie — zwar sehr unterschiedlich fokussierend — einen Überblick und Einblick in allgemeine Probleme der Transformationsforschung geben.

Nachfolgend werden *Entwicklungsprogramme und -projekte* zu speziellen Aspekten der Transformationsforschung dargestellt. Dabei werden die Beiträge

von Lane/Ersson, Bren, Mair/Laramie, Sinclair, Welfens, Gloede und Brasche der *Volkswirtschaftlichen Transformations- und Entwicklungsforschung* zugeordnet. Nach ihrer einzelwirtschaftlichen Betrachtungsweise sind die Ausführungen von Veiga/Yanouzas, Balderjahn/Mennicken, Dolde/O'Brien, Dorow/Varga von Kibed und Wagner/Seisreiner als Beiträge zur *Betriebswirtschaftliche Transformations- und Managementforschung* zusammengefaßt.

Abschließend werden *Entwicklungsberichte* mit den Aufsätzen von Balaschewitsch, Filanowitsch, Grzeganeck-Wiecek, Puslecki, Leister und Strohe vorgestellt. Dabei wird über den spezifischen Transformationsprozeß in drei Ländern (Weißrußland, Polen, Deutschland) berichtet.

Der vorliegende Band versucht, einen Teil der vielfältigen Bereiche und Perspektiven der wirtschaftswissenschaftlichen Transformationsforschung darzustellen. Daß dies in einer Vortragsdokumentation nur begrenzt erfolgen kann, liegt auf der Hand. Trotzdem kann jedem einzelnen Beitrag eine gewisse Bedeutung als kleiner Mosaikstein in einer umfassenden Transformationstheorie nicht abgesprochen werden.

Ich danke vor allem den Autoren für ihre interessanten Beiträge, Herrn Dipl.-Ing. Ralf Seisreiner für die graphische, formale und sprachliche Bearbeitung zahlreicher Beiträge, Frau M. Phil. in Economics Alison Sinclair für ihre englischsprachige Assistenz und Herrn cand. rer. pol. Dominik Böllhoff für die Durchsicht des Gesamtmanuskripts. Besonderer Dank gebührt Herrn Dipl.-Volkswirt Achim Seisreiner für die umsichtige und gründliche „Projektleitung“, damit aus den einzelnen Beiträgen ein zusammenhängendes Buch entstehen konnte und für die abschließende Redigierung. Nicht zuletzt danke ich den beteiligten Mitarbeitern der Universität Potsdam und den zahlreichen Sponsoren für die tatkräftige und finanzielle Unterstützung der „Potsdam Summer School 1996“ sowie der Drucklegung dieses Bandes.

Potsdam, 02. Juni 1997

Dieter Wagner

I n h a l t s v e r z e i c h n i s

Geleitwort	III
Vorwort	V
Inhaltsverzeichnis	VII
Autorenverzeichnis	X

Teil I: Entwicklungslinien

- | | | |
|---|--------------------------------------------------------------------------------------------------------------------------------------------------------|----|
| T | 1. Robert Isaak:
<i>Creativity and Entrepreneurship across Cultures — Logics of Perception,
Green Growth and Utopia</i> | 15 |
| T | 2. Gerhard Austin:
<i>Transatlantic Cooperation — A Humanist between the United States and
Germany, between Academia and the Business World</i> | 35 |
| T | 3. Rainer Schwarz:
<i>Transformation in Ostdeutschland — Einige Forschungsprobleme</i> | 49 |

Teil II: Entwicklungsprogramme und -projekte

A: Volkswirtschaftliche Transformations- und Entwicklungsforschung

- | | | |
|---|--------------------------------------------------------------------------------------------------------------------|----|
| T | 4. Jan-Erik Lane and Svante Ersson:
<i>Politico-economic Regimes — Welfare States versus Welfare Societies?</i> | 71 |
| T | 5. Matjaz Bren:
<i>International Business Development in Transitional Economies</i> | 89 |
| T | 6. Douglas Mair and Anthony J. Laramie:
<i>Fiscal Policy in Transitional Economies</i> | 95 |

- | | | |
|-----|-------------------------------------------------------------------------------------------------------------------------------------------|-----|
| 7. | Alison Sinclair:
<i>Reforming the Energy Sector in Transition Economies</i> | 107 |
| 8. | Paul J. J. Welfens:
<i>International Technology Race, Innovation Policy and Employment in EU Countries</i> | 121 |
| 9. | Klaus Gloede:
<i>Transformationsbedingte Ziele und Aufgaben der regionalen Wirtschaftspolitik in den neuen deutschen Bundesländern</i> | 137 |
| 10. | Ulrich Brasche:
<i>Down to mediocrity? — Germany's technological competitiveness at risk?</i> | 153 |

B: Betriebswirtschaftliche Transformations- und Managementforschung

- | | | |
|-----|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----|
| 11. | John F. Veiga and John N. Yanouzas:
<i>Emerging Cultural Values among Russian Managers: What will Tomorrow bring?</i> | 167 |
| 12. | Ingo Balderjahn and Claudia Mennicken:
<i>Ecological Risk and Crisis Management — A Behavioral Approach</i> | 181 |
| 13. | Walter Dolde and Thomas J. O'Brien:
<i>Determining the Opportunity Cost of Capital for International Investing in Eastern Europe</i> | 193 |
| 14. | Wolfgang Dorow and Gabriele Varga von Kibed:
<i>Market Entry in Eastern Europe as a Challenge for Expatriates — Case Study: The Volkswagen-Skoda Joint Venture in the Czech Republic</i> | 207 |
| 15. | Dieter Wagner and Achim Seisreiner:
<i>Managing Revolutionary Change of Economic Systems — Experiences and insights from the transformation of the former GDR</i> | 219 |

Teil III: Entwicklungsberichte

- T 16. Michail Balaschewitsch:
Einfluß staatlicher Politik auf die Entwicklung von kleinen und mittleren Betrieben in der Republik Belarus 245
- T 17. Nikolai Filanowitsch:
Belorussian Economy — Barriers to Progress of Transformation 253
- T 18. Igor Kiselov:
Weißrußland als Brücke zwischen Ost und West — Landestypische Eigenschaften und Voraussetzungen für eine soziale marktwirtschaftliche Entwicklung 261
- T 19. Brygida Grzeganeck-Wiecek:
Umwandlung von Organisations- und Rechtsformen polnischer Betriebe 267
20. Zdzislaw W. Puslecki:
Polish-German Economic Relations in the Period of Transition 283
- T 21. Hans Leister:
Deutsche Bahn zwischen Ost und West — Kooperation im Eisenbahnverkehr 305
- T 22. Hans Gerhard Strohe:
Zur Statistik der wirtschaftlichen Entwicklung in Ostdeutschland am Beispiel des Landes Brandenburg 311

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Teil I:
Entwicklungslinien

Robert Isaak:

**Creativity and Entrepreneurship
across Cultures — Logics of
Perception, Green Growth and
Utopia**

1	Introduction	16
2	The Logic of Perception as Illustrated by Flowscapes	17
	2.1 DeBono's Theorem and How Flowscapes Work	17
	2.2 Qualifications and Limits of Flowscapes	19
3	The Logic of the Entrepreneur	20
	3.1 The Entrepreneur as Creative Free-rider	20
	3.2 Entrepreneurship across Cultures	21
4	Open Systems and Free Market Environmentalism	22
	4.1 Free Market Environmentalism in the U.S. versus Social Market Environmentalism in Germany	23
	4.2 The Logic of Growth and "Economic Miracles"	27
5	Dystopia, Utopia and A Place for Grandchildren	28
6	References	31

1 Introduction

Patterns of creativity and entrepreneurship resulting in environmentally responsible businesses or green economic growth do not emerge from accident. Creativity and entrepreneurship are outgrowths of distinctive processes of collective learning. *Collective learning* is social learning in a specific organizational context, guided by a particular cultural gestalt. This cultural gestalt or tradition selects “legitimate” patterns of adaptive behavior in managing environmental change which do not undermine cultural integrity. Such cultural patterns are made up of indigenous *schemata*. Schemata are prototypes of meaning used for processing information in a given culture and branding it with particular interpretations (Isaak, 1995: 19-21). The culture of the U.S., for example, is steered by the schemata of “individual freedom” in contrast to the schemata of Germany, which brands perceptions in the first instance with the schemata of “order” or in contrast with Japan, which see things traditionally through the schemata of “shame”. Behind these schemata that shape a society are relevant fictions or utopias which guide its educational system, structure its class system and condition the life chances as Karl Mannheim demonstrated (Mannheim, 1936). These relevant fictions or utopias also set its ideal environmental guidelines for the creation of environmental businesses. That the culture of the United States is conducive to small entrepreneurial start-ups flows from its preoccupation with individual freedom, just as the German concept of the closed-loop economy for the recycling of parts and packaging is a natural outgrowth of the German schemata of order. Or put alternatively, in order to break free from their conventional assumption of order to stimulate entrepreneurial start-ups and job creation, the Germans may have to risk more freedom, while in order to adapt to a viable long-term standard of “sustainable development” the Americans may have to give up some of their freedom for the sake of social order and more systematic recycling regulations. Other countries such as Singapore or Japan have created economic miracles of growth by targeting their schemata of collective learning on applied economic tasks at decisive moments of global economic growth, financing their would-be “earthly utopias” through exports or free-riding upon conditions outside their limited, partially closed domestic economies (Isaak, 1996). Edward DeBono’s conception of “water logic” or the logic of perception (DeBono, 1993) is one way to tap into the perceptual loops or vital elements of concentration or psychological outgrowths of schemata which so often shape our collective views of creativity, entrepreneurship and sustainable development.

2 The Logic of Perception as Illustrated by Flowscapes

The differentiation between cultures in terms of distinctive schemata is an outgrowth of collective perception and socialization within cultural communities. The logic of perception, in turn, can be illustrated by what DeBono has called “flowscapes” — perceptual mappings of a particular theme or problem at any one moment in time that permit one to see the points of concentration in one’s thinking and the interaction with less important elements. DeBono calls the empirically verifiable logic of things “rock logic”, and the unverifiable logic of perception which serves as the basis of most of our thinking and action “water logic” (DeBono, *I am Right and You Are Wrong*, 1990).

2.1 DeBono’s Theorem and How Flowscapes Work

DeBono accepts the findings of natural scientists that the brain is a self-organizing system in which a finite number of nerve states always organizes themselves into a stable condition. Under any given set of circumstances, it is further assumed that a state will “lead to” or “be succeeded by” one other particular state. Specifically, if one draws a random set of circles on a sheet of paper and connects them up randomly with at least two lines to each circle, putting a double slash on a line leaving the circle and a single line on the other line leaving the circle, one ends up with a stable loop by entering the system at any circle and following a path such that you always exit from a circle along the line with a double slash; or, if you enter a circle from a line with a double slash, you must exit from a circle with a line with a single slash. In all cases a stable repeating loop emerges and all other states are unstable and feed into this loop. The key assumption of “water logic” is that stronger elements of perception always “flow to” or “lead to” more dependent elements, much as water flows down a hill seeking the paths of least resistance and dwells in the deepest sink points. DeBono maintains that “The way the brain is organized makes it *inevitable* that stable perceptions will form whatever the input.” His theorem states: “From any input a system with a finite number of stable states and a tiring factor will always read a stable repeating pattern.” (DeBono, 1994: 46).

In order to operationalize this theorem into “flowscapes” or concrete pictures of our inner world of thinking, DeBono gives a simple series of steps which anyone can go through in about ten minutes (DeBono, 1994: 61-69). These steps to making a flowscape can be summarized as follows:

- (1) Decide upon the theme or problem about which you want to “see your thinking” or illustrate in your flowscape.
- (2) Make a “stream of consciousness list” of all items or elements that come to mind when you think about this problem or theme or concept (typically ten or more elements or short ideas or concepts might come to mind —

ideas that are spontaneous and natural not studied nor based upon “what I *should* think”).

- (3) Label each of these ideas or items which are randomly listed on the stream of consciousness list with letters from the alphabet “A through ... , for instance, F” just before the item or idea, using different letters to represent each item.
- (4) Considering each item one at a time, ask to which other item on the list it naturally “flows” or “leads to”. This is not a question of cause and effect (“rock logic”), but merely an answer to the question “What comes to mind next?”.
- (5) Label by letter on the right hand which item each item most naturally seems to “lead” or “flow to” so that each item leads to one other (and sometimes the same other) item. If more than one item leads to the same destination, this becomes what DeBono calls a “collector point”, an item of particular importance when later one considers the implications of one’s thinking.
- (6) Put down each letter *only once* on a piece of paper that now becomes the flowscape and draw arrows from each item to the items you have labeled as the destination item to which it naturally leads. Clean up and redraw the flowscape if it is messy. If you have followed the directions correctly, the flowscape should have at least one stable loop, or unbroken chain of two or more elements that lead to one another. This constitutes an endlessly repeating loop, the basis of the stability of perception (or what some might pejoratively call a “rut” or “hang-up” — such as hard work leads to high income leads to heavy consumption leads to hard work).

As an illustration, consider the flowscape of “utopia“ created by Fred Danback, a student at Pace University, New York. Danback was socialized in an international management seminar for which he did the flowscape to realize that in order to create ideal environmental guidelines for entrepreneurial businesses one must necessarily have an assumption of utopia in mind, consciously or subconsciously (Mannheim, 1936). From the “utopia flowscape” one notes the importance of building what is called “social capital” for the sake of any utopian vision of an environmentally sound society. Social capital can be defined as the embedded community trust, norms and networks that facilitate collective learning, and the accurate targeting of local entrepreneurship (Isaak, 1995: 91). Specifically, in the flowscape the need to create and enforce social norms and to teach social ethics to children makes it possible to cultivate an enforceable value framework. “Teaching children right” and “creating social norms” are the

collector points. The *stable loop* flows from “creating social norms” to “enforcing social norms” to “monitoring results” to “rewarding contributors” to “the perfect world”, which in turn leads to “creating social norms”. Of course, if all of this seems too simple, it probably is. But this very simplicity, which is somewhat similar to what phenomenologists called “bracketing out”, can be a strength as well and motivate us in an era of rapid change and complex, information overload to have the courage to look at our own perceptions clearly in a mirror.

2.2 Qualifications and Limits of Flowscapes

Water logic is just one outgrowth of the logic of appearances in everyday life. In this context, DeBono’s flowscape approach to creative thinking is but “Heidegger light” or a simplistic version of past and future combining into present being in time. But despite DeBono’s freelance institutional status and presumptive ego, the very simplicity of his flowscapes permits us to sketch out our perceptions of a topic at the moment without making too much to do about it and to know where we stand, where our perceptions lead to and what, if anything, we might want to do to shift our stable loops in more fruitful directions. In short, the virtue of the limitations of flowscapes is that they are clearly *arbitrary* with no pretense to empirically verifiable grounding and demonstrate in no uncertain terms how far we are from truly knowing things in themselves (Kant’s *Dinge an sich*). Yet our behavior is based upon these arbitrary clusters of perceptions and our collective behavior is but a constellation of such perceptual clusters or schemata over time. To change or steer these schemata requires that we are able to stand back and to examine them from a distance, to see which creative reorganizations of our perceptions might lead to breakthroughs in thinking and in solving problems. The very simplicity of DeBono’s perceptual maps make them a vehicle of creativity in their own right, a method for transcending cultural biases for a moment in order to visualize where we stand on an issue.

But how does creativity or perceptual mapping become steered into entrepreneurship or the creation of new companies or lines of business? The key here is the realization that certain constellations of cultural schemata or collective perceptual maps over time are more conducive to entrepreneurship, economic growth and the founding of environmentally responsible businesses than are others. Let us consider, for a moment, which perceptions typify the logic of the entrepreneur and how this entrepreneurial logic plays out in different cultural contexts or, for that matter, in different utopian visions of social capital. For to the extent the endpoint of thought or the ideal conception of any society in a specific cultural context drives the blueprints of planning in that society,

utopian visions of social capital are inevitable. And without entrepreneurship, such visions cannot be brought into being, much less financed.

3 The Logic of the Entrepreneur

Economist Joseph Schumpeter identified the entrepreneur as the vanguard of the process of economic growth, or of what he called the “creative destruction” that characterizes capitalism. The word “entrepreneurship” derives from a French root meaning “to undertake”. Howard Stevenson at Harvard identifies entrepreneurship as a behavior or process by which individuals pursue opportunities without regard to the resources they currently control. The entrepreneur or “promoter” is driven by the perception of opportunity or is value-driven, often team-oriented, and relies upon performance-based, flat, informal modes of organization. Thus the logic of the entrepreneur contrasts sharply with that of what Stevenson calls the “trustee” (and I call “the maintenance man”) who is driven by resources currently controlled, tends towards formalized, promotion-oriented hierarchy in organization, and is security-driven (Stevenson et al., 1989; Isaak, 1995: 33-34).

3.1 The Entrepreneur as Creative Free-rider

The entrepreneur can be considered to be a creative version of the free-rider (or *Trittbrettfahrer*). For although we may all be free-riders to some extent, as Malte Faber suggested, some free-riders are more motivated than others to take creative risks in order to bring visions into reality. The entrepreneur is, in the words of Robert Schwartz, “a dreamer who does”. Entrepreneurs who start their own businesses may be indifferent as to whether their venture capital comes from “Aunt Matilda”, the local bank or the state, but to survive more than a few years they must systematically reduce their costs by free-riding on public infrastructures, information sources and support wherever they can find it. And the wisest entrepreneurs do not view themselves as risk-takers as much as they do as individuals who specialize in risking *other people's* resources. Stevenson characterized the relationship between risk and reward in the eyes of the entrepreneur as “You take the risk. I'll take the reward.”

As Mancur Olson demonstrated in “The Logic of Collective Action” free-rider behavior is not only rational but is reinforced in liberal, free market societies:

“Unless the number of individuals is quite small, or unless there is coercion or some other special device to make individuals act in their common interest, *rational, self-interested individuals will not act to achieve their common or group interests.*” And: “Where small groups with common interests are concerned, ... *there is a systematic tendency for 'exploitation' of the great by the small.*” (Olson, 1965: 2 and 29).

This inevitable maximization of individual and small group interest at the expense of larger group or institutional interest explains why so-called "intrapreneurship" or entrepreneurship within large companies does not work: workers not surprisingly are more concerned with job security than with entrepreneurial risk-taking (Lynch, 1994). American entrepreneur William Lynch interviewed a number of other American entrepreneurs and found that entrepreneurs are (1) *visionary*, knowing exactly what they want and seeing their object with vivid clarity; (2) *risk-taking* in a way others do not understand since they see the risk differently; (3) *impatient* in terms of timing since they already feel it is late; (4) *exhibit salesmanship*, often reversing the conventional order of "ready, aim, fire" to "ready, fire, aim"; (5) *are willing to sacrifice* for the cost of entry, having "fire in the belly"; (6) *view opportunity as love at first sight*, seeing what they want and going for it; (7) *exhibit leadership*; (8) *view credibility as the key to financial leverage*, not credit; (9) *do not see obstacles* since they are blinded by the objective; (10) *exhibit energy*, an unstoppable need to achieve, and (11) *strive for ownership and control*, their *raison d'etre* in terms of motivation (Lynch, 1994).

3.2 Entrepreneurship across Cultures

While motivation in the American culture derives from a tradition of self-reliance and short-term success in an achievement-oriented society (in the terms of David McClelland), other cultures illustrate different nuances of similar kinds of motives for action. In Kenya, for example, some education and a sense of status deprivation or perceived social handicap leads to innovative entrepreneurship as a way to change the world in order not to have to change oneself. Blocked from upper level elite positions in society, the entrepreneurs of Kenya typically found one or more small businesses, are reluctant to delegate authority and often are undone by the very diffusion of the enterprises they create (Marris, 1974: 104-123). In Japan, creativity is approached by indirection, by recycling of old ideas in innovative ways. The Japanese cycle of creativity has been broken down into five elements that feed into each other: recycling, search, nurturing, breakthrough and refinement (Tatsumo, 1990: 52-53). Tacit, informal knowledge of continuous improvement through teamwork is the Japanese way: not the Western hubris of trying to create something new under the sun, but the harmonious view of a creativity that fits in with nature and improves things subtly through new applications of existing materials and ideas. German creativity evolves from a context of duty to the existing social order. While radical film directors like Fassbinder may look at this order critically, they do not leave it behind but look at it through different colors or from a unique slant. Or consider the dwarf's skewed perspective of the social order in Günter Grass's novel "The Tin Drum". The German sense of order was made explicit in a summary of the ideal German value formula by David McClelland: "I must be

able to believe and do what I should for the good of the whole.” (McClelland, 1958). Germans may critique the schemata of order, but they rarely leave it behind, just as the Japanese entrepreneur knows that in the Japanese cultural context “The nail that sticks up get hit” and teamwork is the preferred venue for innovation.

What creative entrepreneurs in all of these cultures tend to have in common, however, is a sense of being something of an “outsider”, on the boundaries of the culture. Indeed, they are often either foreigners or first generation arrivals in their cultures or else former aristocrats or elites who have been declassed and want to recover their status like the samurai in Japan or the Balinese aristocracy. They possess a target-oriented free-rider mentality with some sense of distance from conventional norms and routines, but nevertheless aim for conventional rewards, which they want to obtain fast, showing impatience with traditional methods and with working for others. For example, an Asian immigrant bid \$ 175,000 for a medallion (license) in order to drive his own cab in New York City in 1996. This will enable him to earn about \$ 30,000 a year working 70 hours per week. He said: “I want to drive for me ... No more work for someone else.” (Perez-Penu, 1996) The American Dream is to be one’s own free-rider — independent, self-reliant, the owner of one’s own means of production.

4 Open Systems and Free Market Environmentalism

Free-riding entrepreneurs are engines of economic growth in the economist’s vision of open systems. Environmentalists, on the other hand, often assume closed systems. As William Ashworth puts it:

“Ecologists study the behavior of closed systems. This leads to a view of inputs and outputs radically different from the open systems view of the economists. Open systems imply throughput — substances coming from one place, flowing through the system, and then going out to someplace different. Closed systems imply cycles. To an ecologist (or anyone who studies closed systems) the someplace that substances come from and the someplace they go are ultimately the same place.” (Ashworth, 1995: 125-126)

One theory that aims to take care of this paradox of envisioning closed systems within open systems is free market environmentalism. This vision is a variety of a neo-classical economic liberal’s utopia. Free market environmentalism assumes that the main function of government is to reduce the cost of defining and enforcing property rights, leaving solutions to environmental problems up to the efficiency of private markets (Anderson and Leal, 1991). Free market environmentalists contrast water trades in the United States which have enhanced environmental quality through private water institutions with the water projects of the government Bureau of Reclamation that resulted in the damming of all the major water systems in the West and the end of hundreds of salmon

and steelhead runs. Their view of utopia is close to that of Robert Nozick's vision of a minimalist state that exists only to keep law and order and to enforce existing private property contracts. Otherwise the state is to stay out of the way of productive entrepreneurs and people who want to make a living and stimulate economic growth (Nozick, 1974). Clearly, this is a largely negative view of the state: utopia is freedom of the individual from the state with minimalist exceptions in order to protect private property.

4.1 Free Market Environmentalism in the U.S. versus Social Market Environmentalism in Germany

The backdrop of consciousness of social order is important in considering whether or not individuals perceive entrepreneurship in a social context or in an asocial context. Recall that entrepreneurship is a creative variation of free-rider behavior. Indifferent as to the source of his or her funding, the entrepreneur must free-ride as much as possible in the start-up phase to survive more than five years in business. Therefore, if environmental responsibility is perceived to be a negative deterrent or a punitive set of regulations, the entrepreneur will be tempted to avoid such regulations and to free-ride upon the earth in order to survive financially. If, on the other hand, environmental responsibility has become so intrinsic in the social order that it comes to define majority preferences in the market, then the entrepreneur may be more tempted to start up an environmentally responsible business in order to gain market share and to survive. The thesis here is that environmental consciousness has become such a part of the German social order today that entrepreneurs are increasingly tempted to think green in order to succeed on the market while in the U.S. green choices are more legislated than intrinsic to the social order and constitute just one fashionable boutique among many for the individual consumer rather than a perceived duty of social conscience. Or, to put it another way, the threat of litigation posed by environmentalists is more of a stick than a carrot in the U.S., whereas recycling regulations in Germany may function more as a carrot for the start-up of environmental businesses than is the case in the U.S. where such regulations are much less apt to be enforced than they are in Germany. German "closed systemness" may foster more economic "greenness" than American open system assumptions. On a European scale, the German government is attempting to lead the way in raising the environmental consciousness of all European Union member countries and to impose stiff European regulations to deter free-rider behavior of European entrepreneurs that is not friendly towards the environment. In fact, the tough German environmental regulations domestically have led large firms to create a counterstrategy of self-enforcement: all energy intensive industries in Germany vountarily agreed to cut emissions of carbon dioxide by 20 % by 2000, stimulating Germany's chemical industry association to develop voluntary proposals covering a host of environmental areas

(Anonymous, 1994). Ultimately, if the world market goes increasingly green through international regulations and environmental consciousness raising, the German entrepreneur is positioned to be at the forefront of the market. An example of this would be the universal acceptance of the Earth Summit's concept of setting a 25 % waste reduction goal for every major city in the world. On the other hand, if such environmental regulations and behavior are not realized, the Germans may find themselves to be on the wrong end of a variable-sum game in which most entrepreneurs will find a way to go around the regulations and to free-ride at the expense of German competitiveness. This danger is seen domestically in the fact that statistically the growth of entrepreneurial small businesses is much higher among foreigners moving into Germany than it is among Germans themselves (Anonymous, 1996). And it is seen internationally in the trend of German entrepreneurial capital to flow out of the country and to set up subsidiaries or businesses in countries which are less regulated — that is, almost anywhere else. Meanwhile, unemployment in Germany is over 4 million, the highest since World War II and the leaders of all German political parties have agreed that the unemployment rate must be cut in half by the year 2000. The trend in Germany appears, as in the United States, to be to deregulate the economy for the sake of economic growth, competitiveness and job creation. The difference is that in Germany the environmental ethic is much more internalized than it is in the U.S., to the point that in the early 1990s environmental concerns were the top German political priority in opinion polls. In 1992, for example, 67 % of Germans polled were “very worried” about global warming (the greenhouse effect) compared to only 30 % in the U.S. and 73 % of the Germans were “very worried” about the destruction of the ozone layer compared to 43 % of Americans (OECD, 1993).

In the U.S., environmental regulations run the danger of being seen as more a part of the problem than of the solution, more a piece of the Washington bureaucratic establishment than of a forward looking philosophy of green job creation. The Environmental Protection Agency (EPA) has grown from its founding in 1970 under President Nixon from a staff of about 8,000 and budget of \$ 455 million in 1972 to a staff in 1995 of 18,000 and an operating budget of \$ 4.5 billion — the seventh largest in staff and third largest in budget in the federal regulatory system. Furthermore, founded as a pollution control agency, the EPA has no power to oversee comprehensive environmental planning but has programs that are so-called “media-specific” aiming at water, air, solid wastes, toxics, etc. The existing regulations favor “end of pipe clean-ups” such as filters or waste water treatments installed later rather than preventive pollution measures, which would grow from social ethics and be more apt to stimulate the creation of cleaner production processes and technologies (Schellmann, 1995). Under the Clinton administration the standards for cleaning up major “superfund” pollution sites have been so strictly interpreted that water must be restored

to drinking level purity even if it never was at the level of purity to start with, motivating industries to set up plants on virgin land without the legal risks of the formerly hazardous super-fund sites. The stick is paramount here, not the carrot. While properly constructed regulations can encourage innovation through re-engineering as Michael Porter has argued, this appears to be the exception more than the rule in an open free market society where regulations are but haphazardly enforced (Porter, 1991). Indeed, the free market environmentalist school of thought can be interpreted as an American reaction against governmental environmental regulations that have been misapplied and threaten to get in the way of entrepreneurial flexibility.

Germany was stimulated by the discovery of the collapse of the forest ecosystem in 1985 to create the world's most stringent environmental regulations. Some 50 % of the nation's forests were dead or damaged by air pollution and like Japan, Germany has a "forest culture" which shapes utopian blueprints or visions of the ideal society. Green movements proliferated, symbolized in part by the green party, which was successful enough to enter the Bundestag in the 1994 elections, Chancellor Kohl has pushed environmental regulations since his initial election in 1982 despite his party's conservatism, stimulating the movement for environmental regulations. He created the Federal Ministry of the Environment, Nature Conservation, and Nuclear Safety in 1986, supported, in turn, by the Federal Environment Agency, the Federal Research Center for Nature Conservation and Landscape Ecology, and the Federal Office for Radiological Protection. All the extensive environmental regulations have to pass both houses in the federal parliament, the Bundestag and the Bundesrat. Clearly the public in Germany is more interested in environmental regulations than the American public (Müller, 1995). The German regulations attempt to integrate the concepts of economic growth and environmental protection in cost-effective ways. Some regulations involve economic incentives (such as positive tax treatment of unleaded gas). Other regulations are voluntary agreements (such as the deposit refund system in the beverage industry). And sometimes the voluntary measures become mandatory (such as the Packaging Ordinance of 1991 which makes it compulsory for producers to take back or recycle packaging). The German system appears closed enough to the entrepreneur that environmental reforms work as both carrots and sticks. For the assumption is that within Germany the environmental laws are systematic, will be enforced and will be too difficult to get around to try. The social market economy has fostered a de facto green growth economy in comparison with most other national economies in the world.

German regulations appear to be better oriented for stimulating the creation of environmental businesses and green jobs than the American system of environmental regulation, partly because the environmental ethic has been more

internalized in the German population and is easier to enforce given greater social solidarity and consensus than is the case in the United States. By integrating their environmental regulations with economic realities the Germans have succeeded more than any other population and are positioned to become world leaders in environmental business, exporting some 40 % of their environmental technology business (OECD, 1992). Germany already has established the leading position in exporting environmental technology (Anonymous, 1993; Müller, 1995: 36). This leadership is symbolized by the selection of Germany for the headquarters of the UN Commission on Sustainable Development and by Germany's 1.6 % of GDP spent on environmental investment — more than any other large industrial country.

As a nation based upon ideas, a tradition stemming from the enlightenment, Americans may first have to be motivated by an ideal of environmental utopia and social ethics in order to achieve a social consensus of environmentalism and political regulatory system that is less reactive, less splintered and less after-the-fact and more proactive, preventive and comprehensive. Free market environmentalism may be a necessary starting point in order to motivate green growth in socially-oriented start-ups such as "The Body Shop" in Britain and "Ben and Jerry's" in the United States. "The Body Shop" has a "trade not aid"-policy of importing commodities from threatened tribes or tropical forest economies in developing countries such as plant oils from the Amazon to build up economic alternatives to the cutting down of forests or extinction of indigenous ways of life. "Ben and Jerry's" sells exotic ice creams made only from natural, environmental ingredients and gives a respectable amount of its profits back to the community for social causes. These social entrepreneurs from the Anglo-Saxon individualist, free market tradition try to set social examples, perhaps to make up for the absence of such social policies on the part of the nation-states in which they are based. The ultimate example, of course, is the Scott Bader Corporation in Britain described in the chapter on alternative forms of ownership at the end of German economist E.F. Schumacher's classic in environmental economics, "Small is Beautiful" (Schumacher, 1973). The Bader Corporation is a cooperative enterprise of deliberately limited size that actually constitutes a small commonwealth based on social and political as well as economic and technical tasks. Private utopias such as Thoreau's "Walden" (1854) have thus evolved and become industrialized from rustic log cabins towards becoming corporatist city-states. In the cases of "The Body Shop" and "Ben and Jerry's", as they move to their second generation of ownership, legal and media problems plague their managements as their entrepreneurial efforts develop from the creative to the maintenance stage and size itself becomes a problem with their emerging multinational status.

But what is necessary in order to motivate the founding of environmental businesses in a free market environment is, however, by no means sufficient for social responsibility in the majority of cases of corporate development in liberal democratic societies, as Mancur Olson's thesis of individual and small-group self-interest suggests. Of the total number of businesses, those that can be classified in the "win-win" category in which both business and the environment win are in the minority and may appear more prominently in certain historical phases of economic development than others. Thus Kurt Fischer and Johan Schot identify two American eras of environmental management — (1) the first is the phase of "resistant adaption" from 1970 to 1985, when companies merely complied with new environmental regulations of high technical specificity, often showing resistance; and (2) the second phase of "embracing environmental issues without innovating" extended from the mid to late 1980s, when companies were able to make easy but significant improvements — setting up the promise of "win-win" solutions (Fischer and Schot, 1993). For example, from 1989 to 1991 Texaco was able to reduce its combined air, water and solid-waste streams by 40 % and its toxic emissions by 58 % through pollution-control equipment, better control systems and an improved waste-reduction process. But as Walley and Whitehead have argued, and McKinsey surveys confirm, the *third* phase of the coming decade is apt to be one in which environmental compliance and improvements will become much expensive and that, therefore, it will take more than the optimistic ideology of "win-win" to get managers to willingly sacrifice profits for heavy green costs (Walley and Whitehead, 1994; McKinsey, 1991). Thus Texaco plans to invest \$ 7 billion in the next five years on environmental compliance and emissions reductions — three times the book value of the company and twice its asset base. The global trend towards free market privatization, competitiveness and economic growth regardless of social consequences may just reinforce Olson's principle of rational selfishness, tending to push "win-win" environmental solutions off the map of the perceptions of the upwardly mobile. Consider the lessons of high economic growth from the recent past.

4.2 The Logic of Growth and "Economic Miracles"

In analyzing annual GDP growth and investment statistics in the world over the the past 50 years, I found that the essence to creating *the perception* of an "economic miracle" for a nation is to target collective learning processes upon applied economic objectives which coordinate internal factors with external opportunities in order to position the country to catch waves of global economic growth. Specifically, nations in a post-authoritarian phase of political stability plus economic liberalization limited the perceptual options of their people, funneling their behavior into schemata or patterns of meaning targeted towards economic growth and productivity at optimum historical moments. Thus, in

terms of GDP growth and investment, Singapore experienced three “economic miracle” waves of growth in the past four decades; Thailand, Japan, China, Hong Kong, Taiwan and South Korea experienced two such growth waves, and West Germany, Malaysia, Chile, Iraq, and Brazil experienced one wave of outstanding annual economic growth — each wave lasting for at least three years (Isaak, 1996). These nations were so concentrated upon moving from an economic trough to an economic peak that there was not much time left over for them to consider the environmental consequences of what they were doing. In fact, in attempting to find statistical measures of environmental damage to correlate with these miracle waves of economic growth, I discovered that such environmental data has only been systematically collected over the past decade or two and that it is almost impossible to find comparable environmental outcomes to correlate with phases of growth over the long term. Environmental economics is but a teenager in its history while growth gurus have been collecting data systematically for more than a century. Green growth has yet to be legitimated much less worked systematically into national economic strategies. Partly this is because of short-term competitive efforts to adapt to global economic trends rather than plans stemming from a long-term vision of what is best for a country. In the fast-changing open global economic system, the natural neo-mercantilist temptation is to try to import low-level entropy and export high-level entropy in order to satisfy the energy and employment needs of a semi-open national system in a state far from equilibrium (cf. Baumgärtner et al., 1995). From the perspective of collective learning, the information overload, financial and socio-psychological demands are so heavy that to cope people revert to a conservative impulse and screen out all that does not help their short-term standard of living. The promise of high economic growth crowds out concerns for long-term environmental sustainability, the black overlays the green. The greening of growth logic can only be nurtured through educational and political socialization and this can only occur in a system that appears closed enough to the people that they will use the natural free-rider impulses of the entrepreneur to orient their business efforts towards an environmental market economy rather than going around the system Olson-style to avoid costs and regulations (cf. Liesegang, 1994). One possible motivator is to publicize evidence from several studies which indicate that jobs increase while pollution declines, as occurred in the case of Louisiana, the worst among the 50 U.S. states in terms of economic and environmental health (Templet, 1995).

5 Dystopia, Utopia and A Place for Grandchildren

We live in dystopian times. Given the failures of Stalinism, Maoism and Hitlerism, the post-modern temperament is understandably skeptical of any blueprint claiming to be a final solution. From this perspective it is therapeutic,

if not essential, to probe the foundations of physics, biology, economics, and philosophy to sort out the limits of what can be known so that at least we do the least harm to ourselves and to the earth (see Faber and Proops, 1994).

But this "ideal place", this "nowhere" longing to become somewhere which we refer to as "utopia" tempts us to imagine what we could be, colors our unstated ideal standards of criticism, haunts our imagination and shapes national policy blueprints for worlds that do not yet exist, whether they be red, black or, in our case, green. As sociologist Karl Mannheim wrote:

"Only those orientations transcending reality will be referred by us as utopian which, when they pass over into conduct, tend to shatter, either partially or wholly, the order of things at the time ... If ... we call every actual and existing ongoing social order a "topia", then these wish-images which take on a revolutionary function will become utopias." (Mannheim, 1936: 192-193)

To deny that we think in terms of any "utopia" is to suggest that all economic, political and business planning will become short-term adaptation to what *is*. Certainly if we don't risk the creativity to imagine utopias within the realm of the possible, others will, even though the outcome of their efforts may be to create new and more destructive versions of dystopia. We cannot assume that human beings will voluntarily restrict what they want to what they need like millions of little Aristotles. Nor can we hope that all will be restrained from insatiable Faustian pursuits that inevitably result in dystopias through distorted ideologies of lust for greed and hegemony. Short of leaving the field to crackpot realists who form militias, ecological terrorists like the "unabomber", or neo-corporatist mafiosi, we have no choice but to develop criteria to distinguish between better and worse dystopias, if not to work out the outlines of a utopian vision to guide our collective action. Not to imagine a utopia of sustainable development for our grandchildren is to support the ideas of some defunct dystopian thinker *de facto*, or to leave things to chaos and anarchy. We may all be free-riders and socially tolerant liberal thinkers like John Rawls, who most recently suggested a kind of lowest common denominator "justice" of "an overlapping consensus of reasonable comprehensive doctrines" (Rawls, 1993). But consider, in one last summary of a collective flowscape, what happens if we fail to distinguish one cultural free-ride upon the earth from another.

Consider the case of Madagascar. The stable loop of the perception of the indigenous people appears to be to burn and cut down tropical rain forests in order to make room for growing and cooking more rice to feed people and to grow feed for cattle. Cattle, in turn, should be collected and killed in as great a number as possible at the time of the death of any one human being in order to assure status in the next world; to make space and food for more cattle, it is necessary to burn more tropical rain forests, and so on. To intervene in this cycle or native tradition goes against not only international law of sovereignty but

Rawlsian tolerance and our belief in the right of each culture to maintain its own integrity. But given the great numbers of people and cattle weighing down what the ecologists call the “carrying capacity” of the country in terms of natural resources, it seems unlikely that all of the existing population will be able to carry on development with this tradition in a sustainable fashion for their grandchildren. To the extent that Madagascar is not a closed system, the ecologist’s perspective may be wrong. Money from tourists, particularly the French, helps to preserve some of the rain forests in natural parks. But the trade-off is the export of exotic flowers that are harvested to go into French perfumes and an annual increase in tourism to the point that tourist traffic may destroy the rain forests before the native tradition of animal sacrifice does. Bhutan has managed this problem by strictly limiting the number of tourists who can visit the country (cf. Keck, 1996). And Malaysia has blocked off all of its east coast from economic development to preserve its rain forests. In each case economic growth is limited by a government with a green utopian agenda in the back of the minds of social planners. But the increasing pressures of growing unemployment and consequent criminality are so severe that green long-term visions may be compromised for short-term entrepreneurship that is indifferent as to where it gets its resources or what happens to be left over for future generations. Or the people in economic miracle societies may become so satiated materially that the government has to take extraordinary steps to motivate the people to take entrepreneurial risks abroad. This post-modern problem is illustrated by the case of Singapore where the government was so concerned that its businessmen are not aggressive enough that in 1993 it began to offer tax cuts and other incentives to encourage local entrepreneurs to take part in “risky but highly profitable” ventures abroad, particularly with Singapore’s neighbors.

The only viable antithesis to this longing for maximum economic growth as the holy grail would seem to be a rewriting of Kant’s categorical imperative to read: “I will act in such a way that my behavior can be read as a general law for all of mankind, particularly serving the interests of my grandchildren and the world they will inhabit.” This green categorical imperative represents an arbitrary but universal assumption: arbitrary in that it pays to focus attention upon grandchildren in discussing intergenerational justice, since people can identify with that particular metaphor of future time; and universal since it is clearly necessary to praise those cultures in the world who think at least two generations ahead over all those who do not. Flowscapes give us a new way to get at the subjective preferences of individuals and groups, a way that may ultimately make it easier to intervene and add a green, grandchildren element for the sake of sustainable development. One of the critical elements for the motivation of economic growth is a clear concept of private property and its protection by the state. But this basic tenet of free market environmentalism alone appears to be

only necessary but not sufficient for the logic of green growth, which demands both carrots and sticks in terms of incentives from the social infrastructure. Economic reforms in Russia have failed on both of these grounds, of course, with qualified private property rights only truly emerging this year through Yelzin's decree and with the institutional infrastructure for green growth missing due to the Communist heritage (Goldman, 1994). The United States is strong in terms of private property motivation, but negative deterrents such as litigation often are the motivators for going into an environmental business more than a positive internalization of green ethics which has developed in Germany. A utopian vision of social capital that embraces an ethic of sustainable development must be fostered systematically throughout the world if free-riding entrepreneurs are to be motivated to contribute to green growth. Specifically, we must identify the prerequisites for "win-win" business-environmental situations, firms must be encouraged to move towards the creation of their own utopian green agendas (Scott Bader style) and given government incentives to do so, green employment strategies must be developed to counter spreading global unemployment and prototype countries that limit their growth to a green vision must be praised and rewarded. As with Kant's thesis that we must approach nature *as if* there was an omniscient understanding or unity behind the scenes in order to make meaningful connections, we must assume the possibility of a green utopia that could guide our entrepreneurial actions and give them collective meaning beyond the maximization of short-term selfish group interests.

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Gerhard Austin:

Transatlantic Cooperation — A Humanist between the United States and Germany, between Academia and the Business World

1	Introduction	36
2	The Mannheim Program for Bilingual Careers	36
3	The value of foreign language skills	38
4	Transatlantic internships	39
5	Academia approaches Business	41
6	German-American relations and German firms in the United States	41
7	Transatlantic misunderstandings caused by differences in language and culture	43
8	The image of the German business representative among some Americans	44
9	Some elementary misunderstandings	45
10	Money to promote internationalism matters but where do available funds go?	45
11	The committed individual human being	47

1 Introduction

This paper does not pretend to present an investigation into subjects pertaining specifically to business and economics since I cannot deny that I am a colleague who has spent most of his professional life with language and literature and German studies in the United States. Hopefully, though, some of my observations will yield an interesting footnote about international cooperation.

Risking your ire by talking too much about myself, please understand that my observations cannot be separated from my personal perspective. It is not irrelevant that I was born in Lithuania in 1939, that I grew up in Northern Germany in Goslar and Göttingen and that I spent the academic years of 1960/61 at Boston College and 1965/66 at Marquette University in Milwaukee, Wisconsin. In 1968, I entered the United States on a permanent basis — at that time, it was still easier to marry an Asian in America rather than in Germany, especially if a theoretically tolerant mother flips out at the sight of a Vietnamese woman in her house in Göttingen. After three years at Yale, I acquired my permanent position at the University of Connecticut where I have been since 1971; since 1985, however, I have spent every second semester in Mannheim.

2 The Mannheim Program for Bilingual Careers

Around 1970, a phenomenon involving language and literature teaching resulted in devastating effects felt even today. In 1968, university administrators were still seeking to fill positions for the teaching of German and other foreign languages and they offered young Germans attractive salaries. Within three to five years, as a German you felt as if you were taking a position away from an American candidate. As a German, an *Ausländer*, you felt obliged to return to Germany or offer something special.

I was fortunate enough that, with the dynamic support of a College Dean and Vice President, Julius Elias, I became actively involved in promoting transatlantic cooperation in 1974. My first assignment was to evaluate the courses of the Goethe Institute so that American students could receive transcripts from the University of Connecticut. This enabled them to include the Goethe Institute courses as part of their regular college requirements and to accelerate their college studies. Approximately 3,500 American students have taken advantage of this opportunity since 1975.

When language requirements were either reduced or cancelled, for instance, when the American Chemical Society decided that it was no longer necessary for a decent chemist to become familiar with the German language, the numbers of students in our courses dwindled frighteningly. Frighteningly, because there is

no absolute tenure for the teacher or the professor, no comfortable *Beamtenstatus*. If there are no longer enough students and your program dies, your position is dead, too: You join the ranks of the unemployed. To give our students a practical reason for studying German, I developed a course entitled: *Connecticut and the Global Market: The German-Speaking Countries*. The students came to realize that there was a real world connected with the German language, a world that existed outside of academia.

I may have profited more from those presentations than my students. If I am honest, for the first time I comprehended what it means to keep a company well organized and successful in the world market. You may remember how we humanists, we *Geisteswissenschaftler*, grew up after the war by and large: The availability of money was a matter of course and the only question was whether the government would be decent enough to give us good salaries, absolute job security and generous fringe benefits. We were quite unaware that money had to be made in a competitive market and that professors had to be paid with that money. Even today German students will be surprised if you alert them to the fact that they all enjoy a tuition waiver nobody ever mentions.

It is not only pathetic but a truly sad experience to relive those by-gone years by watching again that interview of 1970 in which Günther Gaus talked with Rudi Dutschke, the leading German student rebel. Dutschke expresses an honest conviction that a better world will grow out of the good intentions of a young post-war generation. There is a total lack of understanding that a complicated world needs a tremendous effort if it is to be prevented from disintegrating into chaos; that chaos can slowly take over any factory that is to be governed primarily by good intentions.

During the golden eighties, survival did not look as difficult as it looks today. Above all, most German and Japanese export firms were hauling in the dollars. The exchange rate hovered around DM 3 to the \$ and reached even DM 3.40. In this happy environment, the idea of the *Mannheim Program for Bilingual Careers* was born. American students were to be offered the opportunity at the end of their college years, or later, to start an international career. Today the program consists of eight weeks of advanced German language training at the Goethe Institute followed by extensive travel examining facets of German history, a university semester at Mannheim, and a paid internship.

Again and again, it is fascinating to see how certain basic facts of history hold such interest for these future business manager. Viewing works of art and architecture through the ages affirms those human experiences to which we can relate even today. Be it the *Kaiserpfalz* in Goslar or the *Speyrer Dom*, be it Frederick the Great serenely looking down on us from atop his horse in the Park of Sanssouci or the *Große Kurfürst*, ready for battle against the enemies of Brandenburg, be it the monumental bronze door of Bishop Bernward in

Hildesheim or Matthias Grünewald's overwhelming Isenheimer Altar, be it the former concentration camp Dachau or the Gedächtnisstätte Deutscher Widerstand in Berlin — our students encounter aspects of history that communicate to them a dimension of human life of which many of them have previously not been aware.

At the end of the university semester, our students have to pass the same, often oral, examinations as their German fellow students, a remarkable achievement if you compare this to the numerous American international business programs that take place, so to speak, in English-language ghettos. The Mannheim approach makes it possible for the Mannheim Program graduates to function successfully from the first day of their subsequent intern- or traineeship. Their performance is quite different from that of direct imports from the United States, about whom I have heard frequent complaints even though, on paper, those interns appeared also well-trained in German language skills.

Financially, it was very easy to install the Mannheim Program because the salary of the resident director as well as the cost of transatlantic travel and some apartment costs were covered by generous contributions of the Goethe Institute as stipulated in the Credit Program and Faculty Exchange agreement between the Institute and the University under which the Mannheim Program is administered. This may change if the German Federal Government does not make up for the financial hardship the Goethe Institute has experienced in recent years.

In addition, with the organization and subsequent incorporation of AGABUR, the Association for German American Business and University Relations — you may note that the four elements *German+American+Business+University* are reflected in the title of this presentation — with AGABUR's incorporation a instrument had been established that yielded numerous scholarships. In 1991 AGABUR was entrusted by the University of Connecticut with administering the financial affairs whereas the University continued to control the academic aspects of the Mannheim Program.

3 The value of foreign language skills

At this point a few observations on the value of language skills may be in order. The foreign language teaching profession tends to overestimate the importance of language and is filled with, often true, stories involving the inappropriate use of a foreign language and its subsequent interference with business success. One familiar story concerns General Motors. It tried to sell the model called NOVA in South America. Because the GMC managers had forgotten that NOVA could be read as: "It doesn't go, it doesn't run!" sales were a disaster. How could you ever be successful with such a name!

I tend to offer a different version of this story: Yes, let's assume that there was a foreign language teacher who went to the Vice President of Public Relations at General Motors. And, yes, he explained to him why General Motors could not sell the car in South America. And the General Motors VP thanked him profusely for saving General Motors. And thus the foreign language teacher carried the story into the language teaching world. What he didn't know was this: The moment he had left the office, the VP, utterly delighted, called in his administrative assistant and jubilantly told her: "Send a thank-you note and a check to this great teacher! Now we can blame language for our failure in South America and we won't have to admit that we were trying to sell a sub-standard car to the South Americans." The point, of course, is that, if the product is either truly bad or truly excellent, language does not matter. I have to confess, I did not exactly improve my popularity when I told my version at an American meeting of teachers of Business German.

At the other end of the scale, we find the American business CEO, the chief executive of an international firm who will tell us that foreign languages are not needed. True, he has at all times been surrounded by people who were more or less fluent in English but he does not know how many of, let's say, his German engineers will not say a word when he is around because their English is too awkward. He has never experienced the grateful relief that many German employees speakers feel when an American starts speaking German to them. Rarely will he meet a German — and certainly not a German in his company — who will admit to him that he feels terribly insecure whenever he is exposed to an English-speaking circle.

4 Transatlantic internships

The idea is generally accepted that it is good for you as the owner or president of a company to have employees who speak the language of your customer in a foreign country. Since we felt that this tenet had become almost a truism, anyone involved with the establishment of the Mannheim Program thought that American and German companies would stand in line to employ our uniquely trained and goal-oriented Mannheim graduates. We actually did place them with relatively little effort with German export companies during the first years of the Mannheim Program, that is, in the second half of the eighties.

However, repeated attempts to place Americans in American companies were deeply disappointing on either side of the Atlantic. Although there are exceptions such as Salomon Brothers in Frankfurt, statistically speaking, American-owned companies in Germany responded as if they couldn't care less about young Americans preparing themselves specifically in Business Administration to serve their German customer. The following Chrysler case

illustrates that a company can even act in direct contradiction to what its CEO, Lee Iacocca, professes in public:

In 1991, a Mannheim program candidate who had previously worked in the automobile industry wanted to intern with a car company in Germany. I contacted Chrysler and quoted Mr. Iacocca, who had repeatedly emphasized the fact that Americans needed to be better trained for the international market. This training was exactly what the Mannheim Program provided. After two months of cautious promises by the personell department, Chrysler Deutschland declined to employ the candidate or to get involved with the Mannheim Program. This rejection was independent from the candidate's credentials, neither was there a hiring freeze, Chrysler Deutschland simply declined. So the candidate was placed with Mercedes Benz. In October I reported this case to Mr. Iacocca, stressing the fact that we were implementing his suggestions to improve the training of young Americans. There was no answer to this certified letter. It was probably sent to Germany for comment and conveniently forgotten.

In December, when I was about to buy a Chrysler Grand Voyager for Germany, I was told that the warranty would be invalidated in Germany. The local Chrysler people had the nerve to tell me, I should buy the car in Germany — for an additional DM 23,000. The car had cost me about DM 27,000 in the United States. In effect Chrysler was telling Americans going to Europe on a long-term assignment: Don't buy Chrysler, because other manufacturers made their cars available to Americans at low European delivery prices. Another faxed letter led to a telephone conversation in which the Chrysler representative admitted that my complaints were justified. The end of the story: The representative assured me that he was truly sorry that he couldn't change the existing situation.

So that noone can blame me for just complaining about Chrysler, may I add that I love my Grand Voyager, that it has faithfully served me and my students for about 100,000 km — and that my beloved vehicle truly enjoys the fast speeds of a 100 mph and more on the German Autobahn. A commercial for Chrysler products to balance my criticism!

Although German export companies were more willing to respond positively, I could relate one curious story after another. For instance, not only was I taught by German personell staff that Americans don't know how to speak English, but AGABUR also had the honor of donating four times a monthly payment of DM 200 to an intern of the huge chemical corporation BASF in Ludwigshafen, which is just across the Rhine from Mannheim. The intern was a Mannheim Program participant who had been placed in BASF's ecology department but the responsible BASF administrators refused to acknowledge the fact that our candidates had invested about \$ 8,000 plus airfare to qualify themselves for the German-speaking world and paid this chemical engineer less than any of my other candidates received who had no special qualifications to offer to a German

company. With a smile I can say, AGABUR subsidized BASF. Siemens in Munich is much more generous, not to speak of the Hüls AG with its \$ 5,000 fellowship and an attractive monthly payment which was set at more than DM 2,000 five years ago. But let's not forget to praise BASF, too. Except for the financial aspect, our chemical engineer loved her time at the ecology department, the Abteilung Umwelt/Entsorgung.

The BASF case is similar to the Chrysler case in that I must be concerned about naming them in public rather than speaking of a large chemical corporation and an automobile manufacturer because of the surprising sensitivity you encounter among some business representatives. But I am convinced that, in both cases, the CEO's and their board of directors would agree with me that the availability of those young Americans in Mannheim would be to their firm's advantage.

5 Academia approaches Business

Let's return to Connecticut: In 1987, branches of German export firms began to donate to AGABUR at an average of \$ 600 per company per year, with the top donation one year at \$ 3,000 which was, a little later, surpassed by the annual \$ 5,000 Hüls AG fellowship to a Mannheim program participant who would consider accepting a permanent appointment after a 6-month traineeship.

With German companies in Connecticut, we observed that a rather large percentage of those branches had German CEO's, whereas American companies in Connecticut who had branches in Germany would tell us when we conducted our first telephone poll in 1991: "The Germans take care of us. We don't need any Americans who are familiar with the German language and the German people." When we asked whether it wouldn't make good sense to have a few Americans at the German branch who would be able to monitor not only the official plans and budgets but also the mood swings, tendencies, and hidden agendas among the German employees, the most frequent response was: "We never thought of it this way."

Of course, as a professor of literature from Germany, I had to ask myself if I had done something wrong in approaching these American companies. But when the School of Business Administration under its new Dean Gutteridge got actively involved with Mannheim and Potsdam, the 1994 results in Connecticut corroborated our earlier findings.

6 German-American relations and German firms in the United States

Let's now turn to another aspect of transatlantic cooperation: Our German supporters in Connecticut agreed that AGABUR should, on the one hand,

produce a supply of Americans familiar with Germany through the Mannheim Program. On the other hand, AGABUR should contribute to creating an environment in which transatlantic relationships could function in an atmosphere of mutual respect and friendship.

If you read through the reports of the German-American Coordinator in the Foreign Office, the *Auswärtige Amt* in Bonn, you may almost feel that more than enough is being done. From the DAAD to the Fulbright Commission, the German Marshall Fund of the United States or the Robert-Bosch-Stiftung, from the Goethe Institute to the Bundestag Exchange well-endowed funds and government subsidies take good care of many aspects of transatlantic cooperation. President Clinton and Chancellor Kohl have assured one another that a positive German-American environment exists.

In the fall of 1994 things looked different though: The *New York Times* (which is, by the way, no longer as anti-German as some Germans continue to believe) ran full-page advertisements in which the American public was told that today's Federal Republic was comparable to Hitler's Germany in the 1930's in that the government suppressed organizations it did not like. The advertisements read like objective reports with large photos of, for instance, the 1933 book-burnings in the upper third of the page. They were paid by the Scientology Church after German authorities had disallowed them to enjoy the privileges of a church in Germany and had begun to investigate their activities. The unfairest article was the one entitled *German Resistance, a Contradiction in Terms*. It consisted of scornful remarks directed against the exhibition on German resistance during the Third Reich, which had just opened at the Library of Congress in Washington.

In addition, the 50-year anniversary of the end of the Second World War was about to remind the American public not only of the Holocaust or the Shoah but also of the fact that the Germans had been the enemies. As one of the few non-Jewish members of my University's Jewish Studies Committee, I was especially interested in a presentation by one of the Auschwitz survivors who had been on Schindler's list. When in the concluding discussion, an American observed that one should not single out the Germans as the only bad guys (by the way, the survivor had not done so), the response from the chairperson, he himself a survivor, was: "Let's never ever forget: *The Germans did it.*"

We discussed the situation with the chairperson of AGABUR's board of directors, Dr. Karl Mayer-Wittmann, an American who was also deeply concerned about the deteriorating image of the German in the United States. In November, a letter went out to 50 branches of German-owned firms in Connecticut, firms that had received letters before but had never responded. We alerted them to the urgency of the situation. 49 of the 50 did not respond. I followed up with a letter in which I challenged them to respond. I received four additional responses, one positive and obviously concerned about my message,

the other three criticizing me for reminding them that responding not at all implied that German-American relations were not a priority in their agenda.

The follow-up phone conversation revealed that the presidents of these firms had no idea of how dismal the German image was in many circles in the United States. It became obvious that they were working in a controlled environment that had shielded them from the other real life that exists outside their business world.

7 Transatlantic misunderstandings caused by differences in language and culture

Lack of knowledge and misunderstandings are often caused by language problems. I remember the president of a company — and this time I will not name the company in public — who told a circle of Americans: “I really don’t understand why the Americans have such a strong accent. We Germans learn good English early so that people can’t tell that I am from Germany.” His English was distorted by the most embarrassing German accent. Obviously he had been reassured by his American secretary and his staff that his English was just great. They had never dared to inform him that his company was not producing “cowdrops”, that is *Kuhtröpfen*, as he told us, but “coughdrops”, *Hustentropfen*.

The American tradition of being too polite to correct one’s mistakes must have wreaked havoc once and again. It causes real problems when groups of Germans and Americans meet. A German engineer who had lived in Connecticut for decades summarized this in the following manner: When, at a social gathering, an American engineer utters an unusual political opinion and another person seriously object, the rest of the group will try to distract them. They’ll start talking about basketball or football games and then go home and agree: It was a great evening. In a similar situation among German engineers, the rest of the group will join the battle, they’ll assure one another of the stupidity of the other’s opinion, the discussion will become quite heated, and then they’ll go home and agree: It was a great evening. What remains of transatlantic cooperation if these two groups try to enjoy an evening together? The Germans will be judged quarrelsome and arrogant, the Americans will be judged dumb and boring because they avoid controversial topics.

Whereas such observations were made by German business people who gained deep insights into the culture of courtesy in the so-called better circles of the United States, other German visitors will only see an attitude of surface tolerance that is just disturbing and misleading.

These differences between the behavior and speech habits of Americans and Germans can have very practical consequences, for instance: an American

orders certain parts from the German factory. By the time he has to travel to Germany, he still hasn't received them, goes to the store house and is told: "We thought it wasn't urgent. You said you *would like to* receive those parts." which excluded any sense of urgency for the recipient of the order.

8 The image of the German business representative among some Americans

Whereas such an experience may be considered insignificant — it's not if you are waiting for the parts — a one-hour conversation with Mr. Eric Outwater, Director of the U.S. Department of Commerce for the Northeast Region of the United States, must be of interest to any German who wants to do business in America or perhaps just visit the States. The Gulf War had just ended. I had been contacted by the German Consulate General: The *Treuhandanstalt* was looking for potential American investors for the new federal states, and I was asked whether I could do something about getting some *Treuhand* visitors from Berlin in touch with business people in Connecticut.

On the phone, Mr. Outwater said that this wouldn't be easy but he invited me to his office. He then explained in detail that, unofficially, word had come from the White House to treat any requests from Germany with benign neglect. All efforts were to be concentrated on the purpose of rebuilding Kuwait. The Kuwaitis had just placed a huge advertisement in the *New York Times* thanking the American people for their support. The Germans, on the other hand, were not willing to thank President Bush for supporting German unification at a time when the British and French governments responded with misgivings. On the contrary, when he did need support in the difficult situation in January 91 when the Congress almost voted against his military intervention in the Gulf region, the Germans turned their back, to say the least.

We could discuss this political situation at length but Mr. Outwater, who had been one of the first outspoken American friends of AGABUR, added another observation, in a concerned voice. I quote him almost verbatim: "What makes it so difficult to deal with the Germans is that their arrogance comes through, again and again." But aren't the Americans even more arrogant? This may be true but Mr. Outwater's observation aims at the Germans in comparison to other nationals doing business in the United States. He did not intend to imply that the Americans were models of modesty. A few days later, Graf Lambsdorff in the German Embassy in Washington confirmed that Mr. Outwater's observations would be most valuable to Chancellor Kohl who was about to visit the United States.

9 Some elementary misunderstandings

The huge range of potential misunderstandings across the Atlantic must be dealt with on a daily basis by our international offices. Let's take a simple word such as *student*. It may strike Germans as funny that elementary school children are called *students* who may get involved in a *research* project. The situation grows more serious when exchange programs are being initiated, German university students meet their guests and are disappointed because those Americans appear to be not very well informed, cannot respond very well in political discussions and will finally be judged as incapable of being partners for German students. I do not want to excuse the lack of education we may identify at many American colleges; in many cases, the misunderstanding may simply be that those American students are not *Studenten* in the German sense. If they had been born in Germany, many of those students would have ended up in a *Berufsschule* or *Fachschule* as *Berufsschüler* and *Fachschüler* with interests and values quite different from the *Universitätsstudent*. In most cases, translating *Student* into graduate student would eliminate many unnecessary misinterpretations.

The American college system causes a lot of confusion. Not everyone has the time to read Dr. Ulrich Littmann's — may I call him, gratefully, Germany's Mr. Fulbright — Dr. Littmann's excellent *Studienführer Vereinigte Staaten von Amerika* which is distributed by the German Academic Exchange Service *DAAD*. Most of you know that it is legitimate to compare the level reached with the *Abitur* to a level reached after two years of college. It is less well known that every time a college contacts you whose name you haven't heard, it would be wise to consult the American college handbooks to find out more about the institution with which you are dealing. It may be an inferior college in which many students have trouble reading and writing in their own language.

The word *university* may be equally misleading. A few years ago, the City University of Seattle started offering MBA's in Mannheim and convinced the Minister of Economics in Stuttgart to grant them substantial financial support — until somebody grew suspicious and found out that the Minister had supported an institution which had very little in common with the German *Universität* or an American research university. Even the small state of Connecticut may confuse foreign visitors when they hear of a Connecticut State University along with The University of Connecticut. The latter is the public research university of Connecticut.

10 Money to promote internationalism matters but where do available funds go?

Located in Connecticut, Yale University is, as a private elite university, in a category of its own. This is reflected in mindboggling fundraising drives. After

1990, the Yale administrators decided that they needed more money for their endowment fund. Within little more than a year, they had received outright donations and pledges amounting to one billion dollars. Please watch out: one billion is *eine Milliarde*, not *eine Billion* which would be a little too much. Pledges are legally binding promises to hand over a certain amount of money or, for that matter, all of your property, be it real property or industrial shares or precious works of art, to the institution of your choice.

In view of those numbers, we have to ask: Where are the German sponsors? Isn't there a single German or German-American multi-millionaire who would say: "I will donate a million Dollars or Marks, tax-deductible of course, so that German-American relations can blossom."? Instead, the vast majority of German companies responds when being contacted as if it were not in their own interest to support German-American relations.

Direct contacts with the DIHT, the Deutsche Industrie- und Handelstag, in Bonn and New York as well as with the BDI, the Bundesverband der Deutschen Industrie, in Köln confirmed our local experience in Connecticut. Academia is often looked upon with suspicion; its representatives are blamed for, to quote an example, the fact that Germany has become less and less attractive for ambitious foreign students. The BDI considers it unlikely that the average German business leader will volunteer any substantial support of German-American relations, major donations for major projects by major companies notwithstanding. Siemens Corporation may be considered a leader in this area. Is it really expecting too much if one proposes that German-owned companies in the United States and American companies doing business in Germany ought to be concerned with German-American relations? The Hoppenstedt handbook on *German American Business Contacts* lists approximately 4,000 German and 7,000 American businesses involved with transatlantic trade. Wouldn't it make sense for them to donate, let's say, 100 tax-deductible dollars each to support those teachers who teach Americans about Germany and make our transatlantic exchanges possible?

The financial picture in the German-teaching profession is pretty miserable. A few dollars for a little field trip to a German exhibition in Boston or New York may be an insurmountable stumbling block for a German high-school teacher in Connecticut. A transatlantic ticket donated by the Lufthansa is considered a major contribution surpassed only by an occasional success in attracting a major grant from a large foundation or the Federal Government in Washington. Thus, the University of Connecticut received a grant of \$ 250,000 to establish *Eurotech*, a program that leads engineering students to a double degree in engineering and German.

In spite of heroic efforts at certain institutions, serious German language preparation in the United States is deteriorating as evidenced by the language

performance of those Americans who sign up for courses at the Goethe Institute. Although on paper they appear to have been well prepared, they have to be placed in lower and lower levels at the Goethe Institute. The number of those who commit themselves to extensive studies in Germany has been stagnating for years.

The professional publications are packed with information that looks impressive but the suspicion grows stronger that a lot of it is activity for activity's sake. There is no convincing evidence that the electronic network that does improve our transatlantic communication has done much more than accelerate the traffic of bits of information across the Atlantic and increase the bulk. Transatlantic communication may sometimes be counterproductive. Whereas a few years ago, American students crossing the Atlantic would be forced to connect with the European country of their choice at all levels, today many continue to receive their news through CNN, continue to talk with their friends as if they had not left the United States, and spend their available time sending and receiving messages through e-mail. It has become more difficult for them to truly experience a foreign country as a territory holding new insights and perceptions.

11 The committed individual human being

In the maelstrom of information that blinds the student as well as the professional, our major task is to identify individuals who are determined to counteract the devotion to a senseless activism. Recently the *Wirtschaftswache* wrote about the disoriented business elite, the *ratlose Elite*, whose representatives have often lost a sense of value, and featured an interview with Bosch Senior Hans L. Merkle (May 2, 1996, pp. 134-139). He reemphasized the ideal that we have to strive for: the business leader who serves his own company as well as his community.

Such words the humanist, suspended between the continents and the diverging sectors of our professions, reads as convincing and necessary if we are not to end up in a brave new world after all. I envision a network of true human beings who continue to defend basic human values and refuse to hand over the world to technocrats who, for instance, float currencies around the world to the tune of whole national budgets per day and try to convince us that this must be, a phenomenon that seems to worry even a Kostelanyi. I envision this network as three-dimensional in which exist the more powerful and the less powerful who all pursue the same goal of a productive and peaceful world, allowing the individual to exist as a true human being.

Rainer Schwarz:

**Transformation in
Ostdeutschland — Einige
Forschungsprobleme**

1	Wirtschaftswissenschaftliche Forschungsfelder zur Transformation in Deutschland	50
2	Was ist das Wesen der Transformation?	51
3	Transformation als Investitionsprozeß	53
4	Vernetzung von Aktivitäten im Transformationsprozeß	58
5	Literaturverzeichnis	64

1 Wirtschaftswissenschaftliche Forschungsfelder zur Transformation in Deutschland

Für die ersten Jahre der Transformation läßt sich folgende Schwerpunktverteilung der Transformationsforschung in Deutschland feststellen (Tabelle 1).

Tabelle 1: Rangordnung und Entwicklung von Themengebieten der Transformationsforschung (nach Anzahl der Publikationen)

	11/89-10/90	10/90-09/91	10/91-03/92	Wachstumsrate 92/91 (in %)
Deutsche Einheit, Wirtschafts- und Währungsunion	127	95	64 (130)	36
Internationale Auswirkungen der deutschen Einheit	28	34	46 (92)	170
Ordnungspolitische Grundlagen	210	201	192 (284)	41
Unternehmensgründungen	-	21	9 (18)	-14
DM-Bilanzgesetz, Bewertung	28	31	9 (18)	-42
Unternehmensführung	6	8	27 (54)	575
Wirtschaftsberichte und -statistik	78	96	51 (102)	6
Investition und Sparen	-	19	24 (48)	153
Sozialpolitik	52	25	83 (166)	564
Arbeitsmarkt, Gewerkschaften	59	101	100 (200)	99
Außenwirtschaft, Wettbewerbsfähigkeit	27	25	41 (82)	228
Industrie, Bergbau	18	23	21 (42)	83
Energiewirtschaft	20	31	31 (62)	100
Bau- und Wohnungswirtschaft	7	16	17 (34)	113
Handel, Banken, Versicherungen	8	26	21 (42)	62
Landwirtschaft, Genossenschaften	26	69	49 (98)	42
Umwelt	11	18	21 (42)	133
Verkehr, Telekommunikation	14	17	35 (70)	312
Regional- und Kommunalfragen	15	49	41 (82)	67
F&E	9	12	6 (12)	0
Verwaltung	-	-	17 (34)	-

Quelle: SCHWARZ (1995)

Ordnungspolitische Grundfragen und währungspolitische Themen sind am meisten bearbeitet worden. Neben der Bearbeitung von Grundlagenproblemen

spielten Wirtschaftsberichte und -statistik sowie selektive Probleme des Transformationsprozesses wie Sozialpolitik, Arbeitsmarkt und Gewerkschaften eine dominierende Rolle in der Transformationsforschung.

Erstaunlicherweise haben ausgerechnet jene Bereiche die geringste Bearbeitung erfahren, die für den Aufbau der Marktwirtschaft und für den wirtschaftlichen Aufschwung eine zentrale Bedeutung besitzen (Mittelstand, Innovation bzw. F&E und Investitionen). Eine ähnlich geringe wissenschaftliche Durchdringung haben jene Problembereiche erfahren, die für Ostdeutschland regelmäßig als defizitär beschrieben wurden: Management, Infrastruktur (Verkehr, Telekommunikation und Verwaltung), Umwelt, Bau- und Wohnungswirtschaft. Noch bis März 1992 waren die Themengebiete Mittelstand, F&E sowie Verwaltung sehr gering vertreten.

Interessant ist die Betrachtung der quantitativen Entwicklung einzelner Themenfelder. Das höchste Wachstum in der Bearbeitung erfuhren die Themenfelder Unternehmensführung und Sozialpolitik, womit die wachsende wissenschaftliche Wahrnehmung der sozialpolitischen und Managementproblematik in Ostdeutschland widergespiegelt wird.

Überraschend ist jedoch, daß auch beim Themenfeld Unternehmensgründungen und Mittelstand ein Rückgang zu verzeichnen ist. Die damit verbundenen Probleme werden ja allgemein als entscheidend für ein marktwirtschaftliches System und für den wirtschaftlichen Aufschwung in Ostdeutschland proklamiert. Ebenso problematisch erscheint, daß auch die F&E keinen Zuwachs in der Bearbeitung erfahren, obwohl das Thema Innovation als entscheidend für das Wirtschaftswachstum betrachtet wird.

Es scheint so, als ob die Gewichtung und Entwicklung der Transformationsforschung weitgehend von der Entwicklung der Problemwahrnehmungen im Transformationsprozeß beeinflusst worden ist. Neben diesem eher induktiven Ansatz gibt es auch Bemühungen, ausgehend von einem theoretischen Leitbild, das Wesen der Transformation eher deduktiv zu begreifen.

2 Was ist das Wesen der Transformation?

Forschungsstrategien auf dem Gebiet der Transformation hängen im gewissen Sinne von der Antwort auf die Frage ab, was denn als Hauptinhalt von Transformationsprozessen anzusehen sei. Im folgenden sollen einige der wichtigsten Ansätze kurz charakterisiert werden.

Große Verbreitung in Deutschland hat der ordnungstheoretische Ansatz von EUCKEN (1952) gefunden. Transformation ist hier der Übergang von der Zentralverwaltungswirtschaft in eine *Wettbewerbsordnung*, die durch eine Reihe allgemeiner Rahmenbedingungen gekennzeichnet wird. Von diesen normativen

Prinzipien unterscheidet EUCKEN strikt deren Anwendung. Diese habe die jeweilige geschichtliche Ausgangssituation der einzelnen Länder zu berücksichtigen:

„Wenn man versuchen würde, die Geschichte auszustreichen ..., so würde man an den Tatsachen selbst scheitern ... Die Wirtschaftspolitik hat die Neigung, entweder in einen unrealistischen Doktrinarismus zu verfallen, welcher die jeweilige historische Situation nicht berücksichtigt, oder in einen ungrundsätzlichen Punktualismus, welcher die Wirtschaftspolitik zu einem Chaos unzusammenhängender oder widerspruchsvoller Maßnahmen macht. In jedem Falle wird das Ziel verfehlt.“ (EUCKEN 1952: 251)

EUCKEN (1952) und vor ihm schon Adolf WEBER (1946) hatten die Transformation als eine relativ pragmatische Durchsetzung vielfältiger miteinander verbundener Maßnahmen bzw. Prinzipien dargestellt. Dem gegenüber werden in der heutigen Transformationsforschung wenige Maßnahmen herausgegriffen. Verbreitet ist die Reduktion von Transformation auf die *Etablierung von Privateigentum* an Produktionsmitteln (z. B. HELMSTÄDTER 1990; KORNAI 1990). Auch die Transformationsprogramme des internationalen Währungsfonds schränken die Sicht auf wenige grundlegende Maßnahmen ein (wirtschaftliche Liberalisierung, Kontrolle der Geldmenge, Beseitigung des Defizites des Staatshaushaltes, Verkauf des Staatseigentums an Privatpersonen und Institutionen).

RIESE (1992) interpretiert den Transformationsprozeß als Wechsel einer Planwirtschaft *in eine Geldwirtschaft*. Die Kohärenz des ökonomischen Systems wird im Kapitalismus allein durch Geld hergestellt.

Bei den bisher skizzierten Forschungsansätzen besteht immer die Gefahr, daß ohne große Rücksicht auf die Realität auf dem Durchhalten orthodoxer Prinzipien bestanden wird. Ein konträrer Forschungsansatz versteht den Transformationsprozeß von vornherein als *evolutionären Suchprozeß* im Sinne HAYEKS bzw. als Stückwerktechnologie nach POPPER. Ein Vorzug dieses Ansatzes besteht darin, als Ausgangssituation des Transformationsprozesses einen Konkurs bzw. Staatsbankrott zu reflektieren. Bei Verzicht auf eine logische Gesamtsicht ermöglicht dieser Ansatz die Konzentration auf eine wissenschaftliche Begleitung und Analyse der stückweisen Entscheidungen im Transformationsprozeß.

Diesem Ansatz stehen die Forschungsansätze von PORTES (1991) und ALBACH (1995) nahe, die den Transformationsprozeß als *Lern- bzw. Innovationsprozeß* begreifen. PORTES schreibt:

“Investment and trade rely heavily on the rules of a repeated game, in which participants learn over time about other participants' behaviour, and the expectations that process creates. The transformation will change both.” (PORTES 1991: 7)

Im nächsten Abschnitt wird auf jenen Ansatz tiefer eingegangen, der Transformation als *Investitionsprozeß* erfaßt, wobei der Fokus auf der Transformation als einer Modernisierung von Beständen liegt.

3 Transformation als Investitionsprozeß

KORNAI (1990) hatte die Transformation als einen kostenintensiven Prozeß herausgestellt. Während den ordnungspolitischen Prinzipien in der Transformationsliteratur breiter Raum eingeräumt worden ist, haben die Kosten anfänglich kaum eine Rolle in der wissenschaftlichen Untersuchung gespielt.

Folgt man der bei Produktionsfunktionen verwendeten Gliederung von Produktionsfaktoren, so lassen sich Bestände an physischem Kapital (Anlagevermögen), Humankapital und an technischem Fortschritt (Innovationen bzw. wettbewerbsfähigen neuen Produkten) unterscheiden. Auf die nicht weniger wichtigen Bestände an Grund und Boden bzw. an Naturressourcen sei nur kurz verwiesen, obwohl sie in der Form von Beständen an Eigentumsrechten und an ökologischen Altlasten im Transformationsprozeß eine bedeutsame Rolle spielen.

Die Bestände an physischem Kapital (Anlagevermögen) sind in den Transformationsländern in der Regel veraltet, hochgradig verschlissen oder kaum entwickelt. Das gilt sowohl für die technisch-öffentliche Infrastruktur als auch den Kapitalstock in der Industrie und noch mehr im Handel. Obwohl genügend Beschäftigungspotential mit beachtlichen technischen Fähigkeiten vorhanden ist, gibt es in wichtigen Gebieten einen kaum entwickelten bzw. defizitären Bestand an marktwirtschaftlich orientiertem Humankapital. Das gilt für das übergreifende marktwirtschaftliche Wertesystem und das entsprechende Know-how in besonderem Maße, sei es in den Unternehmen, den Banken, dem Handel, den staatlichen Verwaltungen und der Rechtspflege. Vor allem aber hat es kaum einen Bestand an einheimischen, kapitalkräftigen und damit risikofähigen Unternehmern gegeben — abgesehen von einigen wenigen Kleinunternehmern. Ähnliches kann man von der marktwirtschaftlichen Managementkapazität sagen. In Ostdeutschland stellte man fünf Jahre nach Beginn der Transformation immer noch ein Defizit an marktwirtschaftliche Management- und Verwaltungskapazität fest, obwohl

- die Nachfrage danach durch De-Industrialisierung gesunken ist,
- jährlich 140 Mrd. DM Transferleistungen vom deutschen Westen in den deutschen Osten geflossen sein sollen, womit
- Management- und Verwaltungspersonal in gleicher Richtung mitgeflossen ist und insgesamt

- Angebot und Nachfrage auf relativ (zu Westdeutschland) niedrigem Niveau stabilisiert werden konnte.

Versteht man Transformation als Modernisierung der erwähnten Bestände, so ist der heutige Transformationsprozeß im Kern ein Investitions- und Lernprozeß, und zwar ist es wesentlich ein Investitionsprozeß in gesellschaftliche, soziale, staatliche, technisch-öffentliche und geistig-kulturelle Infrastrukturen. Nach jeder makroökonomischen Lesart wird damit betont, daß ein solcher gewaltiger Investitionsprozeß überhaupt finanzierbar sein muß. Das Ausmaß der erforderlichen Mittel wird bereits deutlich, wenn man allein jene technischen Infrastrukturen betrachtet, die auch in den marktwirtschaftlich verfaßten Staaten öffentliche bzw. kollektive Güter sind, Güter, die durch Investitionen der öffentlichen Hand getragen werden. In den Transformationsländern ist diese Infrastruktur jedoch weitgehend verschlissen. So ergibt sich ein immenser Investitionsbedarf, der aus öffentlichen Mitteln zu decken ist. Die meisten dieser Infrastrukturinvestitionen entziehen sich einem privatwirtschaftlichen Rentabilitätskalkül. Es ist relativ selten, daß diese Investitionen von der Privatwirtschaft geleistet werden können. Hinzu kommt der Investitionsbedarf für den Neuaufbau der institutionellen Infrastruktur. Dafür ist ein Mittelaufwand notwendig, der in den bisherigen Ländern der Marktwirtschaft in vergleichbarer Form nicht aufgebracht werden muß, da vorherige Generationen bereits beleistet haben. Das Problem der Transformationsländer besteht darin, daß sie nicht über das Kapital verfügen, um diese Investitionen finanzieren zu können. Erschwerend kommt hinzu, daß im Transformationsprozeß diese Investitionen erbracht werden müssen bei gleichzeitigem

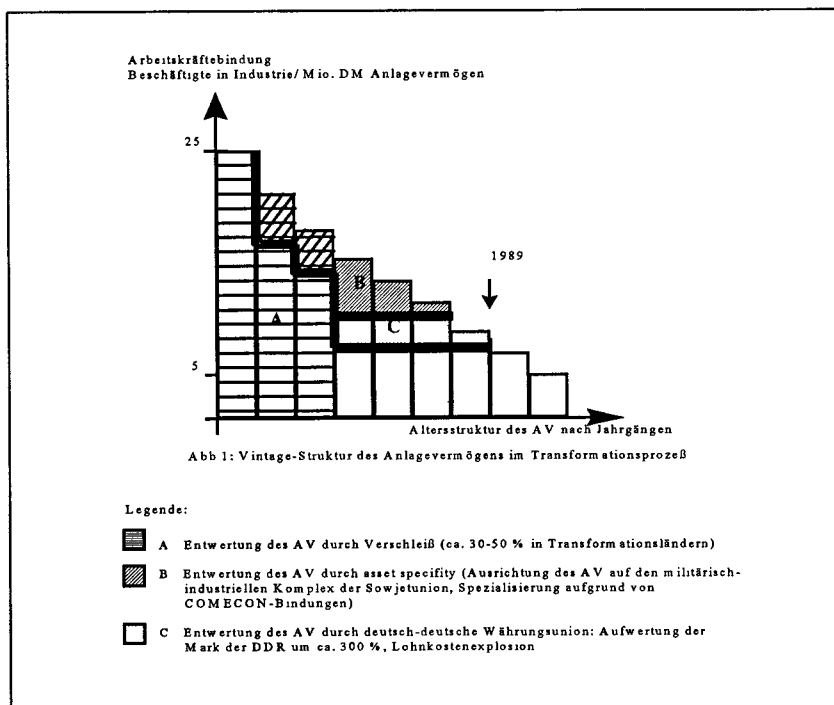
- Gebot des Verzichtes auf staatliche Budgetdefizite,
- Ersatz der Gewinnabgaben bisher staatlicher Betriebe durch Steuern, um die Staatseinnahmen zu sichern bzw. zu ersetzen,
- Ersatz von Subventionen für Sozialleistungen durch Mittelaufwand für ein soziales Netz.

Erst wenn man den Transformationsprozeß seinem wesentlichen Inhalt nach als Investitions- und Lernprozeß versteht, sieht man, daß er nicht urplötzlich als „big bang“, Schock oder durch bloße Deklaration zu haben ist. Zwar haben besonders gewisse Diktatoren mit Vorliebe behauptet, daß sie urplötzlich durch Erleuchtung alles gelernt hätten; die meisten Menschen haben dazu jedoch längere Zeit gebraucht. Investitionsprozesse werden gewöhnlich am besten mit vintage-Modellen beschrieben und schon die gewöhnliche Volksweisheit besagt, daß Rom nicht an einem Tag erbaut wurde. Der Mythos räumt selbst der Allmacht sieben Tage für eine Schöpfung aus einer Mischung von wüster und

finsterer Erde nebst Wasser ein — wobei die Dauer der Schöpfung dieser Erde und des Wassers unbegrenzt bleibt.

Abbildung 1 zeigt einige typische Besonderheiten der vintage-Struktur des Anlagevermögens in Transformationsländern. Ca. 30–50 % der Maschinen und Anlagen in den Transformationsländern wurden 1989 über ihre normative Nutzungsdauer hinaus betrieben. Sie waren verschlissen und abgeschrieben, wurden jedoch nicht ausgesondert. Mit der Öffnung zum Weltmarkt wurde dieser Teil des Anlagevermögens schlagartig ausgesondert. Zu beachten ist, daß diese Jahrgänge des Anlagevermögens relativ viele Menschen beschäftigt hatten, die nunmehr freigesetzt wurden (Gruppe A).

Abbildung 1: Vintage-Struktur des Anlagevermögens im Transformationsprozeß



Eine weitere Gruppe des Anlagevermögens (Gruppe B) war von vornherein im Hinblick auf die Bedürfnisse des militärisch-industriellen Komplexes der Sowjetunion und die spezifischen Bedingungen des Wirtschaftskreislaufes der COMECON-Länder investiert worden. Mit dem Zusammenbruch dieses relativ autarken Wirtschaftsverbundes wurde dieser Teil des Anlagevermögens wegen seiner „asset specificity“ im Sinne von WILLIAMSON entwertet. Während diese

beiden Gruppen für alle ehemaligen Ostblock-Länder charakteristisch sind, ist die Gruppe C eine ostdeutsche Besonderheit. Die Mark der DDR wurde um ca. 300 % aufgewertet, womit es gleichzeitig zu einer Lohnkostenexplosion und zur Entwertung desjenigen Anlagevermögens kam, das nur unter den Bedingungen des bisherigen Billiglohnlandes DDR rentabel nutzbar war. Die Abbildung macht deutlich, daß durch diese Entwertung der älteren Jahrganggruppen des Anlagevermögens besonders viele Arbeitsplätze verloren gehen mußten. Sie konnten durch die seit 1989 einsetzende Investition in moderne, wettbewerbsfähige Maschinen und Anlagen nicht wiedergewonnen werden, weil die jüngsten Jahrgänge eine relativ geringe Anzahl von Arbeitsplätzen schaffen.

Es scheint an der Zeit, sich in bezug auf Transformationsprozesse auf das Instrumentarium zur Beschreibung von Investitionsprozessen zurückzubedenken. Das bedeutet vor allem, sich darüber klarzuwerden, über welche Bestände man verfügt, welche Zuflüsse zur Modernisierung dieser Bestände mobilisiert werden können und welche Teile der bisherigen Bestände angesichts der neuen Lage abgeschrieben und ausgesondert werden müssen und können.

Dabei sollte man sich dem Vergnügen an der Zerstörung entschlagen, das unter Berufung auf SCHUMPETER die blitzartige Transformation zur Vorstellung gebracht hat. Bei SCHUMPETER bedeutet schöpferische Zerstörung allein die Verdrängung des Alten durch Moderneres oder Neues bei Kapitalzufluß, d. h. durch Investitionen. Keinesfalls hat der Autor damit den Prozeß eines Konkurses oder gar eines Staatsbankrottes bezeichnet. Schon gar nicht läßt sich SCHUMPETERS „schöpferische Zerstörung“ als sofortiger Totalabriß oder — wie es neudeutsch heißt — als totale „Abwicklung“ interpretieren.

Während die — vorzugsweise deutsche — Ideologie der „schöpferischen“ Zerstörung und des Blitzkrieges Gefahr läuft, in ihrem blinden Eifer auch noch brauchbare Teile der Bestände zu vernichten, scheinen jene Ansätze realistischer, welche als Ausgangssituation den Bankrott des bisherigen Systems annehmen. Sie unterstellen wenigstens das Verhalten eines Konkursverwalters, der sorgsam darauf achtet, welche Teile der Konkursmasse weiter verwendbar sind. Während es nun aber für den Konkurs von Unternehmen ein erprobtes und ausgefeiltes Regelwerk gibt, verfügen wir, wie SACHS (1994) richtig bemerkt, über keine brauchbare Theorie für den Staatsbankrott. Allerdings gibt es auch Stimmen, welche die Möglichkeit eines Staatsbankrottes überhaupt leugnen, oder das Vorliegen einer Konkursituation bestreiten bzw. verdrängen. Beispielsweise spricht HOFFMANN (1993: 10) vom „angeblich bevorstehenden Kollaps der DDR-Wirtschaft“, in dem sich der Bundeskanzler zu befinden vermeinte.

Nur wenn man die Konkursituation bestreitet, kann man zur Annahme kommen, ein bislang funktionsfähiges System könne transformiert werden. Die rea-

listische Erfassung der Ausgangssituation ist zentral für das Konzept einer Transformationstheorie: Die Transformation eines funktionsfähigen Systems ist etwas fundamental anderes als die Transformation einer Konkursmasse. Im letzteren Falle gibt es eigentlich (wörtlich streng genommen) keine Transformation, sondern wir haben die Aufgabe einer Neukombination vorhandener Elemente vor uns. Dann ist es sinnvoll, den Bankrott oder den Verschleißgrad der Teile des Gesamtsystems differenziert zu betrachten:

- den Zusammenbruch des Wertesystems,
- den Verschleißgrad der Infrastruktur,
- den Bankrott des Rechtssystems,
- den Bankrott des Koordinierungssystems,
- den Bankrott des Geldsystems,
- den Bankrott des Einnahme- bzw. Besteuerungssystems usw.

Hierbei dürfte es empfehlenswert sein, auf die Differenzierung der Gesellschaftstheorie nach PARSONS oder andere gesellschaftstheoretische Ansätze zurückzugreifen, um nicht in eine eingeschränkte ökonomistische Sicht zu verfallen.

Damit scheint sich aus der Literatur zwei Forschungsprogramme im Hinblick auf die Suche nach einer wissenschaftlichen Logik für den Transformationsprozeß auf Makroebene anzudeuten:

- das an LEONTIEFF und FORRESTER orientierte LF-Programm und
- das an HAYEK und POPPER orientierte HP-Programm.

Das LF-Programm entwickelt die bisherigen Ansätze zur Erfassung von Schrittfolgen weiter, wobei das Wesen der Transformation als Modernisierung der oben erwähnten Bestände begriffen wird. Hierbei wird ein gigantischer Investitionsprozeß unterstellt. Da die einzelnen Investitionsprojekte nur einen Sinn ergeben, wenn sie miteinander wenigstens grob abgestimmt sind, läuft das Programm auf die Erfassung von Sequenzen von Investitionen hinaus. Die Hoffnung besteht gewissermaßen darin, eine Architektur des Transformationsprozesses zu gewinnen, d. h. Teile des marktwirtschaftlichen Systems zu definieren, die für andere Teile fundamental sind.

Ein solches Programm ließe sich methodologisch nur bewältigen, wenn das Gesamtsystem als kybernetisches System und mit den Methoden der Input-Output-Analyse (LEONTIEFF) sowie der Systemdynamik (FORRESTER) beschrieben wird. Zunächst käme es darauf an, die Einzelschritte bzw. einzelne Sequenzen in einen

Zusammenhang zu bringen. Vollständig gelingt das erst, wenn Rückkopplungen eingebaut werden. Das ist in der ganzen Sequenzing-Literatur bisher nicht der Fall. Bestenfalls werden einzelne, isolierte Kausalketten postuliert. In der Realität hat man es jedoch mit bedingten Ereignisketten zu tun, die sich verzweigen.

Vor allem wären im Einklang mit der Modellierung von Investitionsprozessen nach LEONTIEFF die relevanten Ausgangsbedingungen, Schritte und Maßnahmen der Transformation danach zu unterscheiden, zu erfassen und zu ordnen, ob es sich um Bestands- oder Flußgrößen handelt. Ein besonderer Vorzug solcher Unterscheidung ist es, daß der Zeit- und Ressourcenbedarf für die Prozesse oder Aktivitäten der Transformationen explizit betrachtet werden muß. Zu den bestaunenswerten Wunderlichkeiten der ökonomischen Transformationsliteratur gehört es, daß an die ökonomisch fundamentalen Dimensionen von Beständen und Flüssen sowie an die der Zeit lediglich ausnahmsweise erinnert wird. Vielleicht konnte erst durch diese weitverbreitete Paralyse elementarer ökonomischer Geisteskraft die Illusion eines „big bangs“, einer unrlötzlichen, schockartigen Transformation entstehen.

Es gibt verschiedene methodische Möglichkeiten zur Darstellung der Zusammenhänge von Beständen und Flüssen, einschließlich der Zeitdimension: kreislauf- oder netzwerktheoretische, dynamische Input-Output-Modelle nach LEONTIEFF, Kausalschleifendiagramme nach FORRESTER oder eine methodologische Kombination der letzten beiden Ansätze (vgl. KOZIOLOK, MATTHES und SCHWARZ 1988). Bereits wenn die wirtschaftlichen Zusammenhänge im Transformationsprozeß als Kausalschleifendiagramme dargestellt worden sind, hätte man als Ergebnis des LF-Programms einen logischen Bezugsrahmen gewonnen, der eine Zuordnung der praktisch determinierten Prozeßabläufe gestattet und damit eine gegenseitige Prüfung von Theorie und Praxis ermöglicht.

Eine weitgehende mathematische Darstellung, welche die Prozeßabläufe der Transformation abbildet, halte ich mit KLOTEN (1989) für ein unrealistisches Nahziel, als wissenschaftliches Fernziel möchte ich es nicht ausschließen.

Das HP-Programm wäre komplementär zum LF-Programm. Beiden gemeinsam ist die Reflexion der Ausgangsbedingungen.

4 Vernetzung von Aktivitäten im Transformationsprozeß

Gibt es eine wissenschaftlich begründbare Schrittfolge im Transformationsprozeß von der Plan- zur Marktwirtschaft? Seit 1989 versucht eine primär makro- und institutional-ökonomisch orientierte Sequenzing-Debatte, auf diese Frage eine Antwort zu finden. Diese Suche hat bislang nicht zu einem befriedigenden Ergebnis geführt. Untersucht man hingegen empirisch die Schritte, die ein Unternehmen bei der Transformation bewältigen muß, läßt sich eine Abfolge von

Aktivitäten erkennen (vgl. ALBACH 1992; ALBACH und WITT 1993; CEHIC und SCHWARZ 1996).

Fallstudien von Unternehmen im Transformationsprozeß lassen folgende Merkmale erkennen:

1. Die Unternehmen müssen eine bestimmte Folge (Sequenz) von Schritten durchlaufen, von denen einige auch aus Sanierungsprozessen von Unternehmen in etablierten Marktwirtschaften bekannt sind, andere jedoch vor allem den institutionellen Wandel staatlicher und makroökonomischer Rahmenbedingungen auf der Mikroebene reflektieren.
2. Einige dieser Prozesse müssen wiederholt durchlaufen werden, bevor ein zufriedenstellendes Ergebnis vorliegt. D. h., es sind Rückkopplungen zu modellieren.
3. Je nach dem Ergebnis von Aktivitäten können alternative Aktivitäten mit unterschiedlichen Wahrscheinlichkeiten eingeleitet werden. Es handelt sich meist um Entscheidungsknoten.
4. Vor allem aber können im Ergebnis aller Aktivitäten zwei fundamental unterschiedliche Endereignisse eintreten: Die Transformation des Unternehmens zu einem als wettbewerbsfähig eingeschätzten Privatunternehmen oder seine Liquidation.

Als methodologischen Ansatz zur Abbildung dieser Merkmale kann man die Modellierung mit GERT-Netzwerken verwenden. Das Ergebnis unserer Untersuchungen ist in der Vorgangsliste (Tabelle 2) und dem GERT-Netzplan (Abbildung 2) zusammengefaßt.

Tabelle 2: Vorgangsliste der Transformation

Vorgang	Beschreibung	Min	Max	P
1	Umwandlung des VEB in eine Kapitalgesellschaft (AG o. GmbH)	1	4	1
2	Erstellen des Sanierungskonzeptes	2	6	1
2a	Einreichen des Konzeptes durch den Aufsichtsrats(AR)-Vorsitzenden, anschließende Prüfung durch die Treuhandanstalt (THA)	1	3	1
3	AR-Vorsitzender bestellt einen Wirtschaftsprüfer/Erstellung der DM-Eröffnungsbilanz (DM-EÖB)	1	6	1
4	Billigung der vom Wirtschaftsprüfer erstellten DM — EÖB durch den AR, Einreichung der (bis zu ihrer Feststellung vorläufigen) DM-EÖB durch den AR-Vorsitzenden bei der THA	1	1	1
5	Feststellung der DM-EÖB	3	8	1

Fortsetzung nächste Seite

(...)

Vor-gang	Beschreibung	Min	Max	P
6	Testierung des Sanierungskonzeptes durch die THA/ggf. Entlastung von Altschulden/ggf. Bereitstellung von Sanierungsmitteln	2	4	0,45
7	Anfrage beim Vermögensamt bzgl. des Vorliegens von Restitutionsansprüchen auf Unternehmen, Immobilien, Vermögenswerte	3	12	1
8	Innerbetriebliche Reorganisation I: Definition von Kerngeschäftsfeldern, Veränderungen im Produktionsprogramm, im Zuliefernetzwerk, im Vertriebsnetz	2	10	1
9	Innerbetriebliche Reorganisation II: Grundlegende Veränderungen in der Organisation, Ausgliederung von Produktionsstätten, Veränderungen beim Humankapital, in der Produktionstiefe	3	6	1
10	Antrag auf Produktgenehmigung und anschließende Prüfung im zuständigen Amt	3	18	0,9
11	Positiver Genehmigungsbescheid (10)	0,5	0,5	0,8
12	Prüfung im Amt (7): Negativtest (keine Restitutionsansprüche)	6	24	0,3
12a	Prüfung im Amt (7): Positivtest (Vorliegen von Restitutionsansprüchen)	6	24	0,7
13	Gütliche Einigung zwischen Unternehmen und Alteilgentümer	3	18	0,2
14	Antrag auf Investitionsvorrangbescheid bei zuständiger Behörde	3	10	0,7
15	Behördliche Prüfung (Verwaltungsverfahren)	3	12	1
16	Einreichen eines besseren Investitionskonzeptes durch Alteilgentümer	0,5	3	0,1
17	Erteilung des Investitionsvorrangbescheides und Bekanntmachung des Bescheides im Bundesanzeiger	1	1	0,9
18	Antrag auf Investitionsvorrangbescheid wird nicht gestellt: Restitution	0	0	0,1
19	Bescheid wird zugunsten des Unternehmens bestandskräftig	0,5	0,5	0,5/0,8
20	Widerspruch des Alteilgentümers, Antrag auf aufschiebende Wirkung beim zuständigen Verwaltungsgericht	0,5	0,5	0,5
21	Gerichtliches Verfahren	6	14	1
22	Verfahren zur Rückgabe an Alteilgentümer	6	48	0,2/1
23	Maßnahmen zur finanziellen Sanierung	0,5	5	1
24	Erlangung von Kreditwürdigkeit	1	12	0,6
25	Kapitalbeschaffung	1	3	1
26	Antrag auf Baugenehmigung und Prüfung/ Umweltverträglichkeitsprüfung	3	18	1
27	Positiver Genehmigungsbescheid nach Prüfung im Amt (26)	0,5	0,5	1
28	Beginn der Durchführung von Investitionen	1	1	1

Fortsetzung nächste Seite

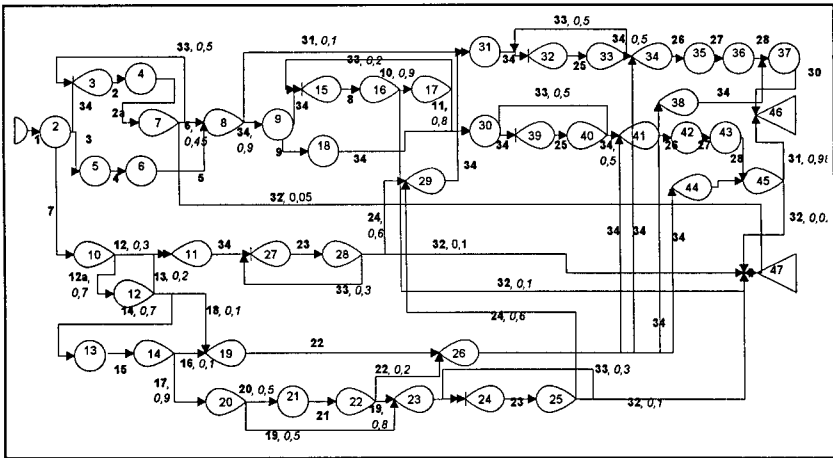
(...)

Vorgang	Beschreibung	Min	Max	P
29	Privatisierungsmaßnahmen (z. B. Verhandlungen mit der EU hinsichtlich Produktionsquoten und Beihilfen, Prüfung kartellrechtlicher Unbedenklichkeit)	6	12	1
30	Nullvorgang	0	0	1
31	Gewinnerwirtschaftung	12	24	0,70,98
32	Liquidation des Unternehmens	12	36	sNP
33	Wiederholung von Aktivitäten	0	0	sNP
34	„Dummy“-Aktivitäten	0	0	sNP

NP = Netzplan

Quelle: CEHIC und SCHWARZ (1996)

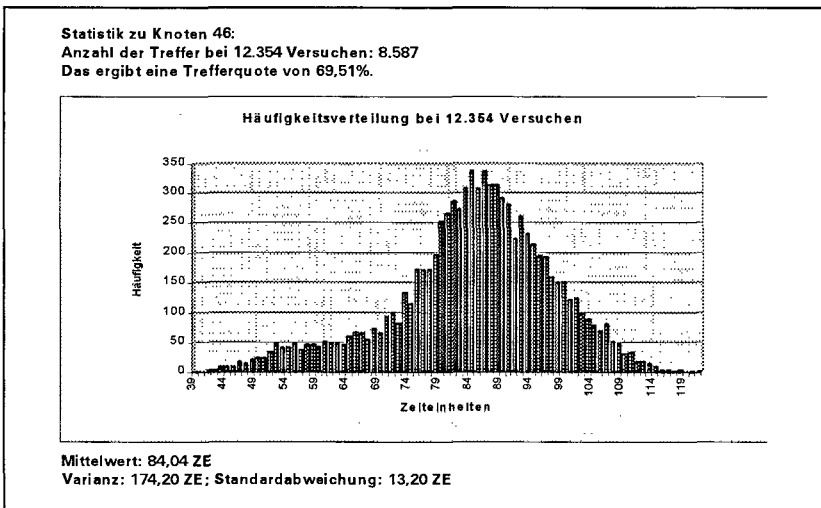
Abbildung 2: GERT-Netzplan der Transformation (aus einer detaillierten Aktivitätenliste)



Quelle: CEHIC und SCHWARZ (1996)

Als Beispiel für eine modellbezogen gewonnene Wahrscheinlichkeitsverteilung sei *Abbildung 3* angeführt, die zeigt, wie sich die Dauer der Transformation bei 12.354 GERT-Netzwerk-Simulationen (entsprechend den 12.354 in die Transformation geschickten ostdeutschen Unternehmen) verteilt.

Abbildung 3: Histogramm zum Knoten „Transformation“ (Zeiteinheiten = Monate)



Quelle: CEHIC und SCHWARZ (1996)

Mit diesem GERT-Netzwerk lassen sich folgende Fragen untersuchen:

- Durch welche Deregulationen kann der Transformationsprozeß beschleunigt werden?
- Welche Deregulationen ergeben eine höhere Erfolgsrate, d. h. weniger Liquidationen, bei der Transformation?
- Wie verhalten sich Dauer des Transformationsprozesses und Erfolgsrate, wenn Regulationsvorgänge beschleunigt werden?

Um diese Fragen zu untersuchen, ist es zweckmäßig, verschiedene Szenarien aufzustellen und in jeweils dem Szenario angepaßten Netzwerken zu simulieren:

- Szenario A: Verzicht auf die Restitution (Rückgabe an Alteigentümer)
- Szenario B: Verzicht auf (nachträgliche) Genehmigungsverfahren für Ost-Produkte
- Szenario C: Halbierung der Vorgangszeiten der Baugenehmigung und Umweltverträglichkeitsprüfung
- Szenario D: Kombination der Szenarien A bis C

Die Simulationsergebnisse sind in *Abbildung 4* zusammengefaßt:

Abbildung 4: Simulationsergebnisse der Modellrechnungen

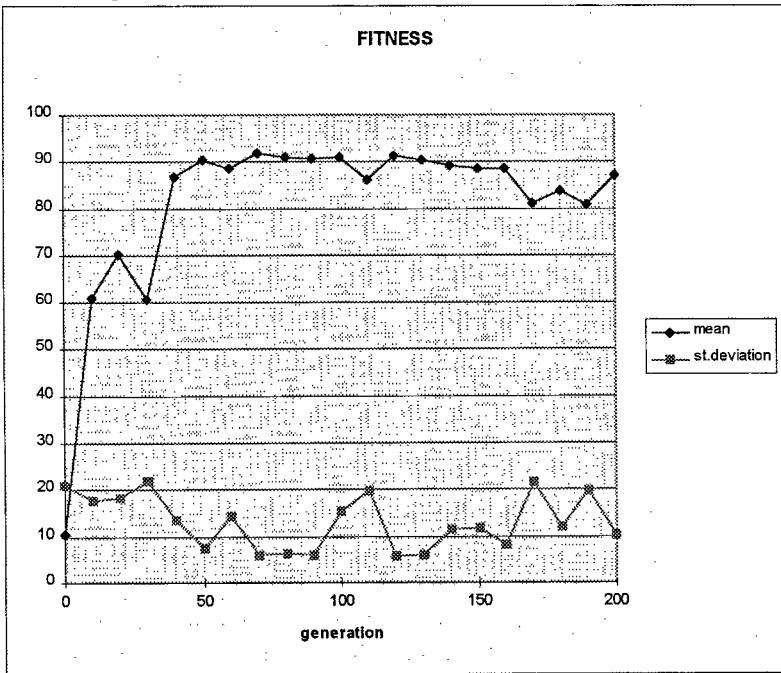
		Ergebnisse der Modellrechnungen:							
		Basis-Szenario		Teilszenarien					
				A		B		C	
		ohne Restitution		ohne Produktgenehmigung		1/2 Bau / UVP		A + B + C	
Transformation (Anzahl)	6888	8355		8734		8586		8507	
(Differenz zur Basis)		-231		+148		+0		-79	
Jahre / Monate	8,6 79,0	5,5 66,5	6,5 77,8	6,2 74,1	4,1 49,4	4,1 49,4	4,1 49,4	4,1 49,4	4,1 49,4
(Differenz zur Basis)		-1,0	-0,1	-0,4	-2,5	-2,5	-2,5	-2,5	-2,5
Liquidation (Anzahl)	3799	3999		3620		3768		3847	
(Differenz zur Basis)		+231		-148		0		+79	
Jahre / Monate	4,2 60,5	3,1 37,6	4,1 49,6	4,2 50,3	3,0 35,8	3,0 35,8	3,0 35,8	3,0 35,8	3,0 35,8
(Differenz zur Basis)		-1,1	-0,1	0,0	-1,2	-1,2	-1,2	-1,2	-1,2

Quelle: CEHC und SCHWARZ (1996)

Im Normalfall dauert eine erfolgreiche Transformation eines Unternehmens 6,6 Jahre. Ohne Restitution kann diese Dauer um ein Jahr verkürzt werden (Szenario A), im Falle vollständiger Deregulation sogar um 2,5 Jahre (Szenario D). Die andere Szenarien (B und C) allein haben so gut wie keinen Zeiteffekt. Zu beachten ist, daß eine Verkürzung der Transformationszeit nicht ohne Wirkung auf die Anzahl der Liquidationen bleibt. Diese erhöht sich im Szenario A bei einer Zeitverkürzung von einem Jahr um 231 und erstaunlicherweise im Szenario D bei einer Zeitverkürzung 2,5 Jahren nur um 79. Eine wirksame Maßnahme zur Erhöhung der Anzahl überlebender ostdeutscher Unternehmen wäre der Verzicht auf Produktgenehmigungsverfahren für Ost-Produkte gewesen (Szenario B, +231).

Ein neuer Ansatz von SACHS und SCHWARZ für die Verbesserung von Projektabläufen ist die Parameteroptimierung von GERT-Netzwerken mit Genetischen Algorithmen. Die Anwendung dieses Algorithmus auf das Transformationsproblem erbrachte wesentliche Verbesserungen. (vgl. Abbildung 5)

Abbildung 5: Entwicklung der Fitness über die Generationen



Quelle: SACHS und SCHWARZ (1996)

Der Optimierungserfolg des Genetischen Algorithmus besteht darin, daß ab Generation 40 mindestens 20 von 25, d. h. mindestens 80 %, der Simulationsabläufe zum Erfolg führen gegenüber 68 % bei der empirischen Parameterbelegung laut Treuhandanstalt.

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Teil II:

**Entwicklungsprogramme und
-projekte**

A :

**Volkswirtschaftliche
Transformations- und
Entwicklungsforschung**

**Jan-Erik Lane
and
Svante Ersson:**

**Politico-economic Regimes —
Welfare States versus Welfare
Societies?**

1	Abstract	72
2	Introduction	72
3	Regimes	72
4	Politico-economic Outcomes	74
	4.1 Economic Growth	74
	4.2 Unemployment	76
	4.3 Inflation	77
	4.4 Income Equality	79
	4.5 Summing Up	80
5	Explanations	81
	5.1 Deficits	81
	5.2 Public Expenditures	84
6	Conclusions	87
7	Literature	88

1 Abstract

The article assesses which regime performs best, the welfare state or the welfare society. In a sense the welfare states belong to the set of market economies, but at the same time they are different from decentralized capitalism, as they involve large scale public expenditures of allocative or redistributive import. The performance assessment is based upon the following outcomes: economic growth, unemployment, inflation and income equality. The evidence suggests that the welfare societies start to perform better than the welfare states around 1990, as huge public expenditures, especially of the allocative kind, seem to push down the average growth rates. The deficit spending theory cannot be corroborated though.

2 Introduction

Welfare states or welfare societies? This is the critical question in the debate in the 1990s about the size of the public sector, very much initiated by Chicago School Economics (Lucas, 1987; Barro, 1990), favouring the welfare society model. But what are the outcomes? Do welfare societies perform better than welfare states? What is at stake here? Can we speak of a crisis of the welfare state? Is the welfare state no longer performing as it did under the heydays of Keynesian macro economics? Could it be the case that large public expenditures are counterproductive, meaning that they worsen state performance on politico-economic outcomes? This is the basic question in this article.

According to one theory welfare states are prone to engage in deficit spending which worsenes outcomes. According to another theory it is the size of the public sector that accounts for the tendency of welfare states to perform less well than welfare societies. These two theories are not the same, because also welfare societies may engage in large scale deficit spending. Thus, we will ask: what is the comparative evidence for the two theories ?

3 Regimes

A welfare state is a politico-economic regime where the state is active in the economy without extensive ownership, which results in a mixed economy instead of the system of decentralized capitalism where markets prevail and there is less of redistribution. The welfare state is active with public resource allocation, transfer payments and policies that promote full employment. What are the difficulties of the welfare states, which — it is argued — constitute a case for a revival of the market economy? When we speak of the welfare state,

the universe of discourse is the set of OECD countries. Let us look at public sector growth.

A few countries have switched from the welfare state format to the ideal of a welfare society, as for instance Australia, New Zealand and Canada. The United Kingdom under the Thatcher government remodeled the British welfare state on the basis of market ideals, whereas the debate about the future of the American welfare state became intense when the Republicans won the 1994 elections to the Congress.

Among the big welfare states, one may distinguish first between those that have large allocative expenditures as well as large redistributive expenditures. Secondly, we identify those that are large mainly on transfer payments. And thirdly, we have a set of countries which are low on both allocative and redistributive expenditures, when military expenditures have been taken out. *Table 1* contains a classification of the three types of public sectors.

Table 1: Types of Societies — Public-Private Sector Mixes around 1990

Welfare States		Welfare Societies
Allocation	Redistribution	
Austria	Austria	Ireland
Denmark	Denmark	Spain
Finland	Finland	Portugal
France	France	Switzerland
Germany	Italy	USA
Greece	Netherlands	Japan
Iceland	Norway	Australia
Norway	Sweden	New Zealand
Sweden	Belgium	Turkey
Luxembourg	Luxembourg	
UK		
Canada		

Note: Allocative welfare states use about 18 per cent or more of the GDP for general government consumption; redistributive welfare states employ 18 per cent or more on social security payments.

Source: Lane et al. (1996).

There are, one may suggest, two kinds of welfare states, the allocative and the redistributive ones. Only to a limited extent are these the same countries, when for instance the Scandinavian countries and Finland score high in both. The redistributive welfare state offers a larger space for markets than allocative

welfare states where government is responsible for the supply of numerous services virtually free of charges. Transfer payments in the form of cash contributions to individuals play a major role in the redistributive welfare state. The critical question is now whether it matters whether a country has one or the other kind of welfare state or adheres to the welfare society ideal. By “matters” we refer to social and economic outcomes such as unemployment, economic growth and inflation as well as income equality.

4 Politico-economic Outcomes

When one looks at outcomes in the literature on the political economy of the advanced capitalist countries, then one often employs the so-called misery index, consisting of inflation and unemployment. The difficulty is that these two indices may cancel each other out, which is the reason that why we prefer to look at these two outcomes separately. There is of course no natural set of outcomes to which one must stick. However, it seems aident that economic growth and income equality should be added to the list of outcomes when one examines the OECD countries. We begin with economic growth.

4.1 Economic Growth

The expansion of economic output is considered a contribution to well-being because it makes a higher standard of living possible. The size of the cake to be divided among the stakeholders of society increases, but it is as open question how the cake is to be divided between for example labour and capital. A process of sustained economic growth can within a decade or two result in a doubling of economic output. How affluence is divided among the groups in society is measured by the indices on income inequality. *Table 2* only reports on the expansion of total output or growth in real GDP.

Three things stand out clearly when one examines *Table 2*: (1) there is a general decline in the average growth rates in almost all the country economies — reflecting the notion of a slowdown of economic growth when affluence reaches high levels (the maturity hypothesis); (2) some of the less affluent countries have done rather better than the already rich countries (the catch up hypothesis); (3) there are in each five year interval considerable variation between the OECD countries, but it is not the case that the countries with high growth rates or with meagre growth rates are the same ones for each five year period.

Table 2: Economic Growth (RG) — Five Year Averages 1965-1994

	RG6569	RG7074	RG7579	RG8084	RG8589	RG9094
AUT	4.46	5.44	2.76	1.42	2.66	2.30
BEL	4.30	5.08	1.82	1.50	2.50	1.60
DEN	4.20	2.54	2.48	1.72	2.00	1.88
FIN	4.36	5.38	2.34	3.32	4.08	-1.58
FRA	5.20	5.12	3.12	1.46	3.10	1.20
GER	4.28	3.50	3.04	.96	2.62	2.92
GRE	7.52	5.54	5.26	1.10	2.54	.80
ICE	2.16	7.78	3.36	2.82	3.66	.60
IRE	4.46	4.46	4.66	2.58	3.56	4.74
ITA	5.82	4.24	2.36	1.72	3.12	1.00
LUX	3.62	5.42	.98	2.10	4.60	2.30
NET	5.20	4.72	2.32	.68	2.76	2.26
NOR	4.44	4.22	4.84	3.14	2.26	3.14
POR	6.02	7.20	3.56	1.24	4.96	1.44
SPA	6.68	6.16	1.88	1.28	4.26	1.50
SWE	3.58	3.38	1.54	1.70	2.40	-.30
SWI	3.60	3.64	-.68	1.54	3.08	.48
TUR	6.16	7.02	5.50	3.56	4.62	3.44
UK	2.50	2.80	1.96	.84	4.02	.80
CAN	5.60	5.28	3.34	2.30	3.94	1.12
USA	4.34	2.62	3.34	1.84	3.12	2.02
JPN	10.32	6.20	4.60	3.48	4.52	2.10
AUST	5.52	4.62	2.78	2.76	3.94	2.14
NZ	3.22	4.80	-.60	3.92	.90	1.22

Sources: OECD (1985, 1995).

Economic growth reflects both the ups and downs in the world economy as well as country specific events such as the choice of unsuccessful economic policies or the failure in adaptation to internationalisation or mondialization. One may list the winners in the 1960s and 1970s as: Austria, France, Germany, Greece, Ireland, Norway, Portugal, Turkey, Canada and Japan. In the 1980s and 1990s the list of the top scorers would contain: Ireland, Norway, Turkey, USA and Japan. Is the variation in economic growth related to the size of the public sector, or more specifically to either the allocative or redistributive welfare state? Countries move up and down the growth ratings, scoring high during

some periods and low during other periods. *Table 3* contains correlation between the economic growth data for six time periods.

Table 3: The Variation in Economic Growth Rates 1965-1994 — Correlations

	RG6569	RG7074	RG7579	RG8084	RG8589	RG9094
RG6569	1.0000	.3567	.5170	.0950	.3468	.1688
RG7074		1.0000	.3240	.3164	.5063	-.0031
RG7579			1.0000	.1535	.3084	.4445
RG8084				1.0000	.0634	.0815
RG8589					1.0000	.0324
RG9094						1.0000

Sources: OECD (1985, 1995).

Economic growth used to be a policy goal, because it brought with it jobs. What we have witnessed in the early 1990s is that economic growth does not necessarily reduce unemployment, which has become the major problem in some of the OECD countries.

4.2 Unemployment

The sharp increase in unemployment in most countries appears from *Table 4*. It is true that a few countries remain at very low levels, but several face two digit numbers in the 1990s.

Although the long term trend is a sharp increase in unemployment, it is still the case that a few countries manage with very little unemployment: Luxembourg, Switzerland, and Japan — welfare societies — as well as Iceland and Austria — welfare states. One may note that unemployment has been reduced in the U.S. during the last decade when unemployment has shot up in Western Europe. In some countries unemployment has reached 15 per cent or more: Spain, Ireland, Finland and Italy.

The increase in unemployment reflects the slow down in economic growth at the same time as there is no longer any automatic link between economic growth and employment. The correlation between economic growth and unemployment is generally very weak at the macro level: .28 (1965-69), -.03 (1970-74), .36 (1975-79), -.32 (1980-84), .10 (1985-89) and .02 (1990-94).

In the political economy literature there has been much debate about a connection between unemployment and the price level. The well-known Philips curve predicts that low inflation can only be accomplished by means of high levels of unemployment and vice versa. When we turn to the inflation numbers, then we observe that inflation has come down rather drastically in the last decade at the same time as unemployment has shot up.

Table 4: Unemployment as a Percentage of Total Labour Force (UN) — Five Year Averages 1965-1994

	UN6569	UN7074	UN7579	UN8084	UN8589	UN9094
AUT	1.86	1.18	1.92	2.88	3.44	3.78
BEL	2.24	2.18	6.36	11.28	10.96	10.64
DEN	1.22	1.42	6.56	9.30	8.50	11.12
FIN	2.48	2.12	4.98	5.12	4.70	12.10
FRA	2.04	2.70	4.88	7.92	10.10	10.50
GER	.94	1.06	3.70	5.98	7.56	7.82
GRE	5.22	2.70	1.92	5.72	7.56	8.54
ICE	1.54	.68	.20	.74	.86	3.06
IRE	4.92	5.70	8.08	11.62	16.30	14.64
ITA	5.50	5.68	6.82	11.62	16.30	14.64
LUX	.00	.00	.60	1.26	1.58	1.82
NET	1.06	1.88	5.34	7.98	8.06	6.20
NOR	.90	1.24	1.84	2.60	2.96	5.60
POR	2.50	2.34	6.84	7.92	7.06	5.10
SPA	2.58	2.82	5.72	16.10	19.96	19.58
SWE	1.80	2.24	1.86	2.86	2.20	5.22
SWI	.00	.00	.42	.56	.68	2.66
TUR	10.08	6.34	8.58	7.50	8.04	8.64
UK	1.68	2.48	4.58	8.90	9.14	8.68
CAN	3.90	5.74	7.54	9.86	8.84	10.28
USA	3.74	5.28	6.92	8.32	6.24	6.50
JPN	1.22	1.28	2.04	2.38	2.62	2.36
AUST	1.74	2.20	5.52	7.52	7.46	9.56
NZ	.28	.22	.88	3.84	4.86	9.20

Sources: OECD (1985, 1995).

4.3 Inflation

In the late seventies and early eighties it was not unusual that countries had inflation rates around or above 10 per cent. In the 1990s such a high rate of inflation is very unusual as only Turkey displays signs of hyperinflation (*Table 5*). Inflation rates have come down considerably with Greece as the major exception, most countries hovering around 3 per cent as an average yearly rate in the 1990s.

Table 5: Inflation (IN) — Five Year Averages 1965-1994

	IN6569	IN7074	IN7579	IN8084	IN8589	IN9094
AUT	3.42	6.50	5.70	5.50	2.16	3.44
BEL	3.54	6.68	7.62	7.30	2.42	2.84
DEN	6.58	8.56	9.86	9.46	4.34	2.08
FIN	5.16	8.80	12.04	9.72	4.92	3.32
FRA	3.76	7.58	10.14	11.16	3.58	2.56
GER	2.62	5.62	4.20	4.56	1.28	3.30
GRE	2.48	10.58	14.08	21.78	17.18	16.22
ICE	11.70	18.68	40.20	55.08	23.78	6.38
IRE	4.66	10.84	14.68	14.98	3.72	2.66
ITA	2.92	9.08	15.54	16.48	6.18	5.40
LUX	2.74	6.02	6.96	7.62	1.82	3.16
NET	4.90	7.30	6.74	5.02	.70	2.86
NOR	3.72	8.18	8.56	10.12	6.58	2.70
POR	4.90	12.84	22.66	22.66	12.62	9.08
SPA	6.58	9.88	18.92	13.60	6.88	5.56
SWE	4.06	7.40	9.74	10.26	5.60	5.78
SWI	3.40	7.08	2.88	4.40	2.14	3.90
TUR	7.48	16.04	38.00	51.74	51.10	73.76
UK	4.26	9.62	15.64	9.62	5.26	4.64
CAN	3.66	5.90	8.88	8.70	4.32	2.78
USA	3.40	6.14	8.08	7.48	3.60	3.64
JPN	5.24	10.90	7.32	3.90	1.14	2.02
AUST	3.14	8.08	11.58	9.00	7.82	3.04
NZ	4.16	8.62	14.32	12.42	11.28	2.54

Sources: OECD (1988, 1995a, 1995b).

Actually, inflation is highly subdued in the 1990s with only Greece, Turkey and Portugal displaying considerable price instability. One notes though that inflation varies considerably from one country to another. Some countries have only 2 per cent inflation per year in the early 1990s: Denmark, France, Japan and New Zealand on an average basis. It seems as if the OECD countries as a whole have moved considerably towards the acceptance of a monetarist regime, where low inflation is considered the main objective as well as also the main means for achieving other objectives in accordance with New Classical Economics (Hoover, 1988).

Is there evidence of a Philips curve in the data about unemployment and inflation in the 1980s and 1990s? One would assume that there is a correlation

between inflation and unemployment and that it is negative meaning that countries with high unemployment having little inflation, or vice versa. However, this is not so, despite the fact that unemployment has shot up and inflation fallen back — a characteristic which applies to almost all countries. It is not the case that on the country level a high level of unemployment goes together with little inflation, as we actually can observe all kinds of combinations. The correlation between inflation and unemployment is almost nil: .07 (1965-69), .06 (1979-74), .17 (1975-79), -.07 (1980-84), -.03 (1985-89) and .02 (1990-94).

In some countries there is low inflation and low unemployment — Switzerland, Austria, Luxembourg, the United States and Japan for instance. In other countries, there is high inflation and high unemployment like in Greece and Turkey as well as Sweden. In the 1990s, the rates of unemployment and of inflation vary independently of each other.

4.4 Income Equality

Measures of income equality are not as easily accessible as information about the other outcomes described above. Typically, one faces difficult problems about indicator validity and reliability when one sets out to compare various countries. A rough picture is given in *Table 6* which contains income information based upon two indicators, the share of the total income of the lowest (20 per cent) income groups — LOW — and the relationship between the total income share of the richest decile (10 per cent) and that of the poorest deciles (20 per cent) — RATIO.

High scores for the share of income of the lowest 20 per cent of the income earners as well as low ratios between the shares of the top income earners and the bottom income earners are to be found among the welfare states: Scandinavia, Finland, Germany and Belgium. One welfare society also displays much income equality, viz Japan, but the characteristic feature is that the welfare societies have larger income inequality than the welfare states. Thus, the U.S., Australia and New Zealand display income inequalities to a much larger extent than France, Germany and Italy.

Switzerland being a welfare society scores high on income inequality. Actually, Switzerland is an interesting case on all outcome measures, as they tend to have extreme values. In particular, the development over time has meant that Switzerland faces difficulties, as it is no longer doing as well as it used to do on growth, inflation and unemployment.

We find the following correlations between income inequality and economic growth for the OECD countries where data is available growth 1965-1980: .64 and growth 1985-1994: .46. Note that the correlation is positive, meaning that

growth goes together with a more equal distribution of income — a finding that is worth a deeper analysis. It amounts to a striking corroboration of the existence of a Kuznets curve with regard to this country selection.

One may speculate about the causal direction of the association, but Kuznets would have argued that economic growth is conducive to income inequalities although one could argue the Keynesian case or the other way around. Viz that income inequalities hinder economic growth. The correlation for RATIO is: economic growth 1965-80, $r = -.67$ and economic growth 1980-95, $r = -.40$. Perhaps one may dare to say that the welfare states display a more equal distribution of income than the welfare societies, but it reflects more their wealth than constitutes an advantage when it comes to the expansion of economic output.

4.5 Summing Up

In a performance analysis of the above kind, one may observe both general trends and country specific development. Since the early 1960s, economic growth has gone down, unemployment has risen and inflation has been reduced. In the 1990s some welfare states have had to struggle with worse economic performance than they were used to face. And during the same time period some welfare societies have displayed better performance than usual. What is the logic behind these trends? Let us examine two explanations, one focussing upon deficit spending and the other suggesting that we examine the size of public expenditures. Although some countries with huge public expenditures have resorted to massive deficit spending, the two theories are not the same, because deficit spending may be large also in countries that are welfare societies.

Table 6: *Income Inequality about 1990*

	LOW	RATIO
AUT	.0	.0
BEL	21.6	4.6
DEN	17.4	7.1
FIN	18.4	6.0
FRA	18.4	6.5
GER	19.5	5.7
GRE	.0	.0
ICE	.0	.0
IRE	.0	.0
ITA	18.8	6.0
LUX	.0	.0
NET	20.1	5.6
NOR	19.0	5.9
POR	.0	.0
SPA	19.4	5.8
SWE	21.2	4.6
SWI	16.9	8.6
TUR	.0	.0
UK	17.3	6.8
CAN	17.5	7.1
USA	15.7	8.9
JAP	21.9	4.3
AUST	15.5	9.6
NZ	15.9	8.8

Source: UNDP (1994).

5 Explanations

Several welfare states appear to have a growth problem in the 1990s — why? The debate over European economic integration and the Maastricht criteria identify deficit spending problems. Yet, explaining economic growth in the OECD countries, the size of public expenditures cannot be bypassed. At the same time, one must check whether the countries with large public sectors are also the countries that engage most heavily in deficit spending.

5.1 Deficits

It cannot be doubted that deficit spending has entered the public budget in order to remain a most important means for the financing of considerable portions of the state expenditures. Our question here is whether the welfare states differ in terms of deficit spending from the welfare societies. And we scrutinize the following propositions in an empirical test in relation to the OECD countries: (1) the larger the budgetary deficits the larger the public sector or the larger the public expenditures; (2) the larger the budgetary deficits the larger the unemployment; (3) the larger the budgetary deficits the larger the inflation rate; (4) the more of deficit spending, the lower the rate of growth in the economy.

During the seventies, eighties and early nineties governments have resorted to deficit spending to an extent not experienced. The direction of change in the OECD countries has been one towards less and less of budgetary surpluses and more and more of budgetary deficits. One may observe this at two levels. First there is the central or national government deficit and second the general government deficit, i.e. for the entire public household. In 1970 only the U.S. and Italy had no total public sector surpluses, but in the 1980s quite a number of democracies could not balance total public sector expenditures and revenues: Ireland, Belgium, Portugal, Greece, Denmark, United Kingdom, Sweden, the U.S. and Canada. Not surprisingly, even more countries failed to balance their general government budget which as a matter of fact was rather a common phenomenon in 1970. Looking at the development between 1970 and the 1990s the trend towards deficit spending is striking as all nations have moved towards smaller surpluses or larger deficits at both levels of government. If deficit spending is a major problem, then it has to be faced by some welfare states — Sweden, Belgium and Italy — as well as by some welfare societies — USA and Canada. It is not the case that only welfare states have to struggle with huge yearly deficits, which results in a large accumulated state debt. But how dangerous is deficit spending? Does deficit spending lead to bad outcomes?

The criticism of public borrowing argues that deficit spending is an improper means that is conducive to an improper growth in public expenditures. Deficit spending feeds on a fiscal illusion and results in a choice between private and public spending that is neither intended nor desirable (Buchanan and Wagner,

1977). It misleads democratic decision-making as it creates the fiscal illusion that benefits may be enjoyed without paying the cost. Is it true that deficit spending is typical of welfare states more than welfare societies? Is it correct that deficit spending goes together with unemployment, inflation and low economic growth? *Table 7* suggests a clue to the last question.

Table 7: Correlations between Deficits and Outcomes

General Government Surpluses (years)	Current Disbursements (years)	Real GDP Growth (five year averages)	Unemployment (five year averages)	Inflation (five year averages)
1965	-.00	-.18	-.40	.29
1970	-.12	.18	-.62	.34
1975	-.09	-.21	-.72	.01
1980	-.29	.38	-.72	.14
1985	-.27	.03	-.61	-.12
1990	-.39	-.11	-.32	-.62
1992	-.53	.28	-.42	-.42
Central Government Surpluses (years)	Current Disbursement (years)	Real GDP Growth (five year averages)	Unemployment (five year averages)	Inflation (five year averages)
1965	-.11	.01	-.55	.42
1970	.21	.11	-.49	.43
1975	.09	-.30	-.58	.01
1980	-.13	.29	-.50	.19
1985	-.38	.26	-.52	-.05
1990	-.39	-.03	-.23	-.61
1992	-.49	.46	-.24	-.50

Source: Lane et al. (1996).

Deficit spending at the national or general government level is only strongly and persistently connected with one of the outcomes identified above, viz unemployment. The relationship is probably that high levels of unemployment call for deficit spending due to the increased costs for unemployment benefits and falling tax revenues accompanying a rise in unemployment. Rising unemployment costs also entail bigger public expenditures, which accounts for the negative association between deficits and current disbursements. However, it is far from always the case that deficit spending reduce economic growth or result in higher inflation, as argued in New Classical Economics. Only in the

1990s we do see a clear negative connection between deficits and inflation — this is a negative finding.

Yet, one can see in the evidence from the early 1990s a corroboration of the negative theory of public deficits, as the larger the surpluses the better the growth rate, the lower the unemployment and the lower the rate of inflation. However, one cannot claim that welfare states are more prone to engage in deficit spending than welfare societies. The evidence in *Table 8* indicates actually that welfare societies have done more of deficit spending than the welfare states on an average, except for the early 1990s when clearly welfare states displays a worse performance than welfare societies.

Table 8: Deficit Spending and Regimes

	WS		WS		WS		WS
GGDEF50	-.04	GGDEF75	-.27	CGDEF50	-.01	CGDEF75	-.33
GGDEF55	-.20	GGDEF80	-.18	CGDEF55	-.36	CGDEF80	-.17
GGDEF60	-.14	GGDEF85	-.11	CGDEF60	-.05	CGDEF85	-.07
GGDEF65	-.24	GGDEF90	.20	CGDEF65	-.13	CGDEF90	.18
GGDEF70	-.24	GGDEF92	.30	CGDEF70	-.29	CGDEF92	.32

Note: GGDEF = General Government Deficit; CGDEF = Central Government Deficit; WS = Welfare state (= 0); Welfare society (= 0).

Source: Lane et al. (1996).

When the welfare state regime is evaluated against the welfare societies, then much more than deficits are involved. The critical question in this debate is whether the characteristics that are typical of the welfare states — large public expenditures — promote beneficial outcomes in general such as economic growth, low inflation and unemployment as well as income equality. Can we find any evidence from the early 1990s that large public allocative or redistributive expenditures are harmful to these politico-economic outcomes?

5.2 Public Expenditures

Given the evidence above about different country performance in terms of politico-economic outcomes, can we conclude that the size of the public sector matters? The argument that public expenditures are conducive to policy failure has been launched in a consistent manner from scholars connected with Chicago school economics. The main function of the state is to maintain law and order, protecting the freedom and validity of contracts, as well as the price level (Friedman, 1962 ; Friedman and Friedman, 1980; Stigler, 1988; Posner, 1992). When governments take on other tasks, there will be a process of public sector expansion which is not conducive to economic performance. Can we find any evidence for these effects in our data about growth, unemployment and inflation for the OECD countries?

Table 9 and *10* report on a number of correlation between on the one hand two measures of the size of welfare state expenditures, allocative versus redistributive expenditures as percentages of GDP, and a set of outcome measures on the other hand.

There is one clear finding in *Table 9* which corroborates the theory about welfare state failure: large allocative expenditures drag down the average growth rate. In relation to unemployment

and inflation there is no transparent finding, which is a little bit surprising as one would expect large allocative expenditures to reduce unemployment and increase inflation. Evidently, it is not possible to increase employment by large allocative expenditures, at least not in the long run. How about the impact of large redistributive expenditures (*Table 10*).

Table 9: Public Expenditures and Outcomes — Government Final Consumption (GGGFC)

	Real GDP (averages)	Unemploy- ment (averages)	Inflation (averages)
GGGFC65	-.38	-.09	-.42
GGGFC70	-.66	.17	-.42
GGGFC75	.00	.31	-.37
GGGFC80	-.12	.05	-.09
GGGFC85	-.50	-.07	.12
GGGFC90	-.30	.04	.18
GGGFC92	-.44	.12	.15

Source: Lane et al. (1996).

Transfer payments seems to decrease economic growth, increase unemployment and lead to higher rates of inflation, but the connections are not strong although the direction or sign of relationships is in accordance with the theory about welfare state failure.

Perhaps economic growth is the most critical of the outcomes studied here. If there is a process of long-term economic growth, then it would be more likely that the misery index will display

low values meaning that unemployment and inflation will be low — at least in the long-run. We face a considerable variation in economic growth among the OECD countries, but the country pattern is not stable over time. Countries move up and down in the league of top and bottom scorers. Let us test a model of economic growth that focuses upon the impact of large public expenditures upon economic growth in addition to the level of affluence, which the maturity as well as the catch-up hypotheses suggest as relevant for understanding country differences in economic growth (*Table 11*).

Table 10: Public Expenditures and Outcomes – Social Security Transfers (GGSST)

	Real GDP (averages)	Unemployment (averages)	Inflation (averages)
GGSST65	-.30	-.39	-.41
GGSST70	-.34	-.29	-.52
GGSST75	-.24	.04	-.36
GGSST80	-.44	.14	-.47
GGSST85	-.36	.22	-.56
GGSST90	.24	.15	-.20
GGSST92	-.17	.22	-.18

Source: Lane et al. (1996).

Table 11: Economic Growth (RGD) in OECD Countries – Regression Analysis 1965-1989

	RGD6569			RGD7074			RGD7579			RGD8589		
	Coeff	Beta	t-stat	Coeff	Beta	t-stat	Coeff	Beta	t-stat	Coeff	Beta	t-stat
RGDPC	-.00	-.45	-2.55	-.00	-.50	-3.13	-.00	-.61	-2.83	-.00	-.31	-1.63
GGCU	-.07	-.25	-1.41	-.08	-.44	-2.66	.01	.04	.21	-.05	-.56	-2.96
TUD	-.04	-.37	-2.32	.01	.12	.80	-.01	-.13	-.64	-.00	-.01	-.03
R ² a	.47 (N = 23)			.55 (N = 23)			.22 (N = 22)			.29 (N = 22)		

Sources: RGDPC: Summers and Heston (1994); GGCU: Lane et al. (1996); TUD70: OECD (1994).

The findings support the hypothesis that a large public sector (GGCU = general government current disbursements) drives down the growth rate. But an even stronger effect is that of the level of affluence or real GDP per capita (RGDPC),

which in accordance with the catch-up and maturity hypotheses also drives down economic growth. The hypothesis that trade union strength — here trade union density in terms of membership (TUD) (OECD, 1994) — is negative for economic growth can only be corroborated for the first time period. Examining economic growth between 1965 and 1980 the most clear effect is the Barro model prediction that less affluent countries tend to catch-up (Barro, 1991). However, economic growth differs much from one period to another. In the data for the 1980s and the 1990s the above models do not explain much. It has not been possible to substantiate the idea that deficits play a major role in explaining growth rates — this is a major negative finding.

The fact that economic growth rates move up and down not only when one compares countries but also as a function of time entails that it is difficult to find constant explanatory factors. One such is, however, the size of the public sector. Look at *Table 12*.

The connection between total public outlays and economic growth is consistently a negative one, for all time periods except the early 1990s. This must mean that the welfare states face a growth problem — this is major positive finding. On the other hand, the connection with inflation is not in accordance with prevailing expectations.

We end by looking at the determinants of long-term economic growth, covering the entire time period 1965 to 1994. Which effect is the strongest: level of affluence or public sector size? *Table 13* has the answer.

The impact, we see, from affluence is slightly more pronounced than that from total public sector size, but the direction of causality is clear. Large public expenditures tend to reduce economic growth meaning that the welfare states have a profound growth problem. Interestingly, there is also the impact of institutionalization — Olson's factor (SCLER) — meaning that countries with more recently established state structures grow faster than countries with more of institutional sclerosis (Olson, 1982).

Table 12: Economic Growth — Inflation and Public Expenditures (Correlations)

Growth	Inflation	Growth	GGCU
RG6569	-.12	RG6569	-.53
RG7074	.66	RG7074	-.61
RG7579	.34	RG7579	-.16
RG8084	.31	RG8084	-.33
RG8589	.24	RG8589	-.55
RG9094	.24	RG9094	.08

Sources: OECD (1985, 1995); Lane et al. (1996).

Table 13: Regression Analyses — Economic Growth 1965-1994

	Coeff	Beta-Wt	t-stat		Coeff	Beta-Wt	t-stat
GDP6090	-.00	-.37	-2.05	RGDPCH60	-.00	-.46	-2.68
GGCU6590	-.03	-.33	-1.88	GGCU65	-.04	-.27	-1.68
SCLER	.00	.32	1.70	SCLER	.00	.23	1.34
R ² a	.45	(N = 21)		R ² a	.59	(N = 23)	

Note: GDP6090 = average gross domestic product scores for the period 1960-1990; GGCU6590 = average general government current disbursements for the period 1965-1990.

Sources: *RGDPC: Summers and Heston (1994)*; *GGCU: Lane et al. (1996)*; *SCLER: Black, 1966*.

6 Conclusions

A much debated theme in the political economy literature is the pros and cons of the welfare states, or the politico-economic regimes which employ budget allocation and income redistribution to a large extent in order to complement market operations. After the Second World War it seemed for a few decades as if there was convergence towards the so-called mixed economy with a large tax state as one of the pillars of society and the market economy as the other pillar. However, the 1980s and 1990s has witnessed a steady advance of the principles of the market economy in the form of the so-called welfare societies, where public expenditures, whether allocative or redistributive, tend to be much lower.

Two major explanations account for the problems of the welfare states: deficit spending and excessive public expenditures. The findings in this article are that only the evidence for the early 1990s supports these explanations unambiguously. Also welfare societies display deficit spending and deficits do not appear to be extremely detrimental to economic growth, as it more reflects the state of the economy — large unemployment — than drives economic development. Yet, large public expenditures, especially of the allocative kind, appear to have all the time a negative impact upon economic growth, which impact is as large as the effect of affluence according to the maturity hypothesis and the catch-up hypothesis. The findings entail that it is not so much deficit spending and public debt that constitute a major problem for the welfare states, but the size of their public sectors.

The findings presented above indicate that it is not so much deficit spending (Buchanan) or inflation (Lucas) that drives down economic growth, but much more the overall size of the public sector. One also has to take into consideration

the Barro effect, namely that less affluent countries tend to pick up and more affluent countries slow down, as their economies mature.

7 Literature

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Matjaz Bren:

**International Business
Development in Transitional
Economies**

International Business — it is often thought of as the domain of large multinational corporations, but in fact, it has become an integral part of our everyday life. With cheaper transportation costs and the steady push to lower trade barriers, companies now depend on overseas suppliers as much as individuals depend on fresh imported winter fruits and vegetables. Larger corporations today look at the world as their market, and even small domestic manufacturers must match the price and quality of the global market if they are to survive.

Only two decades ago, travelers still delighted in bringing back “specialties” from their trips: A bottle of white German wine, French perfume, Italian shoes, Turkish rug etc. Today, these are no longer “specialties” but items that can be found in a local store — and sometimes cheaper than if bought in the country where they are made. More than half of Toyota’s, Honda’s, Mitsubishi’s and Nissan’s cars sold in the U.S. are made in the U.S. More than half of McDonald’s sales come from 79 countries outside the U.S. For every new McDonald’s that opens in the U.S., two will open overseas. The world is the market.

But while this global economy has provided us with better quality, cheaper prices and more selection, it also means more competition, something that the U.S. has felt in the last two decades. To keep up with the world’s cheaper labor force, the American workers have had to work harder and become more productive — for less money. Calculated in 1982 dollars, in 1970, the average American earned \$ 298 per week. In 1990, the figure fell to \$ 257, nearly a 14 % decline. And while it took a young couple twice their annual income — 205 % — to buy a house in 1970, by 1990, it took nearly four times their income — 393 %.¹

The U.S. has advantages that should greatly lessen the negative effects of global competition. It has a huge domestic market and a great deal of capital. It accounts for 20–25 % of the world output and 50 % of the world financial wealth.² It is a leader in providing the world with profitable services, technology and capital investments. Nevertheless, the general standard of living has been, and still is, declining due to the competition from the global economy. It has to; it neighbors Mexico where labor costs are 1/10th that of the U.S.

What else is pushing these changes? Asia with its cheap and well-trained labor force is one such influence. The hard work ethic, emphasis on education, low wages and strictly enforced government policies make Asia the world’s manufacturing machine. This training starts quite early: A U.S. child spends 180 days a year in grade school, in Japan, 240 days a year. It comes as no surprise that this part of the world is expected to become an economic powerhouse in the 21st century. In 1995, the Union Bank of Switzerland economists rated the top economic competitors in the decade ahead. While presently U.S. occupies first

place, in the future, the top five will all be Asian countries. Based on criteria such as national savings, research outlays, export growth, inflation and government spending, the list consisted of the following ranks from one to seven: Singapore, Malaysia, Thailand, China, Japan, Korea, Ireland and the U.S. South Koreans spend 20–30 % of their income on private tutors to ensure that their children succeed in their education. South Korea one generation ago was one of the poorest countries in the world, it is now the 11th wealthiest. On the other hand, North Korea is still one of the poorest countries in the world today, and getting worse. The two neighbors are a perfect example of joining in the globalization process or trying to go at it alone.

In Europe, the economic transition is different. With long established industries in many sectors, the pressures in Europe are on the social programs and the high quality of life that makes labor, investment and innovation too expensive for global standards. Short working hours, long vacations and generous benefits make most European workers the best off, but also uncompetitive. The minimum wage per hour in France is \$ 7.25, in the U.S. it is \$ 4.25, and in Mexico it is \$ 0.25.³ The price for the rich benefits is that European economies suffer high unemployment. While the governments try to maintain the accustomed standards of living, the employers have simply stopped hiring new full time workers. In France, 20 % work on temporary or part time contract, in Spain 70 % of all new 1995 jobs were for temporary workers and 30 % of the UK workforce is part time or temporary.⁴ In Germany, where laying off a worker costs around DM 80,000, it is difficult for companies to be flexible and hire when the production demand increases.

Also important is the entrepreneurial spirit and environment that allows smaller companies to grow. The German firm SAP was started by four individuals and now provides well over half of the world's client server software. However, cultural values as well as government regulations pose barriers for other start-up ventures in Europe. But as elsewhere, global competition is demanding changes. The agenda in Europe is to freeze public pay, slash federal, state and municipal budgets, reduce employer-paid sick leave, and to overhaul the tax rate. While the public may not like these programs, the governments are well aware that they will have to cut the public sector spending in order to compete internationally. Public spending in industrialized nations averages 45% of GDP, in industrializing nations it is only 18%.⁵ For many developed nations, the 1995 budget deficits (as % of GDP) demonstrate this growing problem: U.S. 1.8 %, Germany 2.3 %, France 5 %, Italy 7.8 %.⁶ The inevitable trend is to do what is needed to be competitive in the world markets, and lower public spending is one such necessity.

“There is nothing more difficult to execute nor more dubious of success, nor more dangerous to administer than to introduce a new order of things; for he who

introduces it has all those who profit as his enemies and only lukewarm allies in those who might profit from the new." (*Machiavelli: The Prince*)

Asian, American and European economies are all searching for their competitive advantage, but technology is the engine that drives productivity and efficiency. While inexpensive labor may be advantageous today, the future points to machines that do the work cheaper yet. In addition, the environment needed for growth of small companies and new entrepreneurial firms lies in having good technological infrastructure. Cellular phones, faxes, satellites and the Internet are changing the way we do business. Not having access to this technology makes it almost impossible to be competitive. Having the technology gives you better efficiency, and greater options which allow you to be more productive. One of the benefits is that more individuals are able to escape the strict working hours at the office. Cellular phones can reach you anywhere, and follow-me phone systems keep you in constant communication when traveling. These automatically reconnect in case of temporary loss of transmission, can pick up phone, fax and pager messages via computer and have voice recognition systems that forward, return or save your calls. While this technology may keep you working even at home, it also allows you to chose to work from home. 16 % of the U.S. labor force now works from the home, 34 % has a job sharing arrangement with a co-worker and 71 % has flextime that allows for some self-determination as to the working hours.⁷ Quick and inexpensive access to new hook-ups and additional phone lines, inexpensive charges for local and international calls and availability of new technology is necessary both for competition in the global economy as well as enabling more personal work choices.

A decade ago, while living in New Mexico, I visited the Abiquiu monastery located in an isolated area of the rugged Sangre de Cristo mountains. The monks lived a subsistence existence and had little income to upkeep the monastery. While many of them were younger, their numbers were decreasing, and naturally, they saw that the monastery was dying a slow death.

The Abiquiu monks now design intricate, ornamental, colorful Internet home pages. This business fits in with the quiet and serenity of the monastery and is quite similar to the work monks have done for centuries. Twelve new monks have joined in the last two years, and the anual income per Abiquiu monk is now around \$ 200,000. Abiquiu is no longer a dying institution.

Many monasteries throughout the world, as many firms, will not be able to adapt in the coming years. The global economy brings many benefits, but it will also claim many victims. The key to survival is not to try and build walls to keep it out, but to adapt and use its benefits to succeed.

Notes

- 1 Time, February 5, 1996.
- 2 Federal Reserve of San Francisco, November 10, 1995.
- 3 Business Week, April 8, 1996.
- 4 Business Week, April 8, 1996.
- 5 IMF Survey, February 19, 1996.
- 6 Business Week, October 9, 1995.
- 7 Management Review, March 1996.

**Douglas Mair
and
Anthony J. Laramie:**

**Fiscal Policy in Transitional
Economies**

1	Introduction	96
2	Conventional Western tax theory	96
3	An alternative Kaleckian theory of taxation	99
4	Kalecki's degree of monopoly theory of income distribution	100
5	Taxation and the level of national income	101
6	Taxation, investment and the business cycle	102
7	Taxation, stability, growth and unemployment	103
8	Tax policy options for transitional economies	104
9	References	105

1 Introduction

One of the great ironies of contemporary economics is that the fiscal policy advice that is on offer by Western economists to transitional economies is based on one of the least well developed areas of contemporary economic theory. Transitional economies are being exhorted to adopt Western practices in the design of their tax systems on the grounds that Western tax structures correspond reasonably closely to the economic theories of normative taxation (Hussain and Stern 1993, p. 74). Yet Western tax theory is, in our opinion, singularly poorly equipped to provide a theoretical rationale for the design of tax policies appropriate to the economic conditions of transitional economies.

In this paper, we offer an alternative theoretical framework which we argue is likely to be more relevant to the requirements of transitional economies. In so doing, we are conscious that we ourselves are guilty of major irony by advocating what some readers might consider to be a Marxist approach. For countries which are in the process of salvaging their economies from the trauma of four decades or more of Marxist-inspired economic mismanagement, the prospect of a return to Marxist principles of public finance might be somewhat unappealing. Let us try immediately to allay any such fears by stating that the theoretical approach we propose in this paper should more properly be defined as post-Keynesian or radical rather than Marxist.

Post-Keynesian economics is a broad church in which there are two main sects. One sees itself as the legitimate heirs of Keynes and seeks to rescue Keynes from the bowdlerisation to which they consider his writings have been subjected since his death. The other sect, to which we belong, draws its inspiration from the writings of Joan Robinson, Nicholas Kaldor and Michal Kalecki. The arguments we put forward in this paper derive from Kalecki and if any reader wishes to regard Kalecki as a Marxist (and that is a moot point) then our arguments have to be considered Marxist.

We begin by discussing some of the basic principles of conventional Western tax theory identifying what not only we, but also some of its leading exponents, consider to be certain of its more serious limitations. We then outline our Kaleckian alternative and argue its superior theoretical and policy relevance over Western orthodoxy.

2 Conventional Western tax theory

Conventional Western theory identifies five principal groups of arguments to justify the intervention of the state in the functioning of the economy. These are (i) *market failure*: to attempt to correct for the violation of the conditions of

Paretian welfare economics because of externalities, public goods, missing markets, incomplete information etc.; (ii) *poverty and income distribution*: to correct for market outcomes which leave certain groups of individuals in socially unacceptable circumstances; (iii) *rights to education, health, nutrition and housing*: to accord equality of opportunity to citizens who would otherwise be disadvantaged; (iv) *paternalism*: to adopt a superior view of individuals' own interests in such areas as education and pension provision; (v) *future generations*: to take a longer term view than private individuals might of the rights of future generations to such amenities as a pollution-free environment or protection of endangered species.

Western normative tax theory has come to a consensus on the principles of taxation. The best-developed optimal tax models are those of optimal commodity taxation where there is a simple linear tax rate for each commodity and of optimal income taxation where there is a single source of taxaton (Newbery and Stern 1987). Certain conclusions then follow for the design of tax systems. Wherever possible, lump-sum taxes and transfers should be used to transfer resources and raise revenue; it can be misleading to look at one set of tax tools in isolation from what is happening in the rest of the economy; the focus of indirect taxation should be final consumption; indirect taxes should be guided by a trade-off between efficiency and equity; externalities are an important basis for taxation; and the theoretical arguments for a corporate income tax are weak.

The focus of Western normative theory is on the use of tax systems to promote more efficient resource allocation. But this creates a dilemma for Western theory. It is recognised that a healthy tax system must lie at the heart of a country's public finances. The World Bank (1991), for example, sees fiscal correction as essential for long-term macroeconomic stability. It has been extensively argued that successful structural adjustment and macroeconomic stability in developing and transitional economies depend on profound and permanent fiscal corrections being made in the short and medium term. These fiscal corrections require structural changes involving tax reform. So, here we find in the Western literature a widespread recognition that, for economic restructuring, taxation is an issue which cannot be relegated to the medium or long term.

But herein lies the dilemma for Western economists because the great majority have rejected conventional Keynesian fiscal demand management policies on the grounds that they cause inflation, crowd out private sector investment and give rise to "Ricardian equivalence" effects. These concerns ignore that crowding out will only occur in economies with full utilisation of resources; and also that strong conditions are required for Ricardian equivalence to hold, including perfect capital markets with rational expectations, private agents being

able to borrow on the same terms as governments and a system of non-distortionary taxes.

A further major limitation of conventional Western tax theory is that it is predominantly static. This must surely limit its relevance to transitional economies whose principal problems involve change and growth. It is recognised by leading Western public finance economists that only a little progress has been made in the direction of combining theories of growth and taxation to provide insights into the role of tax policy in promoting growth (Newbery and Stern 1987, Stern 1992). Theoretical problems arise because much less is known about the dynamic behaviour of individuals and because dynamic optimising models are much less tractable than static ones. New theoretical issues which arise when moving to the dynamic from the static include incorrect expectations, the development of knowledge, the revision of policy and credibility and the influence of future generations. As a consequence, Burgess and Stern (1993, p. 795) admit that: "... while the simple intuition developed in [static] tax theory has some usefulness it may have only a limited role to play in the understanding of dynamic tax policy".

We consider that there are three major difficulties with contemporary Western tax theory which seriously limit its relevance to transitional economies. *First*, its orientation is primarily microeconomic with much emphasis on the design of optimal tax systems to moderate the impact of the state on the efficient operation of market economies. This literature is predicated on the existence of competitive product and factor markets which continually clear and no unemployment is possible. This substantial body of theory cannot be integrated with Keynesian macroeconomics in which full employment is only a special case (Burbidge 1976). This difficulty has been recognised by two leading Western public finance economists, Atkinson and Stiglitz (1980, p. 222):

"The general equilibrium analysis of tax incidence has to date been undertaken largely independently of the literature on macroeconomics. Thus, competitive equilibrium models, with all markets clearing, have been used to investigate the incidence of different taxes, whereas a quite separate literature, using aggregate demand/monetary models, has examined the implications of taxes for the level of employment and the rate of inflation. In other areas of economics this gap has been narrowed ... but in public finance the separation has persisted much longer".

Second, Western theory is predominantly static and, as we have seen above, cannot easily be rendered dynamic. *Third*, and this is an issue to which we will return in more detail below, Western tax theory is predicated on the marginal productivity theory of income determination. Damania and Mair (1993, pp. 124-129) demonstrate that marginal productivity theory can only hold under conditions of full employment. As tax incidence theory is applied income

distribution theory, economics requires a theory of income distribution of wider generality if it is to hope to analyse the effects of taxation in the conditions of less than full employment which characterise transitional economies.

3 An alternative Kaleckian theory of taxation

The starting point for our Kaleckian analysis is, perhaps paradoxically, Keynes' *General Theory*. Kalecki, as is well known, had published independently prior to 1936 all the essential features of what is now recognised as Keynesian macroeconomics. Though it may have come as a disappointment the publication of the *General Theory* certainly came as no surprise to Kalecki. He was, therefore, well equipped to recognise the wider significance for economics generally of the publication of the *General Theory*. Perhaps the most important implication which Kalecki immediately recognised was the need to develop an entirely new approach to the macroeconomic analysis of taxation — "Mr. Keynes' theory gives us a new basis for the enquiry into the problems of taxation. The analysis of the influence of various types of taxes on effective demand leads, as we shall see, to quite unexpected results which may be of practical importance" (Kalecki 1937, p. 444).

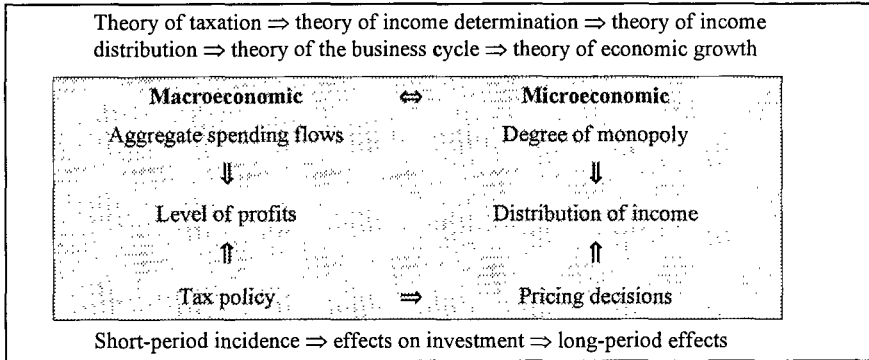
It is another of the ironies of economics that Kalecki's macroeconomic theory of taxation has been almost totally neglected, even by Kaleckian economists (Paladini 1989). It is only in recent years that Laramie and Mair have returned to Kalecki's 1937 paper and sought to develop a dynamic Kaleckian macroeconomic theory of taxation (Laramie 1991, Laramie and Mair 1996a, 1996b, 1996c, 1997).

The five elements of a dynamic Kaleckian tax theory are a theory of taxation, a theory of income determination, a theory of income distribution, a theory of investment and a theory of economic growth. In this short paper, we are unable to develop our Kaleckian model in detail but the interested reader will find it more fully set out in Laramie and Mair 1996a and 1997. We limit ourselves to presenting only the essential features here and the full derivation can be found in the works cited.

In *Table 1* below we illustrate schematically the inter-relationships between the macro- and microeconomic elements of Kaleckian tax theory. At the macroeconomic level, the aggregate spending flows in the economy determine the level of profits. At the micro level, the degree of monopoly determines the distribution of income. Tax policy can affect the aggregate flow of spending and profits, but firms' pricing decisions, as reflected in their mark ups of price over prime cost determine the intra- and inter-industry and class distributions of income. Ultimately, the confluence of these factors determines the short-period incidence of taxes and this incidence, through its impact on firms' investment

decisions, generates a long-period effect. There is, therefore, a critical interdependence between micro- and macroeconomic forces in Kaleckian theory which we argue is absent in conventional Western theory.

Table 1: A Dynamic Kaleckian Tax Theory



4 Kalecki's degree of monopoly theory of income distribution

Kalecki's degree of monopoly theory of income distribution occupies a pivotal role in his theory of taxation. Not only did he recognise that publication of Keynes' *General Theory* required a new approach to taxation but that it also required a new theory of income distribution. As Rothschild (1961, p. 175) points out, Keynes himself failed to appreciate that the *General Theory* had completely undermined marginal productivity distribution theory. He overlooked the critical interdependence between aggregate demand, which determines the employment of factors of production and the distribution of income which in turn influences the level and structure of aggregate demand. Western economists who persist in attempting to integrate marginal productivity based microeconomic tax theory with Keynesian macroeconomic theory continue to perpetuate the same error.

Kalecki's approach to income distribution appears in his *Theory of Economic Dynamics* (Kalecki 1954). This was an integrated treatment of the theory of income determination and the theory of income distribution in which both micro- and macroeconomic forces act together. Labour's share of national income is determined by the process of firms marking up prime costs to obtain prices. The level of profits is determined by past investment decisions and "... national output will be pushed up to the point where the profits carved out of it are in accordance with the 'distribution factors'" (Kalecki 1954, p. 47). This theory of income distribution is consistent with an approach to economics in

which income and employment are determined, at least partly, by effective demand and in which persistent unemployment is possible.

Kalecki argued that prices, at the industry level, are set by a mark up, k , over prime unit costs of production, u (wage and material costs), i.e. price = ku . From this price equation, Kalecki derives his degree of monopoly theory of income distribution in which the share of wages in national income, ω , is the inverse of the mark up, k . Thus, $\omega = 1/(k - 1)(1 + j) + 1$, where j is the ratio of the cost of materials to the cost of wages (assumed to be constant over the business cycle). Kalecki argued that the mark up, k , will be influenced by a complex set of institutional and environmental conditions in which firms are operating and may include such influences as the process of industrial concentration, the level of firms' advertising and sales promotion, changes in the level of overhead costs in relation to prime costs and the power of trade unions (see Laramie, Mair, Miller and Reynolds 1996 for a discussion of the degree of monopoly factors operating in UK manufacturing industry in the late 1980's).

The role of the "distributional factors" is of vital importance in Kalecki's theory. As we shall see below, the effect of tax policy on the aggregate performance of the economy depends critically on the ability of workers and firms to shift the burden of taxes. Tax shifting occurs through changes in mark ups and the ability of workers and firms to change mark ups depends on the degree of monopoly. If the degree of monopoly is high, firms will be able to increase mark ups to recover higher tax liabilities. There will be a consequential fall in wages' share of national income and a rise in profits' share which will then affect the level of profits and the level of national income.

5 Taxation and the level of national income

Despite his crucial insight as early as 1937 that a new approach to taxation was needed, Kalecki himself never followed up this issue in his subsequent writings. It was not until Laramie (1991) that taxation and the determination of income in a Kaleckian model were brought together. In Laramie's 1991 analysis, and in all the subsequent developments by Laramie and Mair cited above, the one critical assumption we make is that the introduction of a change in taxation is matched by a balanced change in government spending. This is particularly important when we come to consider the dynamic effects of taxation in the next section. What we analyse are the macroeconomic effects of changes in the *structure* of taxation, keeping the government's budget position unchanged. This means that the dynamic effects we identify are *not* the outcome of conventional Keynesian counter-cyclical fiscal measures. There is *no* crowding out, there is *no* change in government borrowing, there is *no* inflation, there is *no* Ricardian equivalence.

Laramie's integration of Kalecki's theories of taxation and income determination shows that the level of taxation has no explicit role to play in determining the level of national income. With a balanced increase in taxation and government spending, taxes have no impact on profits. However, there is an expansion in what Laramie defines as the "surplus" i.e. the sum of profits plus taxes. This expands by the amount of the change in government purchases and, therefore, national income expands by a multiple amount. Thus, an increase in taxation, insofar as it increases government purchases causes the level of national income to expand, holding the "distribution factors" constant. But as tax revenues change, the "distribution factors" will change, depending on the nature of the tax change that has been introduced.

6 Taxation, investment and the business cycle

Laramie's analysis was still short-period analysis and to be made dynamic must be integrated with Kalecki's theory of investment. This is critically important because Kalecki's theory of investment underlies his theories of the business cycle and the long-run trend. Again, because of space constraints, we present only the barest outline of our argument. We proceed in two stages. First, still remaining in static mode, we show how taxation affects the level of investment; and then, second, how changes in the structure of taxation, as these affect investment and the distribution of income, can influence the behaviour of the economy over the business cycle.

In static mode, we demonstrate that the tax system has an impact on investment through two channels — (i) the rate of depreciation and (ii) the level of profits. By the rate of depreciation on investment what we mean is the impact of taxation on the real tax bill associated with older capital equipment in use by firms. By undertaking new investment, firms are increasing technical progress which results in improvements in the productivity of capital and lower prices. As a corollary, the real costs of older equipment will rise and its real profits will fall, thereby accelerating its obsolescence. An increase in profits tax will, therefore, increase the rate of depreciation of older equipment and accelerate the introduction of new equipment.

The impact of taxation on the level of profits is through the change in government purchases and the share of wages in national income (the "distribution factor"). A change in government purchases, when accompanied by an identical change in taxation, increases both national income and the aggregate wage bill through a balanced budget multiplier effect. The effect of the change in wage share on the level of national income depends on whether or not tax shifting occurs, i.e. on the strength of the degree of monopoly.

We make our theory of taxation dynamic by integrating the impact of taxation on investment with Kalecki's theory of the business cycle. Again holding the cyclical variation in government purchases at zero, we show that the impact of taxation on future investment depends on four factors: (i) the cyclical variation in investment; (ii) the change in the cyclical variation in investment; (iii) a trend component in circumstances when a non-zero trend is present; and (iv) three parameter shift effects, (a) a depreciation effect, as described above, (b) a distribution effect, operating through changes in wages share of national income and (c) a tax shifting effect, operating through changes in the mark up.

The effects of substituting equal yield taxes on wages and profits on the business cycle are quite complex but depend critically on whether or not tax shifting occurs. In the simplest case, where the economy is oscillating around a zero trend and there is no shifting of either tax, then raising the tax on wages and reducing the tax on profits, keeping the government's budget position unchanged will have the effect of dampening the amplitude of the business cycle, by reference to its amplitude in the absence of any tax change. Conversely, increasing the tax on profits and reducing the tax on wages will have the effect of attenuating the amplitude of the cycle. These results change, however, if we alter the shifting assumptions and we return to this issue again below.

7 Taxation, stability, growth and unemployment

The final stage in the development of our dynamic Kaleckian tax model is to integrate taxation into Kalecki's theory of growth. Kalecki's principal objective had been to develop a model which could explain both cyclical fluctuations and the trend growth rate but which could be solved analytically. Unfortunately, the growth theory he had developed by the time of his death was not entirely satisfactory. Its main weakness was that Kalecki had a rather pessimistic view of the recuperative powers of capitalist systems and his growth model over-emphasised the under-consumptionist propensity of capitalism. A more balanced Kaleckian growth theory has been developed by Gomulka, Ostaszewski and Davies (1990) which in their opinion has made Kalecki's theory more Schumpeterian than Marxist.

We have incorporated taxation into Kalecki's revised growth theory (Laramie and Mair 1997). The summary results we obtain are:

- *Taxation and stability:* (i) with no tax shifting, an increase in the wage tax will increase instability and an increase in the profits tax will have no effect on stability; (ii) with tax shifting, an increase in the wage tax will dampen instability and an increase in the profits tax will lead to greater instability.

- *Taxation and the trend growth rate: (i)* with no tax shifting, an increase in the wage tax will lead to an increase in the balanced growth rate and an increase in the profits tax will have no effect; *(ii)* with tax shifting, an increase in the wage tax will result in a decline in the balanced growth rate and an increase in the profits tax will lead to an increase in the balanced growth rate.
- *Taxation and unemployment (with a stable trend growth rate in output): (i)* with no tax shifting, an increase in the wage tax will lead to an increase in the trend rate of unemployment and an increase in the profits tax will have no effect; *(ii)* with tax shifting, an increase in the wage tax will have no effect on unemployment and an increase in the profits tax will lead to an increase in the trend rate of unemployment.
- *Taxation and unemployment (with an unstable trend growth rate in output):* with and without tax shifting, the effects of both taxes are indeterminate.

8 Tax policy options for transitional economies

The results of our long-period dynamic tax model presented above present a series of policy options for transitional economies in terms of stability, trend growth rate and unemployment. If we assume their objective is to increase their balanced growth rates, our model suggests two policy options: *(i)* increase wage taxation (reduce profits taxation) if no tax shifting is assumed; or *(ii)* increase profits taxation (reduce wage taxation) if tax shifting is assumed. We emphasise again that the government's budget stance remains unchanged.

The critical difference between these policy options is whether or not taxes are shifted and, in the terms of our model, this depends on the level of the degree of monopoly. If the degree of monopoly is high, firms will be able to shift increases in profits taxes through higher mark ups which will lead in turn to a decline in wages' share of national income and a fall in real wages. If the degree of monopoly is low, firms will not be able to shift increases in profits taxes. Conversely, with a high degree of monopoly, workers will not be able to shift increases in wage taxation, but they will be able to do so if the degree of monopoly is low. Tax shifting, therefore, in a Kaleckian model is essentially the expression of a class struggle over income shares. The outcome of that struggle will determine the growth rate and stability of the economy.

So what can we say about the degree of monopoly? In general terms, Kalecki intended it to encompass the complex set of institutional and environmental circumstances in which firms were operating which determined their ability to set prices in relation to their unit costs of production. To guard against the

criticism of tautology that has been directed at Kalecki's theory we argue that the mark up, k , is a reflection, not a definition, of the degree of monopoly.

For a panel of UK manufacturing industries over the period 1985–1990, we have found the mark up to be determined by a number of influences including the minimum efficient scale at which industries are operating, their degree of capital intensity, their degree of specialisation, their advertising/sales ratios and perhaps most significantly of all their degree of exposure to foreign competition. (Laramie, Mair, Miller and Reynolds 1996). We find no evidence of the ability of trade unions in the UK influence the level of wages. The aggregate mark up in the UK has risen sharply under the succession of Conservative governments since 1979.

The key issue facing governments in transitional economies if they are of a mind to pursue the fiscal strategy we have outlined in this paper is their stance in relation to the degree of monopoly. As their economies become more Western in their structure, conduct and performance, so it must be expected that the degree of monopoly will rise with consequential implications for the ability of firms and workers to shift taxes. Governments have the choice of accepting market-determined outcomes for the degree of monopoly and the constraints this imposes on their ability to implement Kaleckian-type fiscal policy in pursuit of long-term macroeconomic objectives. Or, they can seek to constrain the tax-shifting ability of firms or workers. One way in which this might be done is through the introduction of a suitably designed prices and incomes policy.

Inevitably, there are no easy choices facing transitional economies. We have argued in this paper that, in our opinion, they are unlikely to achieve their desired longer term macroeconomic objectives by adopting conventional Western tax policies. There is, we think, a Kaleckian alternative but it poses difficult decisions for policy makers in transitional economies.

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Alison Sinclair:

**Reforming the Energy Sector in
Transition Economies**

1	Introduction	108
2	Characteristics of Energy Markets and Energy Use in Eastern Europe	109
3	Privatization and the Introduction of Competition in the Gas and Electricity Sectors	116
4	Reform Efforts in the Electricity Supply Industry in the Czech Republic, Hungary and Poland	119
5	References	120

1 Introduction

Given that energy is an essential input in all activities the energy sector is part of the basic infrastructure in an economy. A well-functioning energy sector with security of supply and prices close to costs is, thus, essential for the economy's competitiveness on world markets. The efficient use of energy as an input also requires that prices do not lie below the costs of energy production (including environmental costs external to the individual firm). In most European countries the energy sector, and in particular the gas and electricity sectors, consists of vertically integrated monopolies which often are also state owned. But many countries are also contemplating or have already implemented a reform of this structure, including the vertical and/or horizontal break-up of the incumbent firm, privatization and the introduction of some degree of competition. The hope is that such reforms will increase efficiency in the production of energy and in investment as well as bring prices closer to costs.

The intention of this presentation is to provide an overview of the challenges faced in particular by eastern European policymakers in the area of energy. Though energy reforms in eastern as in western European countries aim to increase productive and allocative efficiency and in the past the structure of the sector has been similar across countries, the situation in eastern Europe at the start of the transition differed from that in western Europe in two main respects: (1) the very low energy prices inherited from the planning system, and (2) the very high investment requirement. Thus, after the start of the transition eastern European governments were and still are very much concerned with the inefficient use of energy by industry and households implied by low prices. Though energy efficiency is also an important issue for other countries, governments in western Europe in contrast to eastern Europe are also concerned with the relative high prices of energy and the possible negative effect on the economy's competitiveness.

Most of the presentation (section 2) will deal in more detail with the characteristics of energy markets and energy use in central and eastern Europe. Section 3 describes the special features of the gas and electricity sectors and on the basis of these outlines the restructuring and privatization options faced by governments in eastern or western Europe. The presentation concludes with an overview of the reform efforts in the electricity supply industry in the Czech Republic, Hungary and Poland.

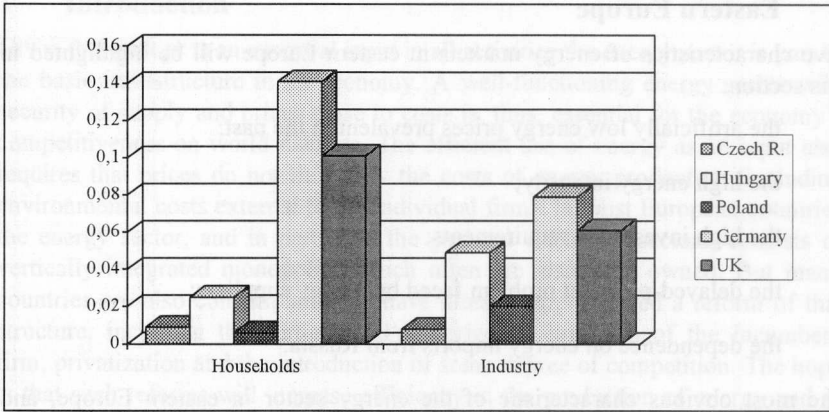
2 Characteristics of Energy Markets and Energy Use in Eastern Europe

Five characteristics of energy markets in eastern Europe will be highlighted in this section:

- the artificially low energy prices prevalent in the past;
- the high energy intensity;
- the high investment requirements;
- the delayed-payment problem faced by energy suppliers;
- the dependence on energy imports from Russia.

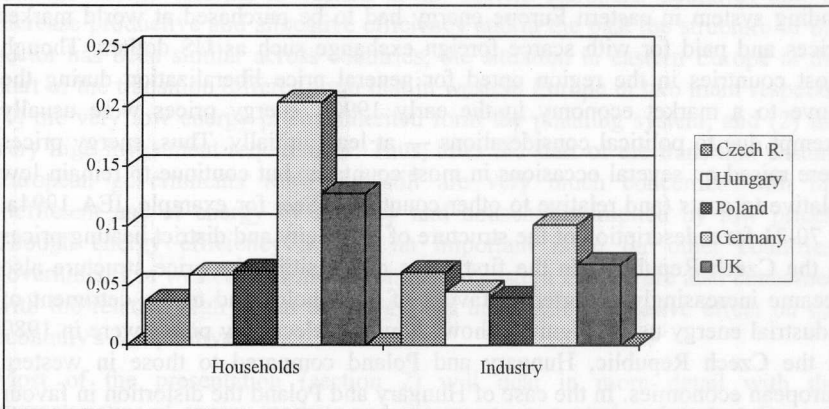
The most obvious characteristic of the energy sector in eastern Europe, and which stands in sharp contrast to the situation in western Europe are the *low prices* inherited from the previous system. In the past energy prices were tightly controlled and countries imported cheap energy from the Soviet Union in return for manufacturing goods. With the break-up of the CMEA (or COMECON) trading system in eastern Europe energy had to be purchased at world market prices and paid for with scarce foreign exchange such as US dollars. Though most countries in the region opted for general price liberalization during the move to a market economy in the early 1990s, energy prices were usually exempt due to political considerations — at least initially. Thus, energy prices were raised on several occasions in most countries, but continue to remain low relative to costs (and relative to other countries) (See, for example, IEA 1994a, p. 70-71 for a description of the structure of electricity and district heating prices in the Czech Republic). In the first years of transition the price structure also became increasingly distorted in favour of households and to the detriment of industrial energy users. Figure 1 shows how low electricity prices were in 1989 in the Czech Republic, Hungary and Poland compared to those in western European economies. In the case of Hungary and Poland the distortion in favour of households is also apparent. By 1995 this distortion had considerably diminished, though not in the case of the Czech Republic (see Figure 2). Yet in all three eastern European countries electricity prices are now much closer to western European levels than they were at the beginning of the transition.

Figure 1: Electricity Prices for Households and Industry in 1989 (in US\$/kWh)



Source: IEA (1996), *Energy Prices and Taxes: 3rd Quarter 1996*, pp. 313-314, 412.

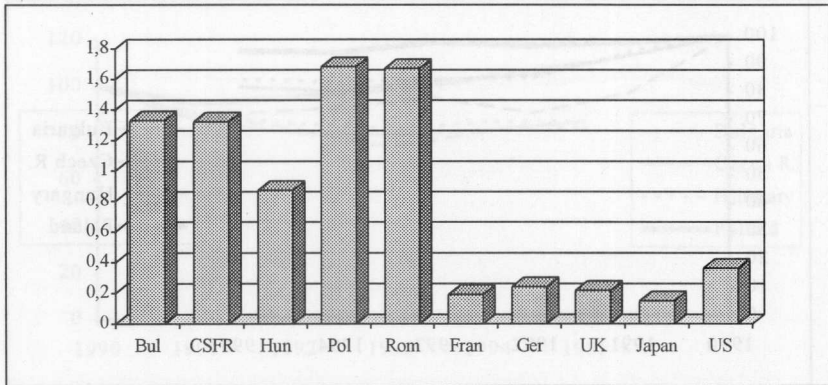
Figure 2: Electricity Prices for Households and Industry in 1995 (in US\$/kWh)



Source: IEA (1996), *Energy Prices and Taxes: 3rd Quarter 1996*, pp. 313-314, 412.

The free availability of energy under planning led to its very inefficient use by industry and households. Thus, the *energy intensity of production*, i.e. energy use relative to output produced, in eastern European economies was and still is very high compared to other economies. Figure 3 shows energy intensity for a selection of east and west European countries in 1989 (measured by total primary energy supply relative to GDP).

Figure 3: Energy Intensity in Selected Countries in 1989 (TPES/GDP in toe per 1000 US\$)

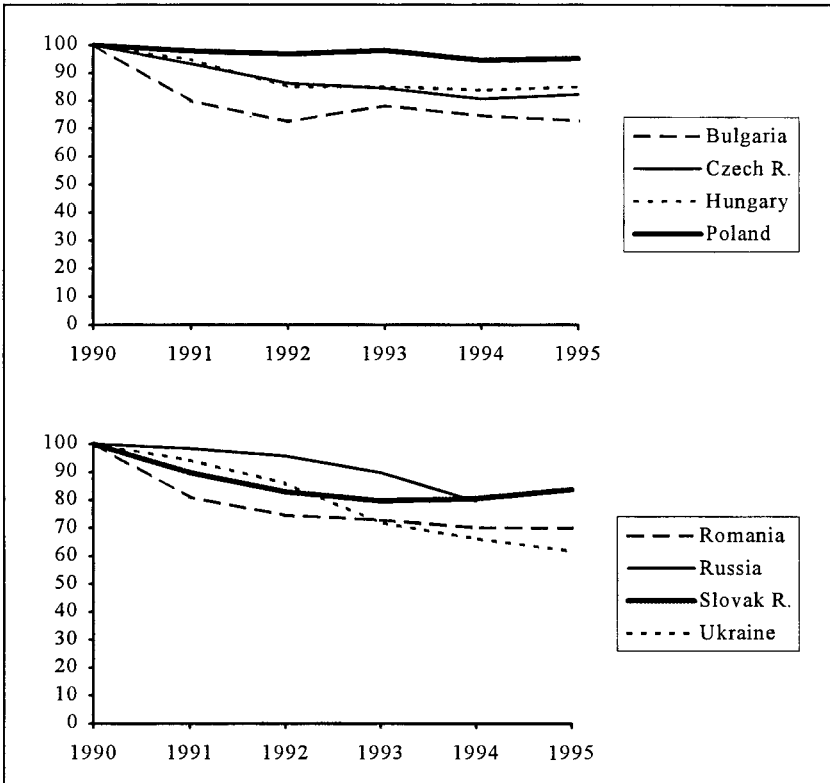


Note: Total primary energy supply (TPES) does not include electricity generated, except in terms of imports and exports of electricity. TOE stands for tonnes of oil equivalent.

Source: IEA (1995a), *Energy Statistics and Balances of Non-OECD Countries 1992-1993*, OECD Paris. IEA (1995b), *Energy Balances of OECD Countries 1992-1993*, OECD, Paris.

In fact since the start of the transition energy intensity has further increased due to the dramatic fall in output in these countries and the relative smaller fall in energy use. This reflects the fact that adjustment on the demand side requires time and substantial investment in new and more efficient technologies (including the installation of meters in apartment blocks). Structural changes in the economy, such as the decline in heavy industry relative to other sectors will also reduce energy intensity in the longer run. Figures 4, 5 and 6 show the time paths of energy supply, GDP and energy intensity between 1990 and 1995 for various eastern European economies.

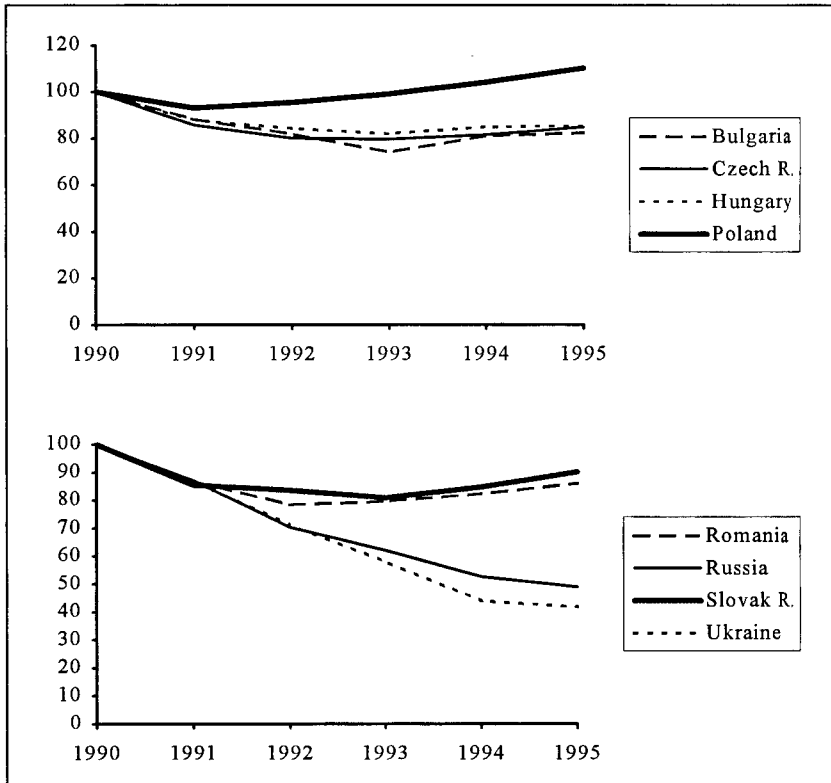
Figure 4: Total Primary Energy Supply in Eastern Europe 1990-1995 (with 1990=100)



Note: The 8 eastern European countries were divided into the two groups shown purely for illustrative purposes.

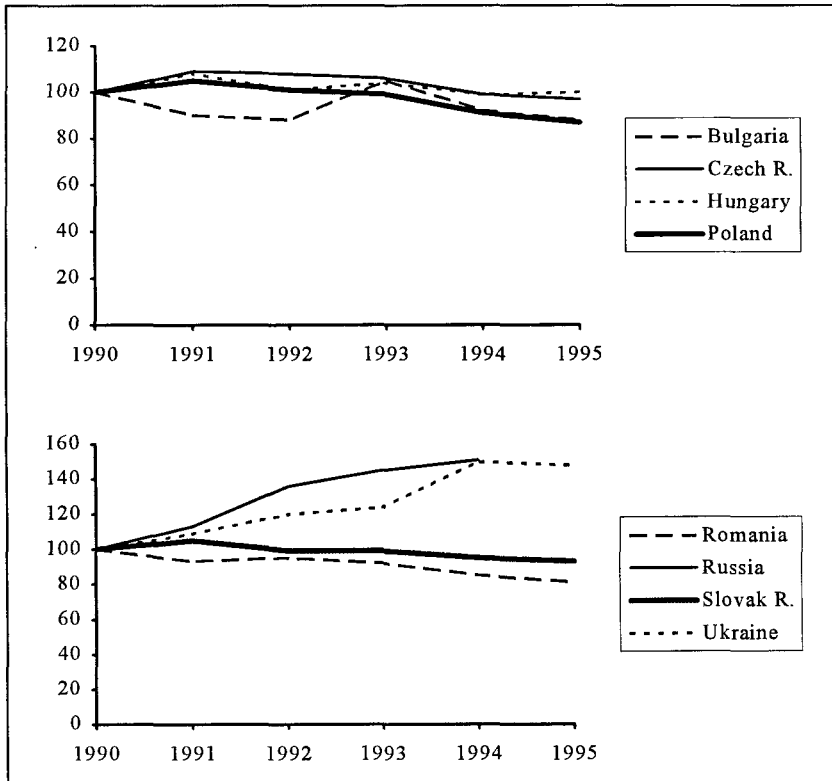
Source: RIESNER (1996), "Energiewirtschaft in Osteuropa", *Energiewirtschaftliche Tagesfragen*, Vol. 46, No. 3, 182-183.

Figure 5: The Decline in Real GDP in Eastern Europe 1990-1995 (with 1990=100)



Source: RIESNER (1996), "Energiewirtschaft in Osteuropa", *Energiewirtschaftliche Tagesfragen*, Vol. 46, No. 3, 182-183.

Figure 6: Energy Intensity in Eastern Europe 1990-1995 (TPES/GDP, with 1990=100)



Source: RIESNER (1996), "Energiewirtschaft in Osteuropa", *Energiewirtschaftliche Tagesfragen*, Vol. 46, No. 3, 182-183.

The inefficient use of energy in production, of industrial goods as well as electricity and heating, is one reason for the *high investment requirement* in the energy sector. Other reasons include:

- (i) *Unreliability of energy supply*, e.g. power cuts in the electricity sector, with important negative effects for activities using electricity as an input.
- (ii) *Aged equipment*. For example, in Russia more than 45% of electricity generating capacity is over 20 years old and around 40 GW (21%) of total capacity will have to be retired by the year 2000 (See IEA 1994b, p. 189, and IEA 1995c, p. 213).

- (iii) *High degree of environmental pollution.* This is closely linked to the problem of aged equipment. Thus the existing production processes are based on older technology such that, for example, generating plants lead to high air and water pollution. Aged equipment also implies frequent ruptures in oil and gas pipelines, for example in Russia (IEA 1995c, p. 129). Furthermore, there is the issue of safety standards in nuclear power plants, where it should be noted that Bulgaria, Hungary and Slovakia are already dependent on nuclear power for more than 32% of their electricity needs (IEA 1994b).

The above discussion shows that both replacement investment and new investment (in new technology) is required in the energy sector and production using energy as an input. This also includes the installation of metering equipment in the household sector to allow users to respond to energy price rises. The obvious difficulty for firms and governments in the region is to find the necessary financial resources. The recession during the early years of transition together with the developing financial sector impose quite stringent financial constraints on firms and governments given the structural changes and investment requirements in the economy as a whole.

The financial constraints faced by energy firms are exacerbated by low energy prices and a wide-spread *problem of non-payment by customers*. According to Gazprom estimates in Russia 56% of gas supplied in the first 10 months of 1994 had not been paid for in October of that year (IEA 1995c, p. 182). The non-payment problem is on the one hand due to a general problem of inter-enterprise debt in the economy and on the other to existing attitudes towards energy as a guaranteed public service — as well as the inability of many residential customers to regulate their energy consumption due to the absence of meters. Thus, customers (including state authorities) may not only be unable to pay, they may also refuse to pay given that in the past they only had to pay very little or nothing at all. The non-existing threat of disconnection in many countries further worsens this problem.

A final characteristic of energy markets in eastern Europe is that most countries in the region (like their west European counterparts) are *net importers of energy*, with imports coming almost exclusively from Russia. This implies a potential problem of security of supply.

With the transition to a market economy total energy imports in most eastern European countries declined, largely due to the recession experienced in eastern Europe. Attempts to decrease the dependence on imports from Russia have also led to a reduction in Russia's share in total energy imports. However, Russia's share continues to be very high. Thus, in the case of the Czech Republic imports from Russia accounted for 99% of total gas imports in 1993, which in turn

accounted for 98% of all natural gas supplies used in the country. About 99% of the country's crude oil supplies were imported from Russia (IEA 1994a, pp. 123, 138-141). Similarly, Poland relies for 60% of its natural gas on imports, all of which come from Russia. In the case of crude oil, however, Poland has succeeded in diversifying its imports. Before 1989 it imported crude oil almost exclusively from the Soviet Union, but by 1993 56% of imports came from the North Sea, Iran, and the Middle East (transported on tankers which are unloaded at Gdansk), with total imports accounting for 98% of Polish crude oil supplies (IEA 1995d, p. 152). It will, nevertheless, be difficult for countries in the region, especially if they are landlocked, to diversify energy imports in the near future, since:

- (i) Russian supplies are cheaper than alternatives, largely due to lower transportation costs;
- (ii) eastern Europe's infrastructure, such as the network of gas pipelines, is centred on Russia. Import diversification would, therefore, require substantial investments.

Even though most east European countries are net energy importers, they could play a strategic role in the energy trade between Russia and western Europe due to their geographical location. Thus, all Russian oil and gas exports to western Europe are dependent on transit pipelines through central Europe to reach their final destination. This means that transit countries would also benefit from increased Russian energy exports to the West by accumulating transit fees. However, this dependence on transit through third countries can endanger Russian energy exports if there are disagreements between Russia and transit countries which may or may not be related to the energy trade. Thus, on several occasions over the last few years the supply of gas from Russia through the Ukraine was disrupted. Ukraine's continued payment problem has repeatedly led Gazprom to suspend deliveries of gas. This in turn led Ukraine to divert gas destined for western Europe (IEA 1995c, p. 175). If eastern European countries want to encourage a free flow of oil and gas exports to western European countries worried about security of supply, then transit relations in the region need to be clarified and subject to international contractual obligations.

3 Privatization and the Introduction of Competition in the Gas and Electricity Sectors

Like other parts of the economy, the energy sector in eastern European countries in the past consisted of state-owned monopolies. The energy sectors in western European countries, mainly electricity and gas, have similarly been characterized by large vertically integrated firms with monopoly power and

often also by state ownership. Now both western and eastern European governments are increasingly contemplating the privatization of electricity and gas utilities and the introduction of competition in these sectors. In some countries such plans have already been implemented or started to be implemented. The notable examples of early reformers on the western side include the UK and Norway, on the eastern side Poland and Hungary.

Privatization (possibly including some form of foreign participation) and increased competition is expected to lead to

- (i) increased efficiency in production and a higher quality of service;
- (ii) higher and, in particular, more efficient investment;
- (iii) lower energy prices.

The discussion in the previous section indicates that aims (i) and (ii) are of particular importance for eastern European countries. In contrast to western Europe privatization and increased competition in eastern European energy industries are not expected to lead to lower prices but rather to higher ones compared to past levels given that prices were so low in the first place. Nevertheless, competition may in the longer run ensure that prices are lower than they would be under monopolistic market structures.

To the extent that energy reforms are accompanied by energy price liberalization and hence price rises the energy intensity of production in the electricity and other industrial sectors should decline following the adoption of new and more energy-efficient technologies. Thus, environmental pollution should decrease over time, assuming that energy savings compensate for an increase in energy demand as eastern European economies recover from the recession associated with the early years of transition.

Though energy reforms are expected to have the above beneficial effects in eastern and western Europe, gas and electricity sectors have particular features that make the introduction of competition especially difficult. These features can also explain why the industries have traditionally been dominated by vertically and horizontally integrated and state-owned firms, even in market economies. The features are

- high capital intensity;
- high fixed leading economies of scale — these include sunk costs, i.e. costs that cannot be recovered by selling the equipment;
- long lead times for investment;

- transmission and distribution, which are network based activities and hence are natural monopolies — i.e. it would be inefficient to have more than one gas/electricity transmission network operating side by side.

The first three characteristics are also prevalent in other energy sectors, such as crude oil or coal. But neither rely to the same extent on networks for their transportation as gas and electricity do. There is general agreement that the high sunk costs associated with building a network represent barriers to entry and exit and hence make the introduction of competition in the network-based activity very difficult or impossible. Thus, the reliance on networks implies that gas and electricity industries can be divided into different types of activities: those constituting natural non-contestable monopolies (long-distance transmission and local distribution of gas and electricity) and those constituting potentially competitive activities (production of gas and electricity and final supply to users). Economies of scale at the production stage, such as in electricity generation, coupled with the long lead times of investment mean that even the production stage will be dominated by a limited number of producers and entry only occur gradually. Competition between these producers could, however, still be strong. Furthermore, due to technological advances gas-fired power plants using CCGT technology are of a smaller size and require less time to construct than other power stations. These developments have made new entry in electricity generation easier, for example in the UK (For an overview of the reforms in the electricity and gas sectors in the UK see, for example, ARMSTRONG ET AL. 1994).

Given that the gas and electricity sectors can each be divided into four stages of supply, two of which are potentially competitive and two of which constitute natural monopolies, some European governments (in the east and west) have and are breaking up the vertically integrated energy firms so as to encourage competition in particular activities (YARROW 1991 and WATERSON 1993 provide overviews of the arguments for and against vertical integration in utilities). Apart from opting for vertical separation or not, a government also has to decide whether to force the network operator to provide access for other firms. Network access in effect allows competition at the final supply stage.

To summarize a government can choose between the following five restructuring options:

- (1) no restructuring, i.e. privatization of the vertically integrated firm(s);
- (2) as in (1) plus with free entry into production/generation;
- (3) as in (2) plus open access to the networks (third party access);
- (4) vertical break-up of the firm(s) plus free entry into production/generation;

(5) as in (4) plus open access to networks (common carriage).

If the government opts for vertical separation, as in options (4) and (5), it needs to implement this policy before the incumbent firm is privatized. Otherwise it will have to persuade not only managers but also private shareholders to agree to the enterprise break-up and offer financial compensation. But even so the credibility of the newly established regime of private property rights, i.e. the government's promise to adhere to the property rights regime will be in doubt, thereby reducing the effectiveness of future government policy. This is why vertical integration with network access as in option (3) may be the only politically feasible way of achieving competition in those west European countries (such as unified Germany) where the electricity and gas sectors are dominated by private or mixed ownership. In contrast, given the prevalence of state ownership in eastern Europe, governments in the region may explicitly want to use the substantial restructuring of energy utilities, including a vertical break-up, to signal their commitment to a new property rights and regulatory regime (For more detail on the issue of vertical integration in the electricity sector see SINCLAIR 1996b).

4 Reform Efforts in the Electricity Supply Industry in the Czech Republic, Hungary and Poland

To conclude the presentation I will say a few words about the reform efforts undertaken in the above three countries by the end of 1995 (See also SINCLAIR 1996a). All three countries have unbundled some activities, i.e. opted for some vertical separation. Thus, all three have separated distribution from the other activities, while Hungary and Poland have also separated generation from transmission, though in Hungary the state utility MVM is the holding company of both generating and distribution companies until their privatization. By the end of 1995 minority stakes in 8 of the 14 Hungarian electricity distribution companies had been sold to foreign investors, including west European electricity companies such as French EdF and German RWE. Thus, privatization has progressed furthest in Hungary.

All three countries are also considering the introduction of some form of wholesale competition, i.e. competition in generation as in option (4) above. But neither Hungary nor the Czech Republic are contemplating third party access to the transmission and distribution networks. Poland is, therefore, discussing the most far-reaching restructuring plan: the gradual adoption of a reform model similar to the one implemented in England and Wales (IEA, 1995d), including access to the long-distance transmission network but not to the low-voltage distribution networks. Initially generators would sell electricity to the grid company through medium to long-term contracts. The grid company would sell

electricity on to distributors for the original wholesale price plus a published transmission charge. An independent energy regulatory agency would regulate these transmission charges. The medium to long-term contracts would be replaced by shorter-term contracts and the creation of a power pool in a later phase. Large consumers (hooked up to the transmission grid) would also be allowed to purchase electricity on the wholesale market from the grid company. In a final phase full third party access to the transmission grid would be introduced with generators dealing directly with distributors and large consumers. Distribution companies would retain their franchise monopoly.

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**International Technology Race,
Innovation Policy and
Employment in EU Countries**

1	Introduction	122
2	The Globalization Process	123
	2.1 New Competitors from NICs and Transforming Economies in Eastern Europe	124
	2.2 Integration, R&D Dynamics and Technological Specialization	127
3	Innovation and Innovation Policy	130
4	Conclusions	134
5	References	135

1 Introduction

In the 1980s and early 1990s international competition intensified in the OECD countries. On the one hand, newcomers from Asian Newly Industrializing Countries (NICs) entered medium and advanced technology fields, on the other hand the US, France and the UK as well as Russia reduced their emphasis on military research and development (R&D) after 1990. Hence, the end of the Cold War led to intensified competition in markets for civilian products. The rapid growth in foreign direct investment in the 1980s has accelerated the transfer of international technology since technology trade is mainly intra-company trade (e.g. between parent company and subsidiaries) or license swapping between multinational companies (MNCs). A high rate of product innovation allows firms to charge higher prices in world markets and a high rate of process innovation facilitates the widening of markets and the exploitation of dynamic scale economies. Innovativeness is, therefore, not only a key to international competitiveness but to firms' ability to pay high real wages in EU countries. Continental EU countries — except for Spain, Portugal and Greece — are high wage countries which all suffered from high unemployment rates in the first half of the 1990s. Moreover, the share of long term unemployment (unemployment exceeding one year) was rather high in all EU countries except for Sweden, Austria, Finland, Luxembourg and Denmark, i.e. it exceeded 30 %. According to Eurostat the number of unemployed with a low educational level accounted for almost 50 % of total number of unemployed in 1994. Unemployment in the EU has become a sustained phenomenon and reached more than 10 % in continental EU countries in 1996. Except for the Netherlands with a standardized unemployment figure of 6.5 % in 1995 none of the EU-12 countries — except Luxembourg — achieved an unemployment rate of below 7 % (OECD 1996a).

The UK had a favorable employment record in the early 1990s too, although the share of jobless households remained rather stable as households with two wage earners typically were the winners in the labor market. Labor costs in the UK are much lower than on the Continent, not least because social security burdens are lower and private savings for old age more important than on the continent. Lower labor market costs in combination with improved productivity as a result of domestic R&D and massive technology imports plus high foreign investment inflows seem to have contributed to the favorable British employment record. This progress was also based on deregulation of labor markets and favorable long term effects of privatizations which improved international competitiveness.

While the US achieved an unemployment rate of 5 % in 1996 and hence full employment, the EU rate of 11 % pointed to serious labor market problem

including reduced regional labor market mobility. Moreover, in the US the employment rate increased from 67 to 79 % in the period 1970–1995, while that of the EU stagnated at 66.5 % (in Germany a slight increase was recorded).

Given the intensified international technology race worldwide the demand for skilled employment increased, and high technology manufacturing was indeed the sector which recorded employment growth in OECD countries. Employment growth was also achieved in the service sector in some EU countries. As the (relative) supply of unskilled labor increased worldwide after the economic opening up of China and postsocialist countries in eastern Europe one may expect a relative fall in wages of unskilled workers. Hence, with relative wage rigidity in many continental EU countries there will be unemployment of unskilled workers. To the extent that this reduces effective demand this could translate also into unemployment of skilled workers. Moreover, if the intensified technology race requires faster structural change and higher regional mobility, impediments to mobility as well as skill mismatches will raise the unemployment rate. Indeed, unemployment in continental EU countries strongly increased in the 1980s and early 1990s. By contrast, employment growth in the US was remarkable. The question arises which role global technology competition plays in the different employment growth record of the US and continental EU countries and which remedies are adequate for employment problems in Germany and most other EU countries.

In the following analysis the focus is on the globalization of the economy, EU integration and innovation policies in selected OECD countries. Section 2 briefly discusses the globalization process, while section 3 focuses on the policy conclusions to be drawn where particular emphasis will be on Germany.

2 The Globalization Process

The EU is facing the challenge of economic globalization, which means that since the end of the Cold War more and more countries have been integrated into a worldwide trade network with foreign direct investment flows increasing strongly and hence locational competition intensifying. Countries which fail to adjust adequately will face relative economic decline, sustained high unemployment and political instability. Germany as the EU's leading economic country is facing particular difficulties as the adjustment problems of German unification continue to represent a challenge which initially was much underestimated (WELFENS 1996a), while the crisis of Germany as a location for dynamic industrial companies and service firms rarely was pointed out (e.g. WELFENS 1996b). Moreover, the challenges of globalization were also underestimated (see for example the views expressed in HÄRTEL ET AL. 1996), especially as regards the scope of foreign direct investment flows. Some observers gave a more

sceptical and realistic picture (e.g. OECD 1996b, WELFENS 1990). Moreover, from a theoretical perspective high foreign direct investment outflows in combination with low inflows have negative effects on the investment output ratio and economic growth respectively. Even if surveys of multinational companies indicate that rising foreign direct investment outflows are motivated by the desire to develop markets abroad, this microeconomic perspective cannot undo the macroeconomic implications: if finally most or all investment of the parent companies is taking place abroad the domestic investment output ratio is negatively affected and will approach zero — especially since there will be negative investment multiplier effects in the supplier industry which will be compounded by negative income effects. Furthermore, given these high foreign investment stocks abroad exports from the parent company located in a high wage country will face increasing competition in third country markets in which foreign subsidiaries' exports (located in low wage countries) will catch rising market shares. Germany, France and Italy are high wage countries which will face politico-economic difficulties if high unemployment rates cannot be reduced by raising investment output ratios, gearing structural change towards an expansion service sector employment — outside the public sector — and stimulating innovation.

2.1 New Competitors from NICs and Transforming Economies in Eastern Europe

EU countries face greater competition not only because of a secular increase in technology intensity and new global digitized communication networks that increase the transparency of markets, reinforce price competition and allow faster access to new technologies. There is also the challenge from new competitors which are catching up in technological and economic terms and create adjustment problems for EU R&D policies. (WELFENS ET AL. 1997).

While the 1970s brought two oil price shocks for western Europe leading to rising unemployment, the 1980s brought a rapid increase in foreign direct investment flows of OECD countries where Asian countries — including China — became important destinations. In these countries an unorthodox mixture of outward oriented policies and government R&D promotion stimulated technological catching up and economic growth which in turn facilitated exploitation of dynamic scale economies. East Asian countries moved up the technological ladder and improved their market shares in EU countries. Moreover, Asian NICs became important source countries of foreign direct investment themselves, directing part of their MNCs' investment budgets towards the EU whose single market program reinforced its attractiveness for outside investors.

At the end of the 1980s the demise of the socialist CMEA and the disintegration of the Soviet Union became major impulses for the EU which enjoyed new

market access in the rapidly opening up Visegrad countries. By offering well-skilled personnel but wage costs that are 1/10 of the EU average, these countries are creating new investment opportunities for EU firms, especially those from high wage countries in proximity to eastern Europe (i.e. in particular Germany, Italy, Austria, Finland, Sweden).

A future eastern enlargement of the EU, which silently began with German unification, will raise various problems that can be assessed on the basis of modern theory, including the gravity equation (BALDWIN 1994, WELFENS 1996a, 1997b). While the creation of a larger customs union will reinforce the exploitation of economies of scale and trade in differentiated products it is unclear whether there will be economic convergence within central Europe and among the newcomers (e.g. Visegrad countries). The longer the economic catching-up process takes the higher will be the EU budgetary transfers necessary for the newcomers, and this will be a major political issue in the Community as long as high unemployment rates persist. Europe's history of interwar disintegration shows that protectionism can rapidly emerge from a situation of political instability and high unemployment rates (TILLY AND WELFENS 1996). A comprehensive theory of integration will have to take into account unemployment differentials among countries — affecting labor mobility even under factor equalization — and the impact of multinational companies (WELFENS 1997a). The most recent strand of research integrates the effects of foreign direct investment on regional integration and takes into account the reduction of global political transactions cost. This literature strongly supports the case of regional integration provided that it is embedded into the overarching framework of the World Trade Organization.

Asian NICs

Asian NICs were particularly successful in technological and economic catching-up, where the process was organized in several stages by government which combined a policy of promoting education and R&D with an outward oriented policy that encouraged firms to increase their exports to contested OECD markets. It took the Republic of Korea some 15 years to reduce the export share of food and live animals from 30.4 % in 1960 to 11.9 % in 1975 and to raise the share of machinery and transport equipment from 0.3 to 13.8 %. The dynamic adjustment in production and exports can be summarized as follows (SONG 1990, p. 105): "The predominant export manufactures shifted over time from (1) labor-intensive goods to (2) other capital-intensive goods, (3) capital-intensive goods and skill-intensive goods, (4) capital- and technology-intensive and high-wage goods, and (5) research-, capital-, and high skill-intensive goods." For the process of economic catching-up Korea relied strongly (and over time increasingly) on the import of machinery and transport equipment which accounted for about 1/3 of its imports in the late 1980s; the import share

of professional and scientific instruments doubled between 1960 and 1987. Taiwan, Singapore and Hongkong followed a similar path of economic and technological catching-up which resulted in a combined export share equal to that of Japan in 1995.

The four "Asian Tiger countries" partly relied on foreign direct investment — very strongly as in the case of Singapore, sometimes in the weak form of subcontracting as in Korea. The ingredients for economic catching-up are fairly obvious, although it is clear that the prerequisite of political stability is not easy to achieve (AIZENMAN 1997). Eastern Europe's postsocialist economies could follow a similar catching-up path which would imply for EU countries new opportunities to export R&D- and skill-intensive machinery and transport equipment, but this requires appropriate policy impulses, especially in the field of education and high technology R&D support. The EU would import low technology machinery and equipment as well as manufactured goods and chemicals from postsocialist eastern Europe (including Russia).

Globalization

The 1990s are characterized by true globalization of industry in the sense that foreign investors face locational opportunities worldwide and therefore enjoy new advantages from mobility. Exporters from eastern Europe and the Asian NICs capture an increasing share of EU markets in certain fields. In the 1980s Asian NICs increasingly specialized in medium and high technology products. Asian markets where EU firms are underrepresented enjoy high economic growth. Transforming economies also have weak trade relations with Asian NICs although this is changing gradually.

Trade between the EU and eastern Europe grew very dynamically in the 1990s both on the import and export side. From a theoretical perspective rapidly growing trade between the EU and eastern Europe clearly could be anticipated on the basis of the gravity equation (e.g. BALDWIN 1994). Globalization defined as a combination of rising export-GDP ratios and rising foreign direct investment relative to domestic investment is affecting EU countries in several ways.

Between 1950 and 1990 three main indicators of cognitive skills — substantive complexity, general educational development and average years of schooling measured in 1970 — showed positive growth; the same holds for interactive skills. With rising world market orientation of firms competition is intensifying and better skills are required. However, there is no general shortage of skilled employees since an increasing number of vocational training schemes, high school and universities turn out more and more skilled people in OECD countries (WOLFF 1996). It seems that the demand for skills is mainly increasing as a consequence of new vintages of capital so that the pace of new investment, the

rate of computerization and R&D intensity are stimulating the demand for more educated workers (BARTELS AND LICHTENBERG 1987).

From a theoretical perspective there are various links between employment and innovation where the latter depends crucially on economic integration and science and technology policy. Innovation will cause regional and structural change and require job reallocation across sectors and firms so that labor mobility is important. With an increasing role of innovative services for the overall innovation process (DEUTSCHE BUNDESBANK 1996) analysis will have to focus on expansion of services, in particular telecommunications.

2.2 Integration, R&D Dynamics and Technological Specialization

Economic integration in the EU increased between 1968 (formation of a customs union) and the 1990s. The single market project was implemented at the end of 1992 — with some latecomer sectors following only in 1994/95. It is clear that the creation of a single market for goods and services will facilitate the exploitation of static and dynamic economies of scale so that considerable productivity increases and specific growth impacts can be expected for certain industries. However, with respect to employment impacts one should not overlook the development of the overall aggregate investment output ratio which was not favorable in the EU. Within two decades, output growth fell from 4 % to 2.5 % p.a., while the investment-output ratio dropped by five percentage points as emphasized by the EUROPEAN COMMISSION (1993, p. 9). The single market program stimulated growth only moderately.

With major privatizations organized in several EU countries in the early 1990s one would expect overmanning to fall immediately after privatization. Major layoffs occurred in the context of privatization of telecoms network operators in almost all EU countries; this was also the case in the electricity sector in the UK which was privatized in the 1980s.

R&D Dynamics

With the economic opening up of eastern Europe and the advances of NICs in the world market global competition has intensified — especially in the field of labor intensive products and medium intensive technologies. For EU countries facing intensified import competition and the relocation of production in the context of foreign direct investment outflows it is therefore important to increasingly position themselves in advanced technology fields, which typically is one of the few areas in which continental EU countries recorded job growth in the 1980s. Hence R&D are increasingly important for growth, international competitiveness, employment and ecological progress.

R&D is needed for process innovations which allow costs to be cut and hence markets to be widened — this could facilitate the exploitation of static and dyna-

mic economies of scale. R&D is also a requirement for product innovations which allow firms to charge higher prices. Firms that are eager to recover R&D investment costs and to earn a Schumpeterian rent from innovation will try to ensure intellectual property rights, typically via patents. They will also massively invest into marketing in order to create preferences in favor of the novel products. R&D as well as marketing expenditures create market entry barriers because they largely represent sunk costs; newcomers will find it therefore difficult to successfully enter the market. Innovative firms thus can enjoy extra profits which partly will have to be shared with workers since trade unions in highly profitable industries will strongly lobby for wage rises. With continued product innovations the value-added by the firm will indeed rise continuously such that the wage bargaining process will result in rising real wage rates and higher real incomes in some sectors. This in turn will result in multiplier effects in the overall economy.

Launching product innovations will stimulate the growth of demand directly as was emphasized by SCHUMPETER, who also stressed that entrepreneurship is the basis for long-term growth and economic cycles. Both for R&D devoted to product innovations and to process innovations it holds that unit R&D costs can be reduced if large output volumes are realized during a given innovation cycle. From this perspective the gradual increase of R&D expenditure-GNP ratios in OECD countries is bound to stimulate exports and trade.

Technological Specialization

In a large integrated market facing global competition one should expect EU firms to develop a special innovation profile which reflects its comparative advantages and policy priorities for R&D. The US achieved a much stronger change in patent specialization than the EU-12-Community (or Germany) as is shown in *Table 1* and *Table 2*. The degree of specialization measured by an appropriate Herfindahl index was much higher in the US and Japan than in the Community. Indeed the EU-12 group suffered from an overall decline in specialization in the period 1982/92. This points to unexploited EU potentials for economies of scale in R&D in the sense that a stronger concentration on profitable innovation fields lets one expect that R&D unit costs could be reduced under such a strategy. Lack of innovation specialization in the EU is probably due to parallel R&D programs of various EU countries. While a simple switching to fully integrated supranational R&D programs certainly would reduce useful variety of competing R&D approaches in the Community it seems that the present situation offers considerable room for improved policy coordination. Since figures for Germany showed a better adaptation of small and medium sized firms to international technology trends (i.e. activities in the most dynamic patenting fields — with high growth rates) one may doubt that creating bigger EU firms via merger and acquisitions will automatically improve the

innovativeness and technological adaptability of firms in the Community. This does not rule out that there are industries with further opportunities for mergers and acquisitions which then in turn would generate an endogenous clearance mechanism across firms. At the bottom line the global division of R&D is characterized by insufficient specialization in the EU and poor flexibility of big firms.

Table 1: Adjustment of the Technology Portfolio of Branches

Sum of absolute differences of shares 1982–1992 ^a			
Country of origin	Period		Average p.a. 1982–1992
	1982/92	1987/92	
Germany	6.5	4.0	2.8
EU-12	10.0	5.5	2.1
USA	16.4	10.9	3.1
Japan	11.8	4.5	3.6
World — total	12.4	5.7	2.1

a) Sum (A) of absolute differences of the shares of inventions with international patent applications that are allotted to each branch between the years 1982 respectively 1987 and 1992:

$$A = \sum_i \left| \frac{p_{it}}{p_i} - \frac{p_{iT}}{p_i} \right| ; p_{it} = \text{patents in sector } i \text{ in period } t; T = \text{reference year}$$

Source: FAUST (1996), p. 12.

Table 2: Degree of Technological Specialization According to Industrial Sectors

Herfindahl index ^b according to international patenting		
Country of origin	Year of announcement	
	1992	Changes 1992/82
Germany	13.8	0.09
EU-12	12.9	-0.15
USA	16.0	1.25
Japan	23.2	2.40
World — total	14.9	0.83

b) Sum of the squared shares of the individual branches of industry in the total number of inventions of the country of origin concerned, multiplied by 100. The Herfindahl index is a measure for concentration that is 100 % in case of full concentration while approaching 0 in case of very diversified patent patterns.

Source: FAUST (1996), p. 12.

Privatization, Competition and Productivity Problems

The McKINSEY (1996) report showed that Germany and other EU countries strongly lag behind the US in capital productivity in many fields, often because of dominance of state firms and lack of competition. An important example is telecommunications where US capital productivity exceeds that of Germany by about 1/3. The EU's costs disadvantage vis-à-vis the US in telecommunications, energy and transportation partly can be attributed to lack of competition in infrastructure industries. Due to liberalization initiatives of the European Commission this deficiency will be gradually remedied from the late 1990s onwards. Competition will improve the allocation process and facilitate to cope with capital shortage problems in the EU: higher capital productivity allows to provide capital for more workers than at present.

The EU's research base is probably less market oriented than that of the US, and in addition fewer human resources are devoted to R&D: scientific research personnel represents only 0.47 % of the labor force, compared to 0.74 % in the US and 0.80 % in Japan. Moreover, between 1984 and 1993 the EU lost share in patents in all sectors except aerospace and transport equipment (EUROPEAN COMMISSION 1996, p. 14). Since the Community Innovation Survey indicated that EU companies which engaged in technical cooperation agreements usually have a much larger proportion of new or improved products in their total sales EU programs which support cooperation among innovative firms should be strengthened.

3 Innovation and Innovation Policy

High R&D expenditures of innovative sectors is only one key to high productivity growth, the other is rapid diffusion — i.e. application — of new technologies. While most new technologies are developed in high technology manufacturing industries (information technology, pharmaceuticals, aerospace) the most important user is the service sector whose role in international technology trade increased in the 1980s.

Innovations and Technology Diffusion

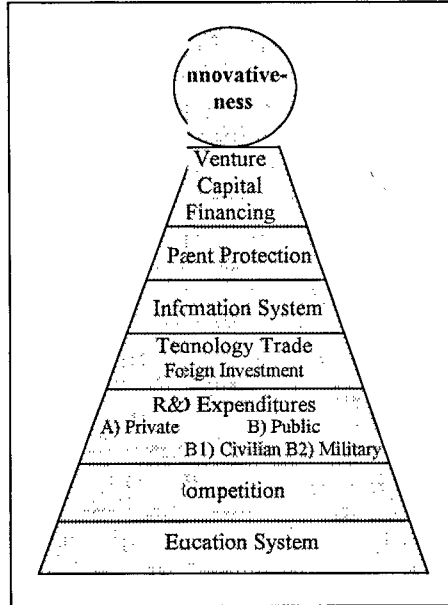
Innovation together with technology diffusion are two keys for international competitiveness and employment creation in western Europe. Fundamentals of innovativeness are shown in *Figure 1*. The basis for innovation and diffusion is a modern education system which allows to raise the number of skilled workers, engineers and managers to be raised. Education in school and universities is only one important aspect of “upskilling”, retraining and training on the job are also crucial. Expenditures for education in a broader sense reached lower levels in most EU countries than in the US in the early 1990s. In a period of intensified

global technological and economic competition EU countries that reduce the quantity and quality of education and training are bound to suffer in the long term. Compared to the US and even to some Asian NICs most EU countries have assigned a low priority to upgrading education. With more intense competition in goods markets and falling relative prices of labor intensive products — produced increasingly Asian countries and Eastern Europe — high wages of unskilled labor in continental EU countries are bound to contribute to unemployment. While it is not true that wage increases generally were too high in the 1980s and early 1990s it is obvious that wage dispersion should have increased at the

expense of unskilled labor in Europe. Though wage dispersion increased in the US and the UK it remained flat and temporarily even reduced in Germany and other continental EU countries. This will not only stimulate rising foreign direct investment outflows from high wage EU countries, it will also reduce the incentive for higher education and thereby weaken future ability of EU countries to successfully compete in the global technology race.

Competition is needed to ensure innovativeness where anticipated profits will play a major role for incumbent firms and newcomers. Only if market exit barriers are low market entry barriers will be rather small. High and rising subsidies for smoke-stack industries impair market entry in the EU. Moreover, the EU suffers from a lack of venture capital firms so that EU newcomer dynamics are relatively poor compared to the US. This partly explains why EU firms are underrepresented in new growth fields (biotechnology, laser, robotics). R&D expenditures are crucial for innovation. EU countries reached only about half the R&D-GDP ratio of Japan, and half a percentage point less than the US in the early 1990s. Germany recorded a marked fall in this ratio after 1989 when it declined from 2.9 % to 2.2 % in 1996. While one may anticipate a recovery of this ratio in the long term this steep fall is a serious problem since the advances of NICs and east European newcomers capturing increasingly medium and high technology shares in world markets should have been a starting point for

Figure 1: Fundamentals of Innovativeness



Germany to raise R&D expenditures relative to GDP in the 1990s. Moreover, a stronger focus on high technology also would have been appropriate. Since the end of the Cold War Germany has lost its historical advantage of a low military R&D-GDP ratio and both Germany and Japan will face much stronger high technology competition from the US, the UK and France in the long term. Finally, since high technology markets are rather narrow worldwide, the renewed civilian R&D dynamics of these countries will encourage US, British and French high technology firms to aggressively move into medium technology markets in which many German firms used to enjoy a rather strong and uncontested position. This position generated Schumpeterian rents which in turn were the financial basis for continuous innovations. About 1/2 of OECD R&D expenditures in the private sector, 2/3 of R&D investment is performed in the business sector. EU countries compare rather well with the US in this respect. However, the system of public R&D support of many EU countries overemphasizes subsidies (40 % of all public R&D support in Germany) instead of tax credits which represented almost 90 % of public support in the US in the early 1990s. Subsidies are an easy prey for established big firms, while small and medium sized firms as well as newcomers — with poor political connections — are at a disadvantage. Tax credits are more neutral in this respect.

The information system of a society is crucial for innovation as well as the diffusion process. With advanced communication networks and widespread computer use there are new global opportunities to learn about new technologies and products, store knowledge and disseminate know-how; one may even create virtual firms. Therefore, innovation cycles are shortening and Schumpeterian rents from first mover advantages and innovations, respectively, are declining for firms acting in regional markets. Since privatization and liberalization of the telecoms sector in Europe and Asian countries will be fully achieved only at the turn of the century this tendency will be reinforced after 2000. Continental EU countries still suffer from rather high telecoms prices reflecting monopolized markets for public voice telephony (until 1998 the liberalization date set by the European Commission) and barriers to entry for newcomers in many countries. The internet host rate of the US which has competitive long distance networks since 1984 is twice that of Germany, that of Finland which introduced full competition in the 1990s is four times as high as that of Germany. There are many opportunities to improve the EU information system but key member countries such as Germany and France are moving rather hesitantly in this field.

Patent protection is important for innovators. The system of international patent protection has been strengthened in the context of the GATT Uruguay round so that incentives for innovators have increased worldwide. However, the new digitized information highways that are being built in the US, Europe, Asia and

elsewhere improve prospects for imitators. Hence effective protection of innovators might be reduced in the long term. Innovative firms might react to this tendency with an even stronger tendency to serve markets by foreign subsidiaries which allows the flow of know-how to be controlled in contrast to (external) licensing and patent trade. For EU countries aiming to raise employment it will be crucial to offer locational advantages that stimulate foreign direct investment inflows. Germany and France recorded massive outflows but rather poor inflows in the 1980s and early 1990s. Germany's per capita inflows from the US in 1995 were only 1/10 of those in the Netherlands. Small foreign investment inflows and high outflows explain the low ratio of investment in machinery and equipment relative to GDP in 1995 (only some 8 %).

Venture capital financing is extremely important for technology-oriented newcomers in manufacturing and services. In continental EU countries traditional banking systems dominate, while specialized venture capital firms — a key ingredient to US innovativeness and employment growth — are a rare exception in most EU countries. As many big firms in OECD countries embraced downsizing as the dominant strategy for the 1990s it would have been quite important to make sure that the growth rate of newcomers is rather high. This is a major deficiency in continental EU countries.

Product and process innovations clearly are crucial for productivity increases and economic growth. However, important is also the rapid diffusion of new technologies and an optimum use of best-practice technologies. With respect to the latter Germany suffered from a critical backwardness vis-à-vis the US, namely about 1/3 according to a recent study by MCKINSEY (1996). Moreover, applications of such technologies often are in sectors different from the innovative sector. Technology diffusion as a percentage of total embodied technology clearly was dominated by the service sector in the G-7 group in 1993 (OECD 1997, p. 7). While the US, the UK, Japan and Italy recorded shares of more than 50 %, France, Canada and Germany achieved only 44 %, 42 % and 43 %, respectively. In particular Germany as a country with an underdeveloped service sector thus foregoes opportunities for higher economic growth and employment creation. In the mid-1990s the share of services in GDP was about 10 percentage points lower in Germany than in the US, the difference in the respective shares of employment in private sector services was of a similar magnitude. This apparent gap in the service sector is a major structural deficit in Germany and overcoming obstacles to the expansion of this sector is a major policy challenge. This, however, could be difficult to meet since the high percentage of long term unemployed — often former workers and employees from industrial firms — will rarely have the matching skills required for new jobs in service companies. Moreover, workers from the manufacturing sector which, being a high capital intensity-high productivity sector, used to pay rather high wages, will often find

it unacceptable to voluntarily switch to a new job in the less capital intensive service sector which often will pay lower wages but offer greater job security.

4 Conclusions

Germany and many other continental EU countries suffer from high unemployment rates which largely reflect an underdeveloped service sector, insufficient R&D expenditures and lack of training and education as well as inadequate diffusion policies. Labor market rigidities and insufficient wage dispersion also impair regaining full employment. Part of the existing productivity gap in continental EU countries vis-à-vis the US is apparently related to underdeveloped stock markets and rather poor capital productivity compared to the US. Germany and France as well as other continental EU countries should launch new initiatives to reinforce the role of stock markets and venture capital markets. It is obvious that insufficient growth of the service sector in many EU countries is related to difficulties for new firms from the service sector to finance business expansion. The low capital intensity of the service sector — relative to manufacturing industry — render financing of newcomers rather difficult in the banking-dominated continental Europe since they can offer less collateral than a typical firm from the manufacturing sector.

The role of the stock market could also increase because the age of high technology competition at the turn of the century will reduce the relative importance of banks in financing innovative firms. Asymmetric information problems between the innovator and the bank are typical of innovation projects so that insufficient access to (cheap) capital could limit the innovativeness of firms in the EU. The role of equity capital should be strengthened in the late 1990 in Europe. With workers facing a weaker bargaining position in the new environment of economic globalization one may consider tax incentives for workers encouraging them to allocate savings to investment funds (of a certain minimum rating). The role of capital markets could also be reinforced by reforming the social security systems, namely by partly replacing the current pay-as-you-go systems with capital funded security programs.

Since labor market rigidities and insufficient wage dispersion have characterized Germany for about two decades and since R&D-GDP ratios declined in the period 1990–1996 there are no fast remedies for higher employment. If, however, adequate wage policy reforms (including a new incentive compatible reform of the unemployment insurance system) are combined with a new innovation policy initiative and the expansion of the service sector promoted there are prospects for gradually increasing employment on the continent. If Germany, France, Spain and Italy were to reform labor markets and social security systems while stimulating innovation and diffusion one may hope to

achieve higher growth not only in continental EU countries but in the whole EU. Since the EU-15 countries are rather interdependent economies it is obvious that higher growth in some EU countries reinforces overall EU growth. Higher economic growth certainly would be favorable also for the sustainability of the European Monetary Union, which would face the risk of instability if high unemployment rates and slow growth were to lead to major conflicts about macroeconomic policies.

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Klaus Gloede:

**Transformationsbedingte Ziele
und Aufgaben der regionalen
Wirtschaftspolitik in den neuen
deutschen Bundesländern**

1	Einführung	138
2	Besonderheiten der ökonomischen Transformation in Ostdeutschland	139
3	Ziele der regionalen Wirtschaftspolitik in Ostdeutschland	142
4	Verbesserung der Wettbewerbsfähigkeit der Regionen in Ostdeutschland	145
5	Wesentliche Aufgaben der regionalen Wirtschaftspolitik in den neuen Bundesländern	147
6	Zusammenfassung	150
7	Literaturverzeichnis	151

1 Einführung

Die regionale Wirtschaftspolitik ist, neben anderen raumwirksamen Politikbereichen, primär als eine spezifische Form der Strukturpolitik zu betrachten. Sie steht einerseits in enger Wechselbeziehung zu den weiteren Gebieten der Strukturpolitik (Sektorpolitik, Mittelstandspolitik) sowie andererseits zu den Bereichen der auf die Gesamtwirtschaft bezogenen Wirtschaftspolitik (z. B. Ordnungspolitik, Haushaltspolitik).

Die Ziele, Aufgaben und Instrumente der regionalen Wirtschaftspolitik wirken in der Bundesrepublik Deutschland in den letzten Jahren unter veränderten gesamtwirtschaftlichen Rahmenbedingungen. Das sind insbesondere

1. die Verwirklichung des europäischen Binnenmarktes in der Europäischen Union (EU);
2. der Beitritt der Deutschen Demokratischen Republik (DDR) zur Bundesrepublik Deutschland und damit die Einbindung dieses bisher planwirtschaftlich verwalteten Wirtschaftsraumes in die Marktwirtschaft;
3. der Zusammenbruch der Planwirtschaft und des Wirtschaftsverbundes „Rat für gegenseitige Wirtschaftshilfe“ (RGW bzw. COMECON) in den mittel- und osteuropäischen Reformländern sowie die Einleitung der politischen und ökonomischen Transformation in diesen Staaten;
4. die zunehmende Internationalisierung und Globalisierung der Wirtschaft;
5. die sich entwickelnde Wachstumsregion in Südostasien.

Durch diese gravierenden Veränderungen hat der nationale und internationale regionale Standortwettbewerb bedeutend an Schärfe zugenommen. Standortentscheidungen für die Gründung bzw. für das Verbleiben von Unternehmen in bestimmten Regionen werden zunehmend unter Berücksichtigung der genannten veränderten internationalen Rahmenbedingungen getroffen. Diese Entwicklung erfordert ein neues Herangehen an die Ziele, Aufgaben, Konzepte und Instrumente der regionalen Wirtschaftspolitik in Deutschland.

Eine weitere Ursache für die Neuorientierung der regionalen Wirtschaftspolitik in Deutschland sind die bestehenden großen Disparitäten in der wirtschaftlichen Leistungskraft zwischen den alten und den neuen Bundesländern. Aktuelle statistische Erhebungen und einschlägige Publikationen verweisen mit Nachdruck darauf, daß der wirtschaftliche Aufschwung in Ostdeutschland inzwischen an Tempo verloren hat (vgl. Baron, 1996). Aus den genannten Gründen ergeben sich auch Konsequenzen für die spezifische Zielorientierung

und Aufgabenstellung der regionalen Wirtschaftspolitik in den neuen Bundesländern, mit welchen sich der folgende Beitrag befassen will.

Betrachten wir dazu die neuen Länder zunächst als eine Gesamtregion (auf die unterschiedlichen Möglichkeiten der Interpretation des Terminus „Region“ soll in diesem Zusammenhang nicht näher eingegangen werden), so handelt es sich hier um eine Region, die sich in der Transformation befindet. Es kann davon ausgegangen werden, daß in Ostdeutschland die politische Transformation im wesentlichen abgeschlossen ist. Der Prozeß der ökonomischen Transformation ist jedoch noch mit einer Reihe ungelöster Probleme behaftet. Verwiesen sei hier auf die noch nicht vollendete Privatisierung, die unausgeglichene Branchenstruktur, die mangelnde Wettbewerbsfähigkeit der Unternehmen und die relativ hohe Unterbeschäftigung.

Die Struktur und die Effizienz der Wirtschaft der DDR waren nicht geeignet, in den Wettbewerb mit den ökonomisch entwickelten Regionen in Westeuropa zu treten. Im Prozeß der Transformation konnten durch die Privatisierung und die Liberalisierung des Binnen- und Außenmarktes die durch die sozialistische Wirtschaftsweise verursachten Standortnachteile nicht sofort überwunden werden. Die Gesamtregion Ostdeutschland war daher für eine Ansiedlung von Investoren bzw. für die Erhaltung der bestehenden Unternehmen nicht attraktiv.

Hauptdefizit in den Standortfaktoren war die veraltete und nicht ausreichend leistungsfähige Infrastruktur, insbesondere die wirtschaftsnahe Infrastruktur. Gravierende Rückstände bestanden z. B. auf den Gebieten Telekommunikation, Qualität des Verkehrsnetzes, Abwasserbeseitigung. Bedarfsschätzungen für notwendige Infrastrukturinvestitionen in den neuen Bundesländern für den Zeitraum 1991 bis 2005 ergaben einen Gesamtbedarf von ca. DM 550 Mrd. Davon entfielen allein auf die Verkehrsinfrastruktur DM 326 Mrd. (vgl. Lüdemann, 1995). Diese nachteiligen Standortbedingungen bewirkten neben weiteren Faktoren, daß mit dem Übergang zur Marktwirtschaft sowohl die bestehenden Unternehmen, als auch die einzelnen ostdeutschen Regionen einem wirtschaftlichen Anpassungsschock ausgesetzt waren. Der enorme Rückstand in der internationalen Wettbewerbsfähigkeit der Unternehmen und der Regionen konnte nicht in kurzer Zeit aufgeholt werden. Ostdeutschland als Ganzes erwies sich im internationalen Vergleich als eine strukturschwache Region. Dieser Zustand ist bis heute, also sechs Jahren nach der Wiedervereinigung, noch nicht überwunden.

2 Besonderheiten der ökonomischen Transformation in Ostdeutschland

Der ökonomische Transformationsprozeß in Ostdeutschland wird gegenüber den anderen europäischen Transformationsländern durch eine Reihe von

Besonderheiten geprägt. Folgende Besonderheiten der ökonomischen Transformation auf dem Gebiet der ehemaligen DDR sollen hier hervorgehoben werden:

1. Der Prozeß der politischen und ökonomischen Transformation vollzieht sich in Ostdeutschland auf dem Wege der Einbindung in die stabile politische und wirtschaftliche Ordnung der „alten“ Bundesrepublik. Die Vorteile dieses spezifischen Weges der Transformation brauchen hier nicht besonders diskutiert werden.

Der Transformationsprozeß wurde in den letzten Jahren und wird auch gegenwärtig durch hohe Transferzahlungen aus Westdeutschland unterstützt. Die Nettotransfers betragen nach Berechnungen des Instituts für Wirtschaftsforschung Halle (IWH) 1991 bis 1996 insgesamt DM 916 Mrd. (vgl. Ragnitz, 1996). Von diesen Transferzahlungen in die neuen Länder wurden ca. 60 % für konsumtive und 40 % für investive Zwecke verwendet.

Neben diesem großen Vorzug für Ostdeutschland muß aber gleichzeitig auch auf einige Probleme verwiesen werden, die die ostdeutsche ökonomische Transformation erschwert haben. Besonders zu nennen sind hier:

- a) die ostdeutschen Unternehmen sahen sich vom ersten Tag der Wiedervereinigung einem aggressiven Wettbewerbsdruck der westdeutschen und westeuropäischen Wirtschaft ausgesetzt, ohne selbst die Chance zu haben, ihre drastische Wettbewerbsschwäche rasch zu überwinden;
 - b) ein wesentlicher Anteil der ostdeutschen Nachfrage konnte durch eine höhere Auslastung der Produktionskapazität der westdeutschen bzw. westeuropäischen Anbieter befriedigt werden — ostdeutsche Güter wurden zunächst kaum nachgefragt;
 - c) die ostdeutschen Unternehmen waren aufgrund der schrittweisen Tarifannäherung der Ostlöhne an die Westlöhne sowie der weiter bestehenden Wettbewerbsschwäche als Zweigniederlassungen und Zulieferer der westdeutschen Unternehmen nicht stark gefragt, zumal sich die Löhne in den benachbarten Transformationsländern auf einem viel niedrigen Niveau befanden.
2. Der Prozeß der ökonomischen Transformation von der Plan- zur Marktwirtschaft hatte in Ostdeutschland gegenüber den anderen europäischen Transformationsländern ein sehr rasches Tempo. Die Ursachen

dafür bestanden vor allem in der Wirtschafts- und Währungsunion zum 01.07.1990 zwischen den damals noch selbständigen beiden deutschen Staaten sowie im Beitritt der DDR zur Bundesrepublik Deutschland am 03.10.1990. Gleichzeitig war der Umtauschkurs der DDR-Mark zur DM nicht ökonomisch, sondern politisch begründet.

Durch diese politischen Entscheidungen wurden die Rahmenbedingungen der Wettbewerbswirtschaft für die ostdeutsche Wirtschaft seit Mitte 1990 voll wirksam. Demgegenüber stand die mangelnde Wettbewerbsfähigkeit der ostdeutschen Unternehmen auf den Gebieten Niveau der Arbeitsproduktivität, Stückkosten und Qualität der Produkte. Das Wegbrechen des ehemaligen RGW-Marktes führte in Ostdeutschland außerdem zu einer gravierenden Absatz- und Strukturkrise.

Nach dem relativ rasch vollzogenen Privatisierungsprozeß von 1990 bis 1994 verblieb nur ein geringer Restbestand der 1990 vorhandenen Industriebetriebe. Diese Deindustrialisierung resultierte auch daraus, daß durch die Treuhandanstalt die Privatisierung nach dem Motto „Privatisierung ist die beste Sanierung“ vollzogen wurde. Daher wurden vor der Privatisierung keine grundlegenden Sanierungsbemühungen zur Herstellung der Konkurrenzfähigkeit der bestehenden Industrieunternehmen unternommen; diese konnten sich auch deshalb am Markt nicht behaupten.

Die prinzipielle Durchsetzung des Rechtsgrundsatzes „Rückgabe vor Entschädigung“ verzögerte bzw. behinderte ebenfalls die Investitionstätigkeit und damit den wirtschaftlichen Aufschwung.

Dazu kam, daß ausländische Unternehmen nicht im erwarteten Maße in Ostdeutschland investierten und daß hinter dem Firmenkauf zu einem Teil spekulative Absichten standen (z. B. Ausschaltung der Konkurrenz, Abschöpfung von Fördermitteln, preiswerter Erwerb von Immobilien). Nach der Privatisierung hatte sich die ehemalige Branchenstruktur und Betriebsgrößenstruktur der Staatsbetriebe sehr stark verändert. Es entwickelte sich eine vorwiegend mittelständische Wirtschaft. Über 70 % der ehemals vorhandenen Arbeitsplätze im verarbeitenden Gewerbe war weggebrochen.

Gegenwärtig zeigen sich die durch die rasche, zum Teil konzeptionslose Privatisierung verursachten Probleme in den Unternehmen fast aller Branchen. Das wird vorwiegend sichtbar in

- der mangelnden Wettbewerbsfähigkeit der Mehrheit der Unternehmen;
- der geringen Eigenkapitalquote und mangelnden Liquidität (vgl. Gloede 1995);
- dem fehlenden überregionalen Absatz ostdeutscher Produkte sowie

- der rasch zunehmenden Zahl von Insolvenzen.

Die gleichen Probleme treffen auch für Existenzneugründungen und Reprivatisierungen zu. Leider muß heute eingeschätzt werden, daß die ostdeutsche Wirtschaft noch sehr labil ist und das Wachstumstempo gegenüber den ersten Jahren nach der Vereinigung nachgelassen hat. Der Prozeß der ökonomischen Transformation in Ostdeutschland erfordert daher noch eine längerfristige Stabilisierungsphase. Diese wird nur erfolgreich sein, wenn sie durch geeignete Maßnahmen der Wirtschaftspolitik gezielt begleitet wird.

Aus der geschilderten Ausgangssituation, den Besonderheiten und dem erreichten Stand des ökonomischen Transformationsprozesses ergeben sich modifizierte Ziele und Aufgaben für die regionale Wirtschaftspolitik in den neuen Bundesländern.

3 Ziele der regionalen Wirtschaftspolitik in Ostdeutschland

Als raumwirksame Wirtschaftspolitik ist die regionale Wirtschaftspolitik in der Bundesrepublik Deutschland darauf gerichtet, Disparitäten in der wirtschaftlichen Leistungskraft und den Lebensbedingungen zwischen den Bundesländern abzubauen.

Die gegenwärtigen Unterschiede in der Wirtschaftskraft können durch den folgenden Vergleich des durchschnittlichen Bruttoinlandprodukts je Einwohner für das Jahr 1995 verdeutlicht werden:

- alte Bundesländer DM 46.620,
- neue Bundesländer DM 24.260.

Die regionale Wirtschaftspolitik in der Bundesrepublik, aber auch in der EU war vor der deutschen Vereinigung stets darauf gerichtet, den sozialen Ausgleich bzw. die soziale Annäherung zwischen den einzelnen Teilräumen in der Bundesrepublik Deutschland bzw. in der EU zu unterstützen. Das gilt insbesondere für ein ausreichendes Angebot an Einkommenserzielungsmöglichkeiten in den einzelnen Regionen.

In der Wirtschaftstheorie wird die Zielsetzung der regionalen Wirtschaftspolitik überwiegend in der Interdependenz der folgenden drei Einzelziele verstanden (vgl. Eckey, 1978):

1. *Wachstumsziel*: Die in der Region latent vorhandenen Produktionspotentiale sollen optimal für das gesamtwirtschaftliche Wachstum entwickelt und genutzt werden.

2. *Stabilitätsziel:* Durch die Verbesserung der Struktur und der Wettbewerbsfähigkeit der Wirtschaft in den einzelnen Regionen soll die konjunkturelle und strukturelle Krisenanfälligkeit der Regionen verringert werden.
3. *Ausgleichsziel:* Die regionale Wirtschaftspolitik soll einen Beitrag zur Annäherung der Lebens- und Arbeitsverhältnisse im Bundesgebiet leisten. Die regionalen Unterschiede in der Wirtschaftskraft sollen abgebaut bzw. ein weiteres Auseinanderdriften der ökonomischen und sozialen Entwicklung der Regionen soll verhindert werden.

Einerseits war in der Vergangenheit die Praxis der regionalen Wirtschaftspolitik in den alten Bundesländern stets im Spannungsfeld dieser drei Ziele angesiedelt. Andererseits läßt sich jedoch für die 70er und 80er Jahre feststellen, daß die entscheidenden Instrumente der regionalen Wirtschaftspolitik, z. B. die „Gemeinschaftsaufgabe Verbesserung der regionale Wirtschaftsstruktur“ sowie das „Regionale Förderkonzept der Europäischen Union“, primär auf die Verwirklichung des Ausgleichsziels ausgerichtet waren.

Für die Gesamtregion der neuen Bundesländer, einschließlich Berlin, muß jedoch hinsichtlich der Auflösung des Spannungsverhältnisses zwischen diesen drei Zielen eine Neuorientierung erfolgen. Aufgrund der Rückständigkeit der wirtschaftlichen Leistungskraft und der mangelnden Stabilität in der ostdeutschen Wirtschaft ist bei der Verwirklichung der drei Ziele unbedingt dem Wachstumsziel oberste Priorität einzuräumen.

Wirtschaftliches Wachstum ist die entscheidende Voraussetzung für Stabilität und für sozialen Ausgleich. Keineswegs kann in der Gegenwart daher als übergreifendes Ziel für die ostdeutsche Regionalpolitik die Annäherung der Lebensverhältnisse an das Niveau der westdeutschen Länder zur Priorität erklärt werden. Für eine solche Zielorientierung ist, wie die folgenden Zahlen belegen, die wirtschaftliche Leistungskraft als Voraussetzung noch nicht gegeben. In den neuen Ländern wohnen 19 % der deutschen Bevölkerung. Im Jahr 1995 wurden in dieser Region aber nur 10,9 % des deutschen Bruttoinlandsprodukts erzeugt (vgl. Institut der Deutschen Wirtschaft — IWD (Hrsg.), 1996).

Durch eine Präferenz des Wachstumsziels muß daher ein spürbares wirtschaftliches Wachstum für diese Region erzielt werden, welches in den neuen Bundesländern zu einem selbsttragenden Wirtschaftskreislauf führt und den Zufluß von überregionalen Einkommen zur Folge hat. Überregionale Einkommen lassen sich aber im Sinne der Export-Basis-Theorie nur dadurch erzielen, daß in den ostdeutschen Ländern produzierte Sachgüter und Leistungen in wachsendem Umfang auf überregionalen Märkten verkauft werden. Erst in dem Maße, wie diese Zielstellung realisiert wird, kann, bei gleichzeitiger

weiterer Anhebung der Lebensverhältnisse, der weitere Abbau der Transferzahlungen aus Westdeutschland erfolgen.

Die Realisierung überregionaler Einkommen hängt wiederum in starkem Umfang von der Quantität und Qualität der Produkte im verarbeitenden Gewerbe ab. Dienstleistungen lassen sich nur begrenzt überregional absetzen. Da der Anteil der industriellen Produktion in Ostdeutschland in den letzten Jahren unverhältnismäßig stark gesunken ist, erfordert das notwendige Wirtschaftswachstum in den ostdeutschen Regionen auch eine Reindustrialisierung der Wirtschaft. Der Anteil des privaten verarbeitenden Gewerbes am in den privaten Wirtschaftsbereichen erzeugten Bruttoinlandprodukt betrug in Ostdeutschland 1995 etwa 23 %, in Westdeutschland dagegen 34 %. Nur etwa 6,2 % der deutschen Industrieproduktion kommen gegenwärtig aus Ostdeutschland (vgl. Pohl, 1996). Während 1995 die Exportquote der Industrie in den alten Ländern 29,5 % betrug, hatte der Export in der Industrie der neuen Länder einen Anteil von 11,8 % (vgl. Institut der Deutschen Wirtschaft — IWD (Hrsg.), 1996, S. 4).

Aufgrund dieser negativen Entwicklung der Industrieproduktion erreichte der Abbau der Industriearbeitsplätze in den Jahren von 1991 bis 1994 in den ostdeutschen Ländern eine verhängnisvolle Dimension. In dieser Zeit sank in den neuen Ländern die Anzahl der Arbeitsplätze in der Industrie um über 60 %. In den alten Ländern betrug der Arbeitsplatzverlust in der gleichen Zeit 15 % (vgl. Globus 3018).

Alle hochentwickelten Industrieländer verzeichnen in den letzten Jahren die Tendenz zur Herausbildung einer Dienstleistungsgesellschaft. Diese Entwicklung soll hier nicht negiert werden, trotzdem kann das wirtschaftliche Wachstum in Ostdeutschland nicht allein von der Zunahme der Dienstleistungen ausgehen. Dienstleistungen sind nach den bisherigen Erfahrungen nicht im gleichen Maße transportierbar und auf den überregionalen Märkten absetzbar, wie Erzeugnisse des verarbeitenden Gewerbes. Ausnahmen bilden der Fremdenverkehr, der Transport, die Vergabe von Lizenzen und Patenten u. a. Es ist notwendig, den Dienstleistungssektor in den neuen Ländern weiter zu stärken. Für die Verbesserung der Beschäftigungssituation in Ostdeutschland hat aber auch eine Reindustrialisierung bzw. der Ausbau des verarbeitenden Gewerbes insgesamt eine wesentliche Bedeutung. Daher sollte das verarbeitende Gewerbe, insbesondere die Industrie, einen höheren Anteil an der Wertschöpfung erreichen, um das gegenwärtig verlangsamte Wachstumstempo in den neuen Ländern wieder zu beschleunigen.

Selbstverständlich kann nicht davon ausgegangen werden, daß das wirtschaftliche Wachstum in der Gesamtheit der Fläche der neuen Bundesländer gleichermaßen möglich sein wird. Vielmehr geht es darum, basierend auf der Wachstumspoltheorie (vgl. Buttler/Gerlach/Liepmann, 1977), standortgünstige

Wachstumspole auszumachen und zu entwickeln. Von diesen Wachstumspolen könnten dann Wachstumsimpulse für die ökonomische und soziale Entwicklung der Gesamtregion ausgehen. Räumliche Wachstumspole müssen unter diesem Aspekt von vornherein auf die Erzielung positiver externer Effekte ausgerichtet sein (vgl. Junkernheinrich/Skopp, 1995).

Historische Erfahrungen zeigen, daß die entscheidende Voraussetzung für die Entwicklung eines Wachstumspoles das Bestehen eines dynamischen Ballungszentrums ist. Dieses muß insbesondere aufgrund der wirtschaftsgeographischen Lage und der Einbindung in die Infrastruktur günstige Standortbedingungen für wirtschaftliche Aktivitäten der privaten Unternehmen aufweisen.

Eine wesentliche Bedingung für die Ausprägung zum Wachstumspol ist auch die vorhandene und noch zu entwickelnde sektorale Struktur in diesen Ballungszentren, da nur eine gesunde Branchenstruktur, also das Vorhandensein verschiedener und zukunftssicherer Branchen, Wachstumsimpulse aufnehmen kann.

Auch Junkernheinrich/Skopp verweisen auf die Notwendigkeit der Herausbildung von räumlichen Wachstumspolen für die selbsttragende wirtschaftliche Entwicklung in den neuen Ländern. Als entscheidend für das Entstehen räumlicher Wachstumspole nennen sie (vgl. Junkernheinrich/Skopp, 1995):

- Existenz eines Poles/Zentrums mit einer Größe, die die Realisierung externer und interner Ersparnisse ermöglicht (Mindestgröße: 30.000 bis 40.000 Einwohner, Optimum aber erst ab 250.000 Einwohner);
- Wirtschaftsgeographische Lage: Erreichbarkeit, Einbindung in Verkehrs- und Entwicklungsachsen, hinreichende Entfernung zu anderen Polen;
- Sektorstruktur.

Folgt man dieser Argumentation, so bieten die bisher erkannten und dokumentierten Entwicklungszentren noch keineswegs die Gewähr für die zukünftige Wahrnehmung der Funktion als Wachstumspol mit einer räumlichen Sogwirkung.

4 Verbesserung der Wettbewerbsfähigkeit der Regionen in Ostdeutschland

Die obigen Bemerkungen zur Priorität des Wachstums in der Interdependenz der drei Ziele der regionalen Wirtschaftspolitik in Ostdeutschland erfordern aus der Sicht des Verfassers, daß für die Ausrichtung der regionalen Wirtschaftspolitik in den neuen Bundesländern die Orientierung auf ein *Zwischenziel*

entscheidende Bedeutung erlangt, welches den Schwerpunkt der zielorientierten Wirtschaftsförderung zutreffend zum Ausdruck bringt. Als dieses Zwischenziel ist in Abgrenzung zur Wettbewerbsfähigkeit der privaten Unternehmen die *Verbesserung der Wettbewerbsfähigkeit der ostdeutschen Regionen* zu betrachten.

Ausgehend von den Wachstumspolen in den bestehenden Teilräumen muß mit Hilfe der Wirtschaftspolitik zielstrebig daran gearbeitet werden, einen Beitrag dafür zu leisten, daß die Standortfaktoren für wirtschaftliche Aktivitäten in den neuen Bundesländern qualitativ verbessert werden, damit sie folgenden Anforderungen gerecht werden:

1. Erleichterung von Existenzneugründungen, insbesondere aus den Reihen der einheimischen Nichtselbständigen.
2. Verbesserung der raumwirksamen Rahmenbedingungen für die bereits vorhandenen Unternehmen mit dem Ziel der Bestandspflege und des möglichen Ausbaus der Produktionskapazitäten und der Arbeitsplätze.
3. Schaffung attraktiver Standortbedingungen für die Neuansiedlung von auswärtigen Investoren.

Die Verbesserung der Wettbewerbsfähigkeit der Regionen in Ostdeutschland ist vor dem Hintergrund der allgemeinen Zuspitzung des internationalen Standortwettbewerbs zu erreichen. Die einzelnen Regionen liefern sich heute international einen als aggressiv zu bezeichnenden Verteilungskampf um das investitionsbereite mobile Geldkapital, also um die Ansiedlung und Ausdehnung der wirtschaftlichen Aktivitäten der privaten Unternehmen in den einzelnen Teilräumen.

Neben den in einigen Regionen extrem niedrigen Personalkosten (z. B. in Mittel-, Ost- und Südeuropa, Asien) spielen hier die Standortfaktoren der harten und weichen Infrastruktur eine ausschlaggebende Rolle. Eine Zunahme wirtschaftlicher Aktivitäten in den ostdeutschen Einzelregionen ist unter diesen Voraussetzungen nur zu erreichen, wenn sich für die Unternehmen die Wettbewerbsvorteile aus der Sicht des Wirtschaftsstandortes gegenüber anderen Regionen sehr deutlich abheben und langfristig verteidigen lassen.

Der schrittweise und konzentrierte Abbau der Standortnachteile wird daher in der Mehrheit der ostdeutschen Regionen zur wichtigsten Voraussetzung für ein nachhaltiges wirtschaftliches Wachstum und zugleich auch für ökonomische Stabilität und soziale Verbesserungen.

Die für eine Verbesserung der Lebensqualität notwendigen Voraussetzungen können nur auf der adäquaten eigenen ökonomischen Leistungskraft in der

Gesamtregion Ostdeutschland, aber auch der Mehrheit der einzelnen Teilregionen basieren.

5 Wesentliche Aufgaben der regionalen Wirtschaftspolitik in den neuen Bundesländern

Aus der Darstellung der Ziele der regionalen Wirtschaftspolitik leiten sich nach Ansicht des Verfassers folgende vorrangigen Aufgabenstellungen für die regionale Strukturpolitik in den neuen Bundesländern ab:

1. *Die Erarbeitung aussagefähiger und realitätsnaher Entwicklungskonzepte für einzelne Teilregionen in Ostdeutschland unter Berücksichtigung der möglichen regionalen Wachstumspole.*

In diesem Zusammenhang soll auf eine konkrete Inhaltsbestimmung des Begriffes „Region“ nicht näher eingegangen werden. Es ist aber davon auszugehen, daß der Terminus Region nicht auf ein Bundesland als Gesamtregion bezogen werden kann, sondern daß Teilräume in den Bundesländern, z. B. Planungsregionen, Landkreise oder auch historisch gewachsene Räume, zur Grundlage von entsprechenden regionalen Entwicklungskonzepten gemacht werden können. Wichtig ist hierfür in jedem Fall, daß auch mit entsprechenden Kompetenzen ausgestattete Ebenen der politischen Verantwortung (z. B. Kreistage) vorhanden sind.

In derartigen Entwicklungskonzepten sollte auf der Basis der Analyse der Stärken und Schwächen der betreffenden Region ein ökonomisches Leitbild für diese Region erarbeitet werden. Das Entwicklungskonzept muß dazu alle raumwirksamen Politikbereiche zusammenführen und auf dieser Basis die notwendige gezielte Verbesserung der Standortfaktoren in der Region aufzeigen.

Ein derartiges Entwicklungskonzept für die Region, dessen Inhalt hier nicht im einzelnen dargestellt werden kann, muß eine stärkere Dezentralisierung bzw. Regionalisierung der Wahrnehmung der Ziele und Aufgaben der regionalen Wirtschaftspolitik ermöglichen, indem die Eigenverantwortung für die Entwicklung der Region stärker entwickelt und wahrgenommen wird.

Erst auf der Grundlage des Vorhandenseins einer solchen mit vielen Verantwortungsträgern und insbesondere mit den Kommunen abgestimmten Entwicklungskonzeption wird es möglich sein, die Instrumente der regionalen Wirtschaftsförderung der Bundesrepublik und der EU so zu bündeln und gezielt so einzusetzen, daß damit optimal auf die

Verbesserung der Wettbewerbsfähigkeit der einzelnen Regionen hinge-
arbeitet werden kann.

2. *Ausbau der Infrastruktur*

Hier ist sowohl auf den Nachholbedarf in der öffentlichen als auch insbesondere in der wirtschaftsnahen Infrastruktur hinzuweisen. Ein Teil dieser Defizite aus der Vergangenheit wurde bereits in den letzten Jahren abgebaut (z. B. Telekommunikation, Straßen- und Autobahnnetz, Ferngasversorgung, Wasser- und Abwasserversorgung).

In diesem Zusammenhang soll aber auch auf die Bedeutung der institutionellen Infrastruktur hingewiesen werden, die von vielen Investoren und Existenzneugrüdern immer wieder sehr kritisch beurteilt wird. Vorrangig geht es dabei um die Beschleunigung der politischen und rechtlichen Planungs- und Entscheidungsprozesse, wie die Auslegung und Anwendung der Baugesetzgebung, des Raumplanungsrechts und des Umweltrechts im Stadium der Vorbereitung und Genehmigung von Investitionen. Zeitdauer und Qualität der Entscheidungs- bzw. Genehmigungsverfahren haben nach Aussagen der privaten Unternehmer in Unternehmensbefragungen einen großen Einfluß auf das Image der Standorte und damit die Standortwahl (vgl. Gloede/Nentwig, 1992).

3. *Die Förderung von Existenzneugründungen und Existenzsicherungen vorhandener einheimischer Unternehmen.*

Für die Wirtschaft in den neuen Bundesländern ist charakteristisch, daß die vorhandenen Unternehmen überwiegend auf dem regionalen Markt vertreten sind und der Anteil des verarbeitenden Gewerbes, insbesondere der Industrie, an der Wertschöpfung zu gering ist. Hinzu kommt, daß die einheimischen Unternehmen in der überwiegenden Mehrheit nur über eine geringe Eigenkapitalbasis verfügen.

Vielfach ging die staatliche Wirtschaftsförderung in den Regionen bisher davon aus, diese Defizite durch eine gezielte Ansiedlung von stabilen Unternehmen, die bisher außerhalb der Region tätig sind, zu verbessern. Selbstverständlich sollten diese Ansiedlungsbemühungen auch zukünftig beibehalten werden. Es wäre aber eine Illusion, davon auszugehen, daß die vorhandenen Strukturdefizite in der Mehrheit der Regionen durch die Neuansiedlung von Unternehmen, die zum Teil von anderen Standorten abgeworben werden müßten, überwunden werden können. Erfolgversprechender wäre es, wenn sich die Wirtschaftsförderung vorrangig auf die Existenzneugründung und auf die Bestandspflege vorhandener kleiner und mittlerer Unternehmen konzentriert. Die Be-

standspflege vorhandener Unternehmen muß darauf gerichtet sein, daß die bereits in der Region ansässigen Unternehmen Wettbewerbsfähigkeit erreichen bzw. behalten. Das setzt voraus, daß die Standortfaktoren in der Region für die einheimischen Unternehmen die notwendigen Vorzüge aufweisen, welche sie an die Region binden (z. B. komparative Kostenvorteile, gute wirtschaftsnahe Infrastruktur, Marktnähe, hohe Lebensqualität).

4. *Die Erhöhung des Anteils des verarbeitenden Gewerbes, insbesondere der Industrie an der Wertschöpfung.*

Im Zusammenhang mit den Besonderheiten der ostdeutschen Transformation wurde auf den in den letzten Jahren registrierten gravierenden Rückgang der Produktion im verarbeitenden Gewerbe, speziell in der Industrie, hingewiesen. Daher ist es notwendig, der spezifische Förderung dieser Branchen besondere Aufmerksamkeit zu widmen. Das könnte z. B. durch die Verbesserung der wirtschaftsnahen Infrastruktur und die offensive Vermarktung erschlossener Gewerbeflächen erfolgen.

5. *Technologieförderung*

Im Rahmen der vereinigungsbedingten Deindustrialisierung und weiterer Strukturanpassungen wurden die Forschungs- und Entwicklungskapazitäten in Ostdeutschland drastisch reduziert. Während sich die Zahl der Industriebeschäftigten im Zeitraum von 1989 bis 1993 um über 60 % verminderte, wurde im gleichen Zeitraum das Forschungs- und Entwicklungspersonal in der Wirtschaft um 80 % abgebaut (vgl. Landeszentralbank, 1995). In den Unternehmen, die durch westdeutsche Großunternehmen übernommen wurden, war dieser Abbau besonders drastisch, da Forschungs- und Entwicklungsabteilungen an den westdeutschen Standorten bereits vorhanden waren. Im Jahr 1994 betragen die Aufwendungen für Forschung und Entwicklung je Beschäftigten in der Industrie in Westdeutschland DM 7.000,—, dagegen in Ostdeutschland DM 2.200,—. Aus dieser gravierenden Innovationsschwäche ergibt sich ein erheblicher Wettbewerbsnachteil der ostdeutschen mittelständischen Unternehmen.

Für die regionale Wirtschaftspolitik stellt sich daher die Frage, welchen Beitrag sie leisten kann, um das innovative Potential der ansässigen Unternehmen zu stärken und den Erfordernissen des Marktes im Hinblick auf die Innovation neuer Technologien und neuer Erzeugnisse in einer konkreten Region zu unterstützen. Unter Ausnutzung von Erfahrungen in den alten Bundesländern wurde beispielsweise in den letzten Jahren

versucht, durch den Aufbau von staatlich geförderten Technologie- und Gründerzentren und deren Einbindung in räumliche und strukturelle innovative Netzwerke die Startbedingungen für innovationsorientierte Existenzgründungen zu verbessern.

6 Zusammenfassung

In den neuen deutschen Bundesländern ergeben sich ausgehend von den hohen Defiziten in der Wettbewerbsfähigkeit der Unternehmen und der Regionen aus der Zeit der DDR sowie infolge des vereinigungsbedingten Anpassungsschocks und der damit verbundenen gravierenden Strukturumbrüche spezifische Ziele und Aufgaben für die regionale Strukturpolitik.

Im Spannungsverhältnis der Verwirklichung des Wachstums-, des Stabilitäts- und des Ausgleichsziels erhält das Wachstumsziel eine übergreifende Bedeutung. Das erfordert, die Wirtschaftsförderung auf die Erreichung einer selbsttragenden wirtschaftlichen Entwicklung zu konzentrieren. Diese ist insbesondere von der Ausdehnung des Anteils des verarbeitenden Gewerbes an der Wertschöpfung und der Erschließung überregionaler Märkte für die vorwiegend mittelständisch strukturierte ostdeutsche Wirtschaft abhängig. Die Erzielung überregionaler Einkommen aus der einheimischen Güterproduktion, aber auch die Neuansiedlung mobilen Kapitals aus anderen Regionen, kann die derzeitig relativ hohen Transferzahlungen aus Westdeutschland und von seiten der EU schrittweise abbauen.

Die regionale Wirtschaftspolitik steht also vor der Herausforderung, die Wettbewerbsfähigkeit der ostdeutschen Regionen spürbar zu verbessern, was sowohl die Wettbewerbsfähigkeit der privaten Unternehmen als auch der Standorte einschließt. Die Lösung dieses Problems wird durch den sich ständig verschärfenden internationalen Standortwettbewerb erschwert.

Für die effiziente Verwirklichung der Ziele der regionalen Strukturpolitik in den neuen Bundesländern sind insbesondere folgende Aufgaben erfolgreich zu lösen:

1. Erarbeitung aussagekräftiger und realitätsnaher Entwicklungskonzepte für einzelne Teilregionen;
2. weiterer Ausbau der Infrastruktur;
3. Förderung der Neugründung von einheimischen Unternehmen und Bestandspflege bestehender Unternehmen, insbesondere im verarbeitenden Gewerbe;
4. Förderung der Forschung und Entwicklung zur Beschleunigung der Innovationsprozesse der kleinen und mittleren Unternehmen.

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Ulrich Brasche:

Down to mediocrity? — Germany's technological competitiveness at risk?

1	Common concern: Decreasing input	154
2	Creation of wealth: An overview	154
3	What R&D figures and patent data (don't) tell us	157
4	Make or buy: Filling the knowledge pool by acquisition	159
5	Specialization and the future	160
	5.1 Should Germany follow Japan and US?	160
	5.2 How to find the technologies of the future?	161
6	Policy conclusion	162
7	References	163

1 Common concern: Decreasing input

All major OECD nations have experienced a decline in research and development (R&D) input as well as in the number of patents in the last couple of years¹. This causes major concern in the debate on the technological competitiveness of Germany, since the common perception focuses on the intensity of input in R&D as a prerequisite for competitiveness and jobs. How can Germany — an open country that has its comparative advantages in trade with high-tech products — maintain its position in world markets when investment in tomorrow's products is neglected or at least growing less than in countries that are Germany's competitors in the world market?

The following remarks deal with the limitations of conventional public debate on "Standort Deutschland" in order to widen the point of view for the complexity of the innovation processes. When there is no simple fault like decreasing R&D-input than there is no simple cure like just spending more on science, technology and technology transfer.

2 Creation of wealth: An overview

The final goal of all economic activity is the creation of a "good life" in material terms. The attractiveness of political and economic systems is shaped in the long run by their potential to satisfy material needs for as large a number of members of society as possible. The "stream of inputs" (see *Figure 1*) is to be judged by its effectiveness and efficiency with regard to this goal. Technology is one area for innovation while innovation is one factor for market success and income. Technology alone, however does not lead automatically to innovation and innovation does not guarantee high income.

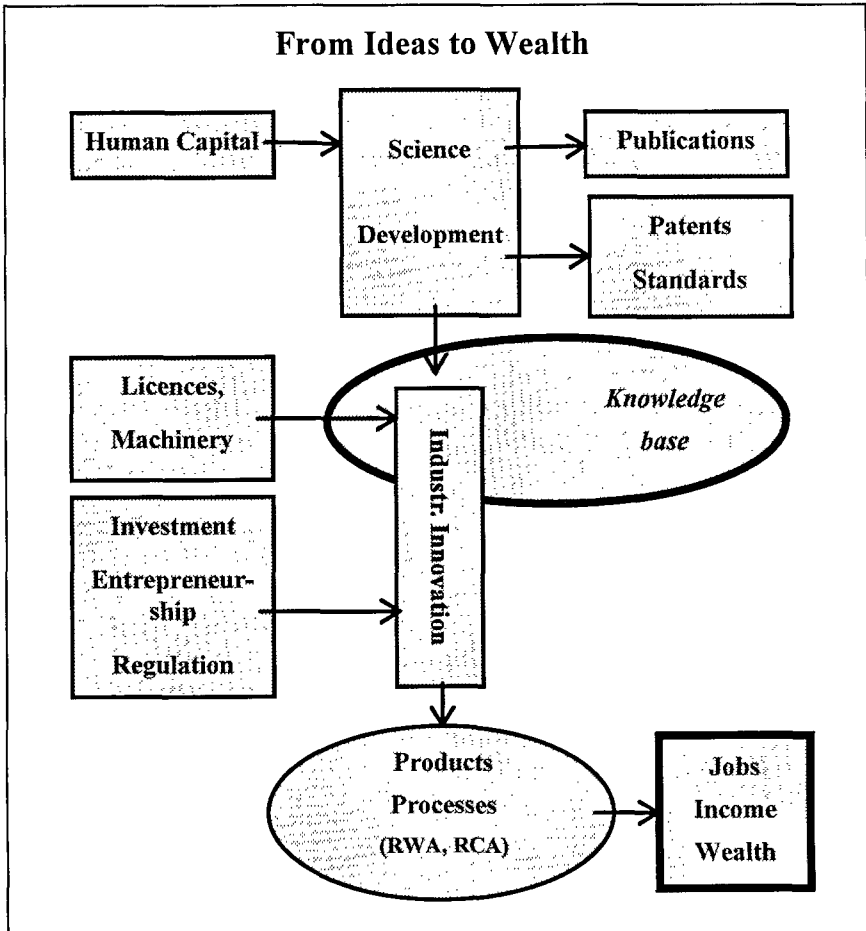
Human capital, i.e. the skills and education in all fields of science accumulated in a population, is partly engaged in R&D, where it generates new knowledge reaching from basic scientific principles to the application of technology in new products. An indicator for output from scientific, basic research activities is the number of publications². In addition to ranking the numbers of papers per head a citation index shows the importance and reputation of authors and their work in the scientific community. This output indicator generally shows scientific, not

¹ OECD (1994, 1995).

² For scientometrics cf. Evered (ed., 1989), Moed/de Bruin/Straathof (1992), Moed et al. (1992), Raan et al. (ed., 1992), EGK (1995).

economic, performance. The performance of Germany in basic research and science is generally good.³

Figure 1: From Ideas to Wealth



Some scientific results are selected for further work in applied research and product development. The output indicator for the next step in the innovation process is the number of patents granted. Furthermore, industrial norms and

³ Since reference data bases often concentrate on papers in English, the position of authors from other, "exotic" languages tend to be underestimated.

standards agreed upon or enforced by marketing power are an indicator for the maturity of a specific technological field.

Scientific results as well as patents and standards form the “home made” part of the knowledge pool of a society. This pool is not filled by national R&D activities alone: The use of foreign patents can be licensed to German manufacturers and production equipment and software bought abroad incorporates the results of successful R&D done by others.

The transfer of technological potential from the knowledge pool of a society into industrial innovation (products and processes) is the decisive step as far as economic success is concerned; the decision is taken by the markets. The main factors in transfer are:

- close cooperation between the producers of technology and the users;⁴
- investment in production technology, organisational change and marketing for new products;
- a spirit of entrepreneurship devoted to change management and open to learning processes and risk-taking;
- an “innovation friendly” national system of innovation (legal framework, regulations, labour market flexibility, taxes, access to financial sources, infrastructure etc.).

The combined result of all these factors from the creation of ideas down to the assembly line is a flow of new, improved products and/or production processes that are competitive in national and international markets. This can be measured when screening international trade figures and market positions over time (RCA-index). Competition can be based upon ...

... low prices reached by high productivity and low cost factor and/or

... non-price factors, i.e. quality, service, brand names etc.

The competing actor in product markets is the single firm while “the state” in a global economy acts as a policy and regulation creating body which competes by setting framework conditions and providing infrastructure.

The final result of competitiveness of firms within the borders of a nation is the number, quality and payment level of jobs⁵ as well as the creation of wealth⁶.

⁴ Recent research shows a limited efficiency of the state-of-the-art in technology transfer mechanism in Germany. Cf. Reinhard/Schmalholz (1996).

⁵ One should keep in mind however, that an economy can stay competitive in terms of jobs while excluding a growing proportion of population from the core of labour markets.

⁶ See Rosenberg/Landau/Mowery (eds., 1992).

The conclusions from this sketch of an innovation system are:

- quantitative and qualitative input is a requirement, but not the only condition for successful innovation⁷;
- the level or trend of inputs alone is not a sufficient indicator for the judgement of the trend of competitiveness.

This will be discussed in more detail with two of the most popular indicators: R&D expenditures and patents.

3 What R&D figures and patent data (don't) tell us

Much attention has been given to decreasing R&D intensities⁸ in major OECD countries⁹. Germany shows a sharp drop in this indicator from 1989 (2.8) to 1993 (2.3). The same pattern can be found in *R&D expenditures* of industry. When interpreting these figures one should keep in mind that a high R&D intensity can be attributed to ...

... a "catch up process" of a country starting from a lower level of R&D stocks (emerging economies);

... an industrial structure with an above average proportion of products that require a high R&D input in order to stay in the market (technology driven markets containing products with a short life cycle, for example ICT-products);

... military R&D spending that might have a limited spillover effect,¹⁰

... overspending and persisting with outdated fields of research when the economic situation of an economy and/or a firm is in favour of "nice hobbies" in R&D. Cost cutting always takes extra effort in firms or causes public outcry of well organised pressure groups when public R&D is involved.

The amount of R&D done by small and medium sized firms is systematically underestimated, since this size class of firms often is active in innovation

⁷ The importance of factors like the financial system, regulation etc. are stressed by Rosenberg/Landau/Mowery (eds., 1992) and the TEP-project (OECD 1992).

⁸ R&D expenditures in relation to GDP.

⁹ For detailed data see NIW/DIW/FhG-ISI/ZEW (1996a); OECD (1994, 1995); EGK (1995).

¹⁰ In some technological fields nowadays the driving force for technological development is no longer military but leisure and games; the requirements of military use (reliability, robustness etc.) make this sector relatively conservative, while in electronic games for example producers can take more risks while the users demand more advanced technology (computing power, display technology etc.).

without having a formal structure and budgeting for R&D. An economy like Germany's, with a large number of innovative SMEs, is better than the R&D statistics suggest.

Between R&D activities and the usability of the results in the market there normally exists a time lag¹¹. Therefore today's technological potential of a nation depends on its R&D of a decade or at least five years before. We now can not yet decide, whether today's cuts in R&D budgets will hamper tomorrow's high-tech products or whether economically sound cost cutting made better use of public and private R&D money¹². The competitive position of Germany might be affected negatively under the assumption that Germany is less good in guessing the right items for cost cutting than its main competitors; there is no evidence for such an asymmetric ability.

While R&D expenditures are in-flows to the knowledge pool it is the R&D stock that provides the base for innovation. This indicator is less easy to measure than R&D expenditures. An estimation of sectorial R&D stocks¹³ uses factors like "rate of technological turnover", "likelihood of imitation", "market structure and competition". A clear picture of high- and mid-tech sectors and the rate of depreciation of R&D stocks has been discovered: when the level of technology, i.e. the R&D intensity, is high, the rate of depreciation is high as well. This shows, that an above average R&D effort is needed just in order to maintain a position in a technologically fast changing market segment. Assuming that those technological fields serve markets with a high margin it is economically sound for a firm to defend its position by R&D. However, when the product life cycle in those markets has already reached its final stage (high volume, low margins), earning a high return is not very likely and therefore investment in R&D in this field might not be wise.

Last but not least: R&D encompasses one type of expenditure in the innovation process. Total investment for new products and processes takes up to five times more input than R&D alone. Therefore, a relatively low R&D intensity does not prove a low level of investment in innovation.

The second popular input indicator is *patents*. There is ample material on the strengths and weakness of this indicator:

- Patents are granted for R&D results that are closer to economic exploitation than just R&D input, but there is no weighing of the possible

¹¹ Even for the adoption of a complex technology for production, for example thin film for miniaturisation of sensors, a firm needs up to seven years.

¹² Not to forget about a possible "peace dividende" from the end of cold war.

¹³ Cf. DIW in NIW/DIW/FhG-ISI/ZEW (1996a, 1996b).

economic effect of a patent (i.e. turnover or profit triggered by using the patent).

- The propensity to patent varies a great deal from nation to nation (Japan higher than US) and from sector to sector¹⁴.
- It often is wise not to reveal too much information to competitors by filing with the patent office. When time-to-market is short, the procedures of getting the patent take too much time.
- When the patent is not for protection of a new, basic idea to be used in the market now or when it is just an additional protection to block a legal “technical by-pass” of an existing innovation than the additional contribution to innovation is zero.
- A backlog of applications in the patent office can be misinterpreted as the result of a high level of R&D effort, while in reality it is just a sign of bureaucratic insufficiency.
- Not all invention is patentable: software playing an important role in the “information society” is not included in the statistics.

In the last decade a specialisation of Germany in fewer fields of technology can be observed in international patent data while the US covers a broad range. Concentration on the “core fields” of a nation can bring down patent figures but can reflect an economically sound strategy.

4 Make or buy: Filling the knowledge pool by acquisition

The knowledge pool of a nation is filled not by “home made” activities alone. In analogy to the “make or buy” decision of a firm more sources are of importance: licences and imported intermediary goods as well as imported machinery and software.

Germany has a negative balance account in licensing¹⁵ — is this proof of a lack in competitiveness or is it just making good use of international division of labour? While R&D is risky, a licensed result is beyond those technological risks; the economic return on using the license has to be shared between the holder of the patent and the user¹⁶. The largest share of Germany’s payments for

¹⁴ The (still) strong position of Germany in machinery and cars plays down its potential when looking at a weak performance in international patents.

¹⁵ Cf. Deutsche Bundesbank (1996).

¹⁶ Cf. Klodt (1995).

licences is a stream within multinationals and therefore open to cost accounting policies that reflect tax differentials etc. as well as cost. In the future we can expect the German income from licensing to grow since outgoing direct investment has increased recently¹⁷.

Embodied in technical production equipment and intermediate goods is R&D done by others¹⁸. While the largest share of embodied technology flows from equipment producers to users (for example from the medical equipment producing industry to health services) there is a share of acquired R&D in industry itself. When reconsidering the level of total technology intensity in German manufacturing industry we can attribute 13 % of total intensity to imports in the high-tech industries, one quarter in mid-tech industries and more than one half in low-tech industries¹⁹. As long as market forces prevail over "strategic" restrictions in trade with high-tech there is no shortage or time-lag in acquisition of technology to be expected.

5 Specialization and the future

5.1 Should Germany follow Japan and US?

Success stories are tempting and failures hurt: the loss of markets like cameras and consumer electronics to competitors from the Far East combined with the rise of the information sector gave ground for considerations of a race to catch up with Japan and US in the fast growing fields of IT. Some would like to have the race supported by "strategic industrial policy" and public support programmes. Leaving the debate on technology policy aside I nevertheless would like to question the basic approach of every nation going into the same fields. The large nations all show a pattern of specialization; Germany has its strengths in sectors and technologies complementary to those of Japan and US. This can be observed in parallel in the indicators R&D, patents and trade. This specialisation is reflected in the knowledge pool of each country. This pool contains a stock of qualifications, tacit knowledge, infrastructure, networks, industrial structures, R&D institutions etc. that was accumulated over a long period of time. It represents the competitiveness of a country in specific fields.

It is mid-tech markets like power generators, chemicals, electronics in medical application, measurement and control, optics, fibers, colours etc. where Germany holds a strong position in the world market: it even is a technology leader in high-tech markets in Europe, while compared to the US and Japan it is

¹⁷ BMBF (1996b), pp. 125-126.

¹⁸ Cf. OECD (1995), p. 75.

¹⁹ From OECD (1995), p. 79, tab. 10.1.

in disadvantage due to the specialisation of those competitors in fields like semi-conductors, ICT and avionics.

Until now specialisation and international division of labour was a recipe for economic welfare. Before recommending a strategy for Germany of leaving the fields where it is strong and competing in fields dominated by others some questions have to be answered:

- Will the markets where Germany is strong nowadays provide income in the future or have they reached the end of their life cycle?
- Has Germany the capability and strategy to defend its position in markets that are targeted and challenged by other nations?
- Will the center of gravity of economic activity shift to markets and regions²⁰ where Germany has a disadvantage in competition?

Only when a positive answer can be derived from those questions it is economically sound to go into new fields instead of competing in changing but familiar markets.

5.2 How to find the technologies of the future?

Competition by using superior technology is based on the set of existing, applicable technologies and their use for incremental innovation²¹. A good fit of technology with a nation's strengths is favourable for successful technology transfer into industrial use. In principle it does not matter whether the specific technology was "invented here", bought or copied. But technology expires over time — sometimes fast — and is made obsolete by the next generation of inventions. Under the assumptions that ...

... the early adopters earn an extra profit and

... the late adopters will be pushed out of competition due to technological inferiority

... it is a good strategy for firms to identify the next generation of technologies that will affect their product concepts. Technology policy wants to select its portfolio for subsidies and interventions with the focus on "technologies of the 21st century"²². Every nation "navigates in a fog" where the future is concerned; has any nation a superior tool for forecasting future trends? If so, than superior

²⁰ The economic performance of Germany in the emerging economies of the Far East is much better than often reported in public debate.

²¹ We here will not take "technological break throughs" like, steam engine, petro chemicals and semi-conductors into consideration, cf. Nefiodov (1996).

²² Grupp (1995).

capability in forecasting would drive future returns in technology driven markets. An overview of foresight activities and studies in Europe and Japan²³ however shows that a common set of tools is used; no specific advantage is to be expected. A gap in industrial investment in "strategic" technologies, that can be attributed to "market failure" can and should only be filled by public activities when we can trust the prospective capabilities of decision makers in the public sector more than private entrepreneurs²⁴.

6 Policy conclusion

Technology policy is under pressure: when unemployment figures rise a fast return on investment in RT&D from public money is desired. But technological progress still is time-consuming and risky and often a project doesn't make it to the market.

The shift of policy towards faster returns and concentration of subsidies on projects with "market relevance"²⁵ might go the wrong way:

- If technology is close to the market, the state should not interfere. Exceptions can be SME-oriented support in order to prevent increasing concentration in industry.
- Science and basic research cannot be made to fit into the culture of accountants without losing its creativity²⁶. Nevertheless, a better interconnectivity between producers and users of technology must be reached by shifting incentives towards "direct"²⁷ technology transfer.
- An (too) early withdrawal from technological fields that have a long period of uncertain returns is shortsighted. There is a time lag in the process ("drumming" for a new idea, getting public and private resources directed towards this opportunity, having first products developed and produced, reaching a break even point) that can easily reach 10 to 15 years. Since the market is not an applicable mechanism to basic and very

²³ BMFT (1993); Grupp (1995); BMBF (1996a); Cabello et al. (1996); the delphi-process was started in Germany as a cooperation project with NISTEP/Japan, cf. BMFT (1993), Cuhls/Kuwahara (1994).

²⁴ Maurer (1995).

²⁵ The EU RT&D policy already dropped the label "precompetitive" from its 4th Framework Programme while German technology policy heading the same direction still is restricted by European regulation on subsidies. The first outline of the 5th Framework Programme shows an even closer focus on employment (EGK 1996).

²⁶ Nevertheless all activity in this field should be subject to evaluation from time to time in order to rearrange the flow of resources.

²⁷ Not employing a growing layer of self proclaimed intermediaries but by making it attractive for researchers to sell ideas to industry.

long term research, RT&D policy has to maintain a nation's participation in some of those fields.

The position of German industry in R&D as well as in the markets still is strong in the so called "higher tech"²⁸; the most recent figures²⁹ again show a brighter picture. It now seems to be important to tackle the "soft factors" of the innovation system, i.e. deregulation of R&D in public institutions and revision of the distribution of subsidies. The popular habit of painting unrealistical dark pictures of German competitiveness adds to a pessimistic mood.

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²⁸ Automotives, machinery etc.

²⁹ NIW/DIW/FhG-ISI/ZEW (1996b).

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B:

**Betriebswirtschaftliche
Transformations- und
Managementforschung**



**John F. Veiga
and
John N. Yanouzas:**

**Emerging Cultural Values among
Russian Managers: What will
Tomorrow bring?**

1	Introduction	168
2	Exploring Russian Culture	168
3	General Trends Among Russian Managers	170
4	Generational Differences	173
5	Trends Based on Past Work Experience	175
6	A Break from Historic Trends	177
7	“What Now” for Western Managers	178
8	Notes	179

1 Introduction

The long-hibernating Russian bear is coming out of its extended sleep, bringing with it a new form of Russian manager.¹ Perestroika, and the subsequent break up of the Soviet Union, created a dramatic economic upheaval, an unequivocal miracle, or *chudo* as the Russians would say. For many this dramatic change represents a threat to the global economy that we now know. The thought of another competitive giant in the global economy can be disconcerting to American, European and Pacific Rim managers alike.

Imagine the power of a productive Russian oil corporation competing with Exxon, Shell and British Petroleum. Consider the potential impact of a Russian stock market able to attract world capital. Will there be a Russian telecommunications corporation to rival AT&T or Time Warner? Might billionaire Russians begin to buy up large parts of corporate America? Of course, these scenarios are pure speculation.

Just as no one was able to forecast Japan's rise from defeated country to economic giant, no one knows for certain what the Russia of the future will be. We do know with certainty, however, that the Russia of tomorrow will look very different from the Russia of today. What we do not know is the impact that all of this change will have on the Russian managers' psyche. Are we about to see a revolution in Russian culture? If indeed culture is the "software of the mind,"² then how might this programming be changing, especially among managers faced with the shock of a market-driven economy?

While the Russia of tomorrow poses new threats, it also offers a new world of opportunity for business people in the west. Unfortunately, innumerable efforts to capitalize on these opportunities have run aground. Western managers often fail to deal with the cultural differences that lead to different interpretations of roles, responsibilities, and goals. As a result, many joint ventures have fallen short of the mark.³ Because of cultural differences, many Western business people have left their encounters with Russian managers feeling frustrated by their inability to understand and relate to them.⁴ In order to take full advantage of the opportunities that Russia provides, western managers must develop a clear understanding of Russia's management culture. That understanding has yet to be developed.⁵

2 Exploring Russian Culture

In this article, we present the results of a survey of Russian managers who were asked to react to a variety of short scenarios reflecting the dimensions of culture that often create conflict between Russian and Western managers. Through their

answers, we are able to step inside their minds as they respond to typical business situations. We drew upon the work of Geert Hofstede to develop our survey. One of the most important aspects of Hofstede's work is that he has successfully linked his dimensions of culture to managerial practices.⁶ Based on a study of 53 cultures, Hofstede identified five dimensions of cultural variation: power distance, uncertainty avoidance, individualism, masculinity, and long-term orientation.⁷

How the Research Was Done

Survey Instrument

Based on Hofstede's work, twenty business-related scenarios were developed with a particular cultural dimension embedded in each. For example, the following is one of the scenarios used to explore power distance: "A young, recently hired engineer decided to walk up and introduce himself to his company's president when he saw the president coming out of the post office."

A panel of judges composed of experts in cultural studies was used as a first step in assuring content validity. The resulting scenarios were then included as part of a survey. In the survey, respondents were asked to read each scenario and to indicate their degree of agreement using a five-point Likert-type scale that ranged from "Do not agree at all" to "Strongly agree." Respondents were asked to do this assignment three times by indicating:

- 1st* To what degree would you have favored such a business practice *five years ago?*
[pre-perestroika]
- 2nd* To what degree would you favor such a practice *now?* [today]
- 3rd* To what degree will you favor such a practice *five years from now?* [future]

Subsequently, data gathered in July of 1992 from managers in the U.S., Russia, and Greece on these scenarios were subjected to factor analysis. This analysis reduced the twenty business-related scenarios to twelve and provided good evidence of construct validity. The English version was translated into Russian by a native-speaking Russian manager, and the Russian version was then given to a Russian-speaking American for re-translation into English. The back translation was matched with the original and discrepancies were resolved. This assured that a valid translation had been achieved.

Russian Sample Characteristics

N = 170 Russian managers

Gender: 58 Female (34 %), 112 Male (66 %)

Age: Mean = 32 years

The 149 U.S. managers we surveyed were also asked to respond to the question "To what degree would a Russian manager favor such a practice today?" The U.S. managers averaged 40 years of age (ranging from 23 to 67); 34 percent were female; they were primarily middle managers from over 50 different major U.S. corporations. U.S. managers without some experience with Russia were instructed to leave this question blank.

In our study of managers in the United States, Russia, and Greece, we found no support for the masculinity dimension and new support for two additional

dimensions: entrepreneurialism and concern for people.⁸ (For more detail, see "How the Research Was Done") Therefore, the following six dimensions formed the basis for this study:

- *Power Distance*: The degree to which people of a country accept inequality among people. High power distance reflects acceptance of great distance between those with power and those without power, such as senior managers vs. the rank and file.⁹
- *Uncertainty Avoidance*: The degree to which people of a country prefer structured over unstructured situations. High uncertainty avoidance leads to rule-oriented, ideological behaviors.¹⁰
- *Individualism*: The degree to which people of a country learn to act as individuals rather than as members of a cohesive group. It reflects the extent to which people emphasize personal goals over group goals.¹¹
- *Long-term Orientation*: The degree to which people of a country are oriented to the future rather than to the past or present. It reflects an emphasis on thrift, persistence, and change, as opposed to a here-and-now perspective that places a higher value on tradition.¹²
- *Entrepreneurialism*: The degree to which people of a country are oriented toward investing in new ways of doing things. A high degree of entrepreneurialism reflects a willingness to take risk.
- *Concern for People*: The degree to which the people of a country place importance on building personal relationships. A high concern for people results in a major emphasis being placed on employee quality of life.

3 General Trends Among Russian Managers

The long tradition of people being ruled by czars, priests, revolutionaries, bureaucrats and "*apparatchikis*" is in the throes of change. The principle of one-leader management has survived long in Russian history, but is not likely to survive the new challenge.¹³ The free-enterprise strategy to overhaul the Russian economy, beginning in 1992, has provided the shock treatment that did not exist before. This strategy introduced a set of decrees which allowed private ownership of land and collective farms, freed up most pricing, allowed privatization of small enterprises and transfer to joint hands of even some state enterprises. Russian managers realize that to survive they must respond to the demands of market forces.

As shown in *Table 1*, the emerging picture of the Russian manager is indeed different from the past. The responses of Russian managers indicate that some fundamental changes are occurring in the values that guide their behavior. The past is far different from the present and the future looks more like today. Expecting Russian managers to adhere to the large *power distances* of the past is a mistake. The trend in our data shows a sharp and continuing decline in power distance. Power sharing seems to be replacing the “centralized democracy” propagated by Czarist and communist Russia. Gorbachev’s failed attempts to do a little tinkering with the economy but retain the socialistic system of centralized planning, followed by Boris Yeltsin’s radical changes, seems to have delivered the message to Russian enterprise managers that they must operate with a new management paradigm.

Table 1: The Emerging Picture — Past to Future

Culture Value	Pre-Perestroika Level of Emphasis	General Trend Since Perestroika
Power Distance	High*	A <i>sharp</i> and continuing decline from pre- perestroika into the future
Uncertainty Avoidance	High*	A <i>sharp</i> decline immediately from pre-perestroika into today, leveling off in the future
Individualism	Moderate*	A small but gradual increase from pre-perestroika into the future
Long-Term Orientation	Low*	A <i>sharp</i> and continuing increase from pre-perestroika into the future
Entrepreneurialism	Low	A <i>sharp</i> increase from pre-perestroika into today, then leveling off into the future
Concern for People	Low	A moderate increase immediately after perestroika, then leveling off into the future

* Our findings for power distance, uncertainty avoidance, individualism, and long-term orientation are consistent with Hofstede’s estimates.

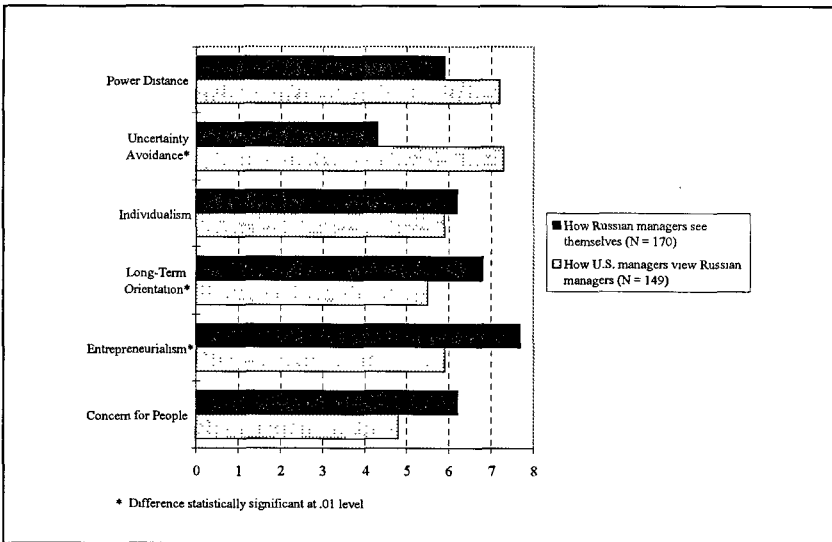
The Soviet manager was guided by a basic rule of following the rules and the party line. Today, Russian managers are less likely to avoid the uncertainties of playing it safe as they did prior to perestroika. There is a sharp decline in *uncertainty avoidance* immediately after perestroika, which is expected to remain in the future. This decline should be seen as good news given Russia’s need for managers to work effectively in what is a highly unstructured and even chaotic business situation today. The economic environment in Russia has changed and it seems that Russian managers know it. This may be happening much more quickly than Hedrick Smith foresaw four years ago when he

questioned the rapidity of Russians moving toward democracy, risk taking and participative decision making.¹⁴ Perhaps tomorrow is already here!

Individualism as opposed to collectivism appears to be the only cultural value that Russian managers do not believe has changed, although there is a small upward movement since perestroika. Perhaps there is still enough egalitarianism left in Russian society to dampen sharp changes in individualism, but this does not prevent the Russian manager from being entrepreneurial. The early signs of *entrepreneurialism* reported by some observers over four years ago are clearly in evidence in our results immediately following perestroika.¹⁵ Five-year plans, during the Soviet period, have provided a long-range planning practice among Russian managers supportive of a *long-term orientation* that not only existed in the past, but seems to be expected to increase significantly in the future.

The overall picture of today's Russian manager would suggest a person who is more willing to question any power distance in the management hierarchy, who is less ideologically oriented, who is more comfortable with less structure, who is willing to take risks and adapt to the demands of a free market, who is able to be a team player, and who is even more disposed to taking the long view.

Figure 1: Views of Today's Russian Managers



Unfortunately, this emerging picture has not been seen by many U.S. managers. When we asked U.S. managers to tell us how they believed Russian managers would respond to our survey, we found some striking misperceptions still exist. *Figure 1* compares the way in which U.S. managers view their Russian

counterparts compared to how Russian managers see themselves. Clearly, U.S. managers are underestimating the long-term orientation and level of entrepreneurialism of their Russian counterparts and overestimating their counterparts' need to avoid uncertainty.

4 Generational Differences

Unlike what we found for U.S. managers, perceptions of Russian managers clearly reflect generational differences (see *Figure 2*). For U.S. managers, age was not a factor in explaining differences in cultural orientation. However, in Russia, the managerial generation over 40 years of age responded quite differently than those under forty.¹⁶

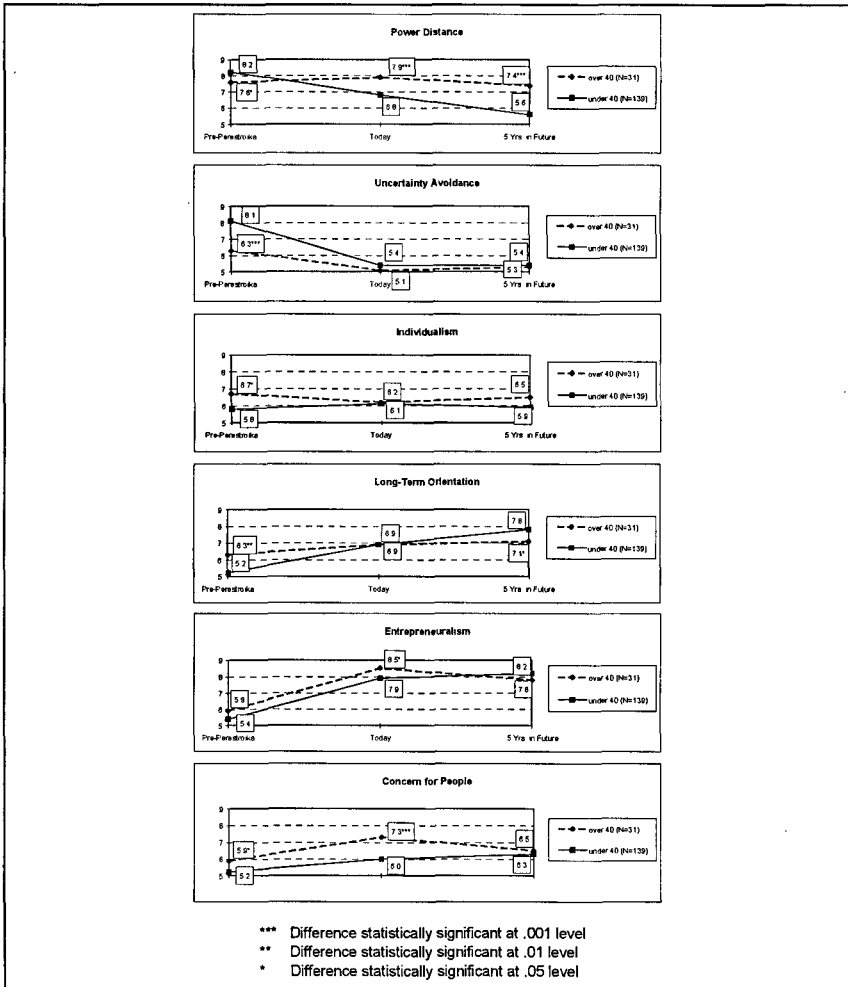
While the overall trend in *power distance* was marked by a decline since perestroika, when the data were run through a generational filter, we found that younger managers perceived higher levels of *power distance* before the break-up of the USSR and now see a major decline in this orientation for the present and into the future. Older managers, on the other hand, believe that very little change has occurred or will occur in the future. While these differences in perception may be explained by examining historical forces operating on different generations of managers, it is equally useful to look at it from a career stage point of view. Generally, older managers display higher levels of vested interest in the status quo and thus feel a stronger sense to the past. Hence, senior Russian managers may believe that their past ways worked well and that little change is needed in how they behave in the future toward their subordinates. In contrast, lower level managers may believe that power distance is too great above them and hence long for a greater reduction. In addition, older managers were more thoroughly exposed to the socialist experiment as they climbed the career ladder. Is it any wonder then that their perceptions differ?

Younger managers perceive much higher levels of *uncertainty avoidance* in preperestroika days than their older counterparts. For centuries the Russian people have looked up to great leaders — czars, bishops, revolutionary heroes, politburos — and followed national symbols, such as icons and axes, hammers and sickles. Clearly, the business climate under communism made *uncertainty avoidance* a cornerstone of living in general and particularly in managing of soviet enterprises.

Even though five-year plans were used to manage a centralized command economy, younger managers tended to see less of a *long-term orientation* before perestroika. The edicts of the past on planning seem to have had a greater and more lasting impact on the more senior managers charged with implementing them. As to the future, younger managers predict a sharp and upward swing in *long-term orientation* while their older counterparts see only a modest increase.

Younger managers tend to see *entrepreneurialism* on the rise at least for the next five years, while older managers see a significant drop in *entrepreneurialism* occurring once the initial entrepreneurial frenzy has stabilized. While many of the safety nets have been removed, younger managers reflect a somewhat greater willingness to take risks in a challenging, unforgiving business climate.

Figure 2: Generational Differences (Mean Response)



Concern for people seems to be less important to younger managers. Perhaps the proletariat buy-in of the older managers is still in effect, while second and third

generations of the socialist experiment are not as committed to the founders' ideology.

It appears that Western managers will be dealing with both some younger managers who see a need to change the ways of doing business and some older managers who still do not see all the old ways as being that different. Russian firms engaged in joint ventures that are aware of this difference could find it more beneficial to use managers who espouse market-oriented values, perhaps relying more on younger managers who are more likely to make a break from the past. While such an age-biased practice could be viewed as discriminatory by Americans, it is likely an essential ingredient to keep the momentum of a market-oriented economy going.

5 Trends Based on Past Work Experience

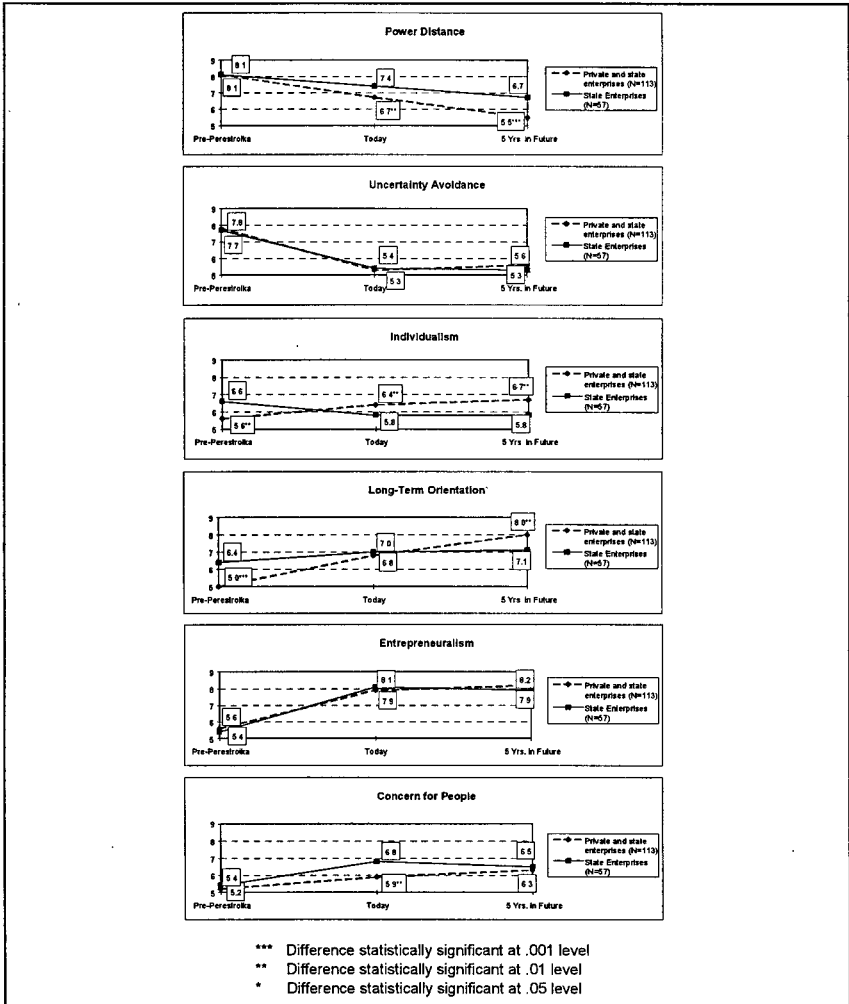
We also found differences between Russian managers whose managerial experience was solely in state-run organizations compared to those who had combined experience in both state and private-sector organizations (*Figure 3*).

Managers with experience in both sectors perceive a sharp decline in *power distance* in the managerial hierarchy, while managers with only state-run organizational experience perceive a more moderate decline since perestroika. Both anticipate a continuing decline of *power distance* and *uncertainty avoidance* into the future. Others have reported a similar trend by noting a decline of centralized planning; e.g., elimination of the Supply and Planning Ministries.¹⁷

Past experience had a telling effect on how each perceived *individualism*. Those who had managerial experience in both sectors saw far less *individualism* and a much greater emphasis on group goals in the past. Since perestroika, those with only state-run organizational experience perceive a moderate decline in *individualism*, while their counterparts foresee a moderate increase continuing in the future. This is an unexpected finding, since one might expect a need for an increase in *individualism* in a free-enterprise economy presumably driven by the competitiveness of individuals. But the reality is that there are very few established laws and norms to facilitate a market-driven economy. Privatization is far from being a *fait accompli* and convertible currency is still problematic.

Equally surprising was the impact of past work experience on *long-term orientation*. Those with managerial experience in both sectors envision a sharp increase in the need for a *long-term orientation*, while their counterparts see only a slight increase occurring. This suggests that managers with experience in both sectors may not be as cynical about long-range planning as their counterparts who have considerable experience with the past practice of five-year planning.

Figure 3: Impact of Previous Management Experience on Culture Values (Mean Response)



Managers with solely public sector experience seem to be exhilarated by new-found human rights freedoms and report a significantly higher level of *concern for people* today than those who had experience in both sectors. But into the future, both groups foresee a higher emphasis on *concern for people*. Overall, while this may be a general reaction to the new-found civil freedoms in Russia, it seems paradoxical that the ways of a market economy would require more concern for people than an economy-based on proletariat equality. However, new competitive pressures for well-qualified employees along with the

breakdown of the legal and political infrastructure, may, in fact, make personal relationships more important than ever.

6 A Break from Historic Trends

Though several attempts were made in the past 70 years — first by Lenin and later by Gorbachev — to reduce power distance by sharing with collectives and workers, until recently the traditional Russian attitude has been leaning toward centralized power and responsibility in their enterprises.¹⁸ Neither Lenin nor Gorbachev was able to break the one-leader centralization of Soviet enterprise. But the fall of the Soviet system may have triggered another attempt for younger Russian managers to make the break that was not possible in the past. This is clearly a significant shift in values, at least on the part of those who see that a free-enterprise economy requires some “grass root democracy”¹⁹ to be somehow blended with the traditional Russian predisposition toward power. The younger managers may better understand that in order to adhere to the imperatives of the times, more democracy and more competition — both domestic and foreign — that a market-oriented economy cannot be run from a centralized planning bureau. Yet, there are many older Russian managers who do not see a release of their power in the future.

The luxury of playing it safe and relying on state mandates that required, above all, avoiding uncertainty can no longer be the way Russian managers, young or old, will engage in the massive restructuring of the economy. If it is to be a market-oriented economy, then managers will have to be more risk-oriented than the past has allowed or encouraged. The ingenuity exerted during the communist era to circumvent restrictive and stifling rules, supply and equipment shortages and unmotivated workers — which often thwarted the accomplishment of party-set production goals — can now be directed toward the undoing of the chaos created by the conversion from socialism. In an environment where laws are abrogated or changed almost daily, there are only two choices for a manager: either be totally immobilized by uncertainty or follow your own rules. The latter seems to have some following, especially among younger managers. The recent assertion that Russian managers are less innovative than U.S. managers²⁰ may already be outdated as Russians are rewarded by the marketplace when the risks they take pay off handsomely. The political, religious, and environmental chains that mindlocked Russian managers may no longer be strong enough to hold back these risktakers.

Perhaps the biggest enigma facing the Russian manager is the degree to which it is psychologically and socially justifiable to engage in activities that enhance individual versus collective good. Clearly the vagaries of the centralized economy thwarted the budding of individualism. Surviving and achieving the

goals set by centralized planning called for much self-sacrifice, and managers had to rely on their individual talents. Yet, Russian culture has scorned those with an individualistic bent. Victor Levintan, Chief Engineer of the Moscow factory Mikromashina, put it strongly when he mused:

“The driving motivation for many Russian managers was and is still a desire for the progressive development of their enterprise as well as the country ... The number of managers who are only interested in advancing their own self interests are few.”²¹

Therefore, a psychological or social “winners curse” may linger on for many years in a society that operated so singularly on the egalitarian principle. Perhaps the Russian bear will never be comfortable dancing alone? The prognosis that a market-driven economy today and in the future will require a large dose of entrepreneurialism is not lost on both older and younger Russian managers who see that there must be a sharp break with the past. Our survey clearly showed this need and daily reports about entrepreneurialism in Russia chant stories about the smart entrepreneur, the unscrupulous ones, and even the absurd. Some have reported a “Wild West” anything-goes attitude toward doing business.²² This raises an interesting dilemma. Will Russian managers go after bigger risks than Western managers are willing to consider? There are many opportunities and so very few laws or traditions to guide the entrepreneur.

Regardless of their age or past managerial experience, Russian managers clearly expect to take a more long-term view in the years ahead. This is somewhat ironic since the Soviet system required “five-year” plans. It is abundantly clear that the conversion to a market-oriented economy means more than legislating new laws and modernizing some of the obsolete segments of the economy. To attract world investment and steer through the marketplace chaos that exists, realistic long-term planning is necessary. This means creating long-term plans that can be sold to investors and are capable of steering managers through the tough times ahead.

7 “What Now” for Western Managers

The economic terrain in Russia is changing rapidly and many Russian managers are willing to adjust to it. But, will Western companies be willing and able to adjust to these changes? For example, will Russian managers be asking prospective joint venture partners to take more risk than the prospective partners might want? Will Western companies select managers and negotiators who are more cautious and conservative than their Russian counterparts? And, will these differences make a good partnership?

It is encouraging to see that there is no longer one monolithic “Red” manager. It may be tempting for Western managers to expect all Russian managers to

engage in Western-style business behavior. This temptation may be further exacerbated by the expectations and behavior of those Russian managers who are indeed changing their business behavior. Yet, there are also those who still hold important positions and want to maintain the ways of the past, albeit dressed up to look different, in order to survive.

Western managers seeking to do business must be aware of the generational gap in Russia and proceed cautiously, testing the waters to see the cultural orientation of their Russian partners. Many market-oriented managers are often under forty. These entrepreneurs have shown a propensity toward daring undertakings that give them the leverage they did not have in the past. Though they may have little market-oriented experience, they seem to be willing to take risks, sometimes even greater than those Western managers are willing to consider. Entrepreneurs the world over may have the same basic drives that propel them into new ventures, but the ways that entrepreneurship is practiced and the ethical standards that guide entrepreneurs may differ.

Past experience of a Russian manager may be as telling as the manager's age. Managers whose past experience is totally in state owned organizations may be deeply imbued with the principle of one-leader management or "*edinonachalie*." Thus, even with the precipitous decline of the role of the Moscow bureaucrats, one must proceed cautiously. Gregory reports that in the period 1986–1991, there has been a significant decline in the imposition of "economic law" in planning enterprise activities.²³ Enterprise autonomy is rapidly increasing amid the collapse of state-imposed rigid rules and regulations, especially those related to privatization and bankruptcy. Younger managers in particular may no longer anoint the single leader with complete power — once so common. Perhaps there is even a bit of disdain for authority and power distance. Western managers should expect to approach their Russian counterparts as equal.

8 Notes

- ¹ S.M. Puffer, "Understanding the Bear: A Portrait of Russian Business Leaders," *The Academy of Management Executive*, Vol. 8, No. 1 (1994): 41-54.
- ² G. Hofstede, *Cultures and Organization*, London: McGraw-Hill, 1991.
- ³ Eleonora Cattaneo, "Managing Joint Ventures in Russia: Can the Problems be Solved?," *Long Range Planning*, Vol. 25, No. 5 (1992): 68-72.
- ⁴ Puffer, *op.cit.*
- ⁵ R. Hirsch and M. Grachev, "The Russian Entrepreneur," *Journal of Business Venturing*, Vol. 8, No. 6 (1993): 487-497.
- ⁶ H.C. Triandis, "Cross-Cultural Industrial and Organizational Psychology," in H.C. Triandis, M.D. Dunnette, and L.M. Hough (eds.), *Handbook of Industrial Organizational Psychology*, 2nd ed.; 4, Palo Alto, CA: Consulting Psychologist Press, Inc., 1994: 103-172.

- ⁷ G. Hofstede, "Motivation, Leadership, and Organizations: Do American Theories Apply Abroad?," *Organizational Dynamics*, Vol. 9, No. 1 (1980): 42-63; G. Hofstede, and M. Bond "The Confucius Connection: From Culture Roots to Economic Growth," *Organizational Dynamics*, Spring 1988: 12-13.
- ⁸ J.F. Veiga, J.N. Yanouzas, and A.K. Buchholtz, "Business Practices: An Exercise Comparing U.S. and Russian Managers," *Proceedings of the 5th Biennial International Management Conference of the Eastern Academy of Management*, Berlin, Germany, June 1-4, 1993.
- ⁹ These definitions are from: G. Hofstede, "Cultural Constraints in Management Theories," *Academy of Management Executive*, Vol. 7, No. 1 (1993): 81-94; and Tdandis, *op.cit.*
- ¹⁰ *Ibid.*
- ¹¹ *Ibid.*
- ¹² *Ibid.*
- ¹³ P.R. Gregory, "Soviet Bureaucratic Behavior: Khozyaistvenniki and Apparatchiki," *Soviet Studies*, October (1989): 511-525.
- ¹⁴ H. Smith, *The New Russians*, New York: Random House, 1990.
- ¹⁵ J. Ivancevich, R. DeFrank and P. Gregory, "The Soviet Enterprise Director: An Important Resource Before and After the Coup," *Academy of Management Executive*, Vol. 6, No. 1 (1992): 42-55; see also D.J. McCarthy, S.M. Puffer, and S.V. Shekshnia, "The Resurgence of an Entrepreneurial Class in Russia," *Journal of Management Inquiry*, Vol. 2, No. 2 (1993): 125-137.
- ¹⁶ The age of 40 has often been cited as a point where most managers become plateaued in career. It has also been extensively referenced in the life-stage literature as a point of crisis, or re-evaluation. However, given all the popular press about "young" entrepreneurs in Russia, we examined each ten year Generation of Russian managers (in their twenties, thirties, forties, and fifties) and found that twenty and thirty year olds did not differ significantly from each other, but that those in their forties and fifties clearly differed with those in their twenties and thirties.
- ¹⁷ Gregory, *op.cit.*
- ¹⁸ H. Kuromiya, "Edinonachalie and the Soviet Industrial Manager 1928-1937," *Soviet Studies*, Vol. 36, No. 2 (1984): 185-205.
- ¹⁹ C.A. Vlachoutsicos, "Key Soviet Management Concepts for the American Reader," in P.R. Lawrence and C.A. Vlachoutsicos (eds.), *Behind the Factory Walls: Decision Making in Soviet and U.S. Enterprises*, Boston, MA: Harvard Business School Press, 1990.
- ²⁰ W.L. Tullar, "Cultural Transformation: Democratization and Russian Entrepreneurial Motives," A paper presented at the annual meeting of the Academy of Management, Las Vegas, August 1992.
- ²¹ Comments made by Victor Levintan appear as an addendum to S.M. Puffer, *op.cit.*, 1994.
- ²² S.M. Puffer, *op.cit.*
- ²³ P.R. Gregory, "The Impact of Perestroika on the Soviet Planned Economy: Results of a Survey of Moscow Economic Officials," *Soviet Studies*, Vol. 43, No. 5 (1991): 859-873.

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Claudia Mennicken:**

**Ecological Risk and Crisis
Management —
A Behavioral Approach**

1	Abstract	182
2	Ecological Risks and Ecological Risk Management	182
3	Perception and Evaluation of Ecological Risks	184
4	Empirical Studies	185
4.1	Managers' Risk Perception: An Application of Correspondence Analysis	185
4.2	Managers' Risk Acceptance: An Application of Conjoint Analysis	187
5.	Ecological Crisis Management	189
6	Literature	191

1 Abstract

Because of an increasing number of local and global ecologically harmful disasters, more and more people cast a critical eye on the ecological responsibility and behavior of business enterprises. Industries with a high potential of ecological risks in particular, e.g. the chemical industry, should develop strategic concepts for an effective risk and crisis management as early as possible. The more responsibly management evaluates ecological risks, the easier it is to implement such concepts. This paper develops a behavioral approach to describe and analyze the individual processes of perception and evaluation of ecological risks from the manager's point of view, focusing on empirical results gained by correspondence and conjoint analysis.

2 Ecological Risks and Ecological Risk Management

Risks in general can be regarded as threats that goals can not be achieved. Risks are always related to business activities. A firm has to cope e.g. with market-related risks, investment-related risks or financial risks. Many of these mostly well-known risks can be calculated in terms of probability of occurrence and (potential) amount of damage in the case that the risk occurs. To handle these kind of risks typical instruments in risk management as insurances or building up financial reserves can be chosen.

Ecological risks in particular are threats that environmental pollution can be a consequence of business decisions and activities (Steger/Antes 1991). Ecological risks differ in at least three aspects compared to generally business-related risks:

- poor calculable,
- problems of using of the statistical expectation value of loss, and
- evaluation is based on emotional rather than rational grounds.

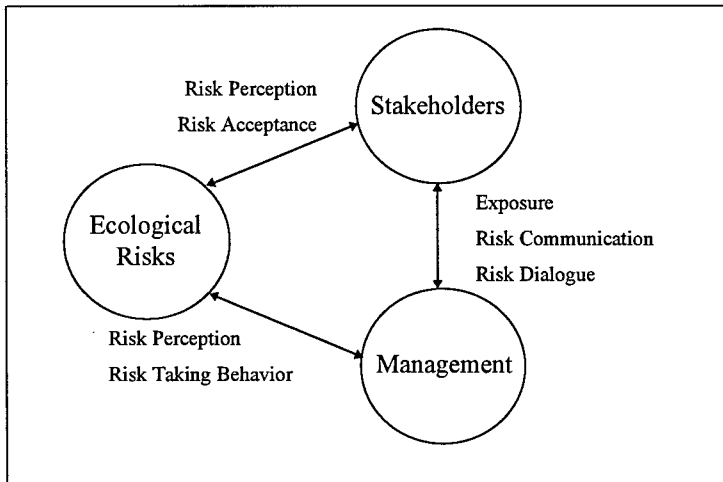
Due to high levels of ecological consciousness of the public, economic efficiency in terms of turnover, market share and ROI seems no longer to be the only constraint for success, especially not for multinational or global companies. Branches with a high ecological risk potential, e.g. the chemical industry, do their business under the condition of public interest and awareness. Therefore, ecological efficiency and public acceptance (legitimacy) in terms of comprehension, credibility, and confidence are more and more important success factors (Meffert/Kirchgeorg 1993). A lack of legitimacy can cause crisis as we have seen in the cases of Hoechst in 1993 and 1996 (series of faults in the

production process) and the Brent Spar crisis of the Shell company in 1995. Within the field of crisis management the most commonly used framework identifies three stages of crisis (Pauchant/Mitroff 1992): a pre-incident or risk phase, the focal incident and a post-incident phase of recovery and turnaround. In the following we will focus on the pre-incident phase which includes the task of identification and evaluation of ecological risks, also considered as risk management.

Ecological risk management has to consider at least three main aspects (see *Figure 1*):

- the management's risk consciousness,
- the kind of ecological risk caused by the firms' activities and business, and
- the stakeholders of the firm.

Figure 1: The Triad in Risk Management

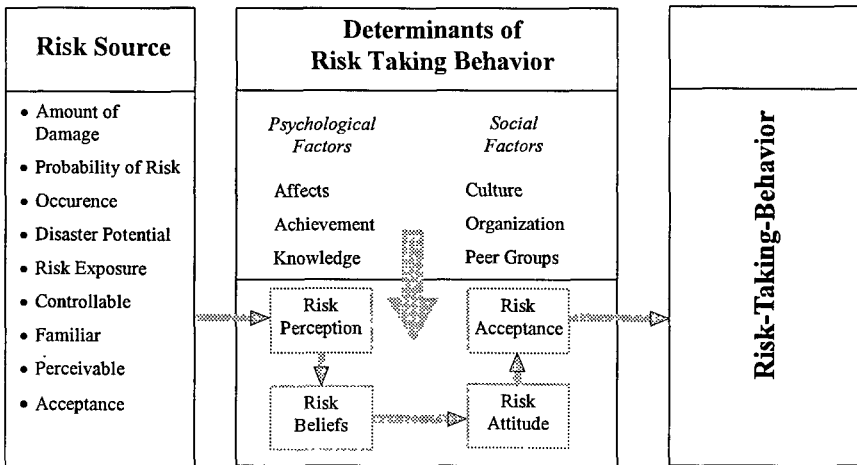


Ecological risks due to business activities are differently perceived and evaluated by the firm's management and their stakeholders. Evaluation processing determines the risk taking behavior of the management as well as the risk acceptance or the non-acceptance of the public. Companies can communicate with their stakeholders and inform them e.g. about their safety standards to demonstrate their social responsibility in regard to the handling of ecological risks (Wiedemann 1990).

3 Perception and Evaluation of Ecological Risks

In spite of a vast literature concerning risk management, there is no generally accepted definition of risk (Borcherding et al. 1986). In behavioral analysis risk is a multidimensional hypothetical construct, that means it can be evaluated but not directly observed. Individuals attribute risks to certain objects, activities or situation dependent on subjective perception, information processing and learning (Jungermann/Slovic 1988). To perceive and evaluate specific ecological risks people may use a lot of attributes like the amount of damage, probability, individual involvement and exposure. Empirical investigations have shown that risk perception is influenced by quantitative as well as qualitative attributes of a risk source (Covello 1983, Lichtenstein et al. 1978). These risk attributes can be integrated into a behavioral model of risk analysis (see *Figure 2*).

Figure 2: Model of Risk Taking Behavior



Each risk source can be described by a risk profile including quantitative and qualitative attributes. To explain the risk taking behavior we have not only to take under consideration the risk perception of those attributes but also risk beliefs, attitudes towards risks, and risk intentions or risk acceptance. Each manager holds beliefs about the perceived attributes of a risk source. If we add to each belief the individual evaluation in terms of importance or unimportance we can observe risk attitudes which determine the intention to act in a special manner.

These hypothetical constructs themselves as well as the causal relationships between them are moderated by some psychological and social factors. For

instance, the risk perception can be distorted or biased by the use of different mental heuristics (Tversky/Kahneman 1974). For example, according to the availability heuristic people assess probabilities of events depending on the ease with which these events can be brought to mind. Consequently, the probability of events which are reported in mass-media, like natural hazards (e.g. tornadoes) or crisis like the Brent Spar-incident, are often overestimated compared to other risks like heart attacks or car accidents.

4 Empirical Studies

As a literature review has shown (overview in Covello 1983) many of the empirical studies in risk research try to describe risk profiles of different risk sources (e.g. Borchering et al. 1986, Lichtenstein et al. 1978, Slovic 1992, Slovic et al. 1991). Factor analysis has been used to identify major dimensions of individual risk perception. With multidimensional scaling similarities structures between different risk sources have been explored. In the following we will present two new methodological approaches to analyze the individual perception an evaluation of ecological risks: correspondence and conjoint analysis. The purpose of the first study is to explain risk perception and risk beliefs hold by managers, and the second one is an empirical approach to analyze the managers' level of risk acceptance.

4.1 Managers' Risk Perception: An Application of Correspondence Analysis

The aim of our first study is twofold: Firstly, we want to identify major latent dimensions which can be used to explain the perception of different risk source. Secondly, we want to identify the relative position of different risk sources according to the associated risk attributes.

In our study we asked 21 highly positioned managers from different branches to rate 9 different risks according to 15 attributes using a three-point scale including the ratings "I agree", "I agree a little", "I disagree" (see *Table 1*). To give an example, the respondents have to evaluate the statement: "The risk of industrial food production is familiar to me."

Although the data set is a small one and not representative, we can use correspondence analysis as a data analysis technique which is very similar to principal component analysis, but it can also be applied to categorical data as well (Greenacre 1984). Additionally, no sample size requirements are imposed and this exploratory multivariate technique works without any distributional assumptions. Correspondence analysis provide graphical facilities to display the results.

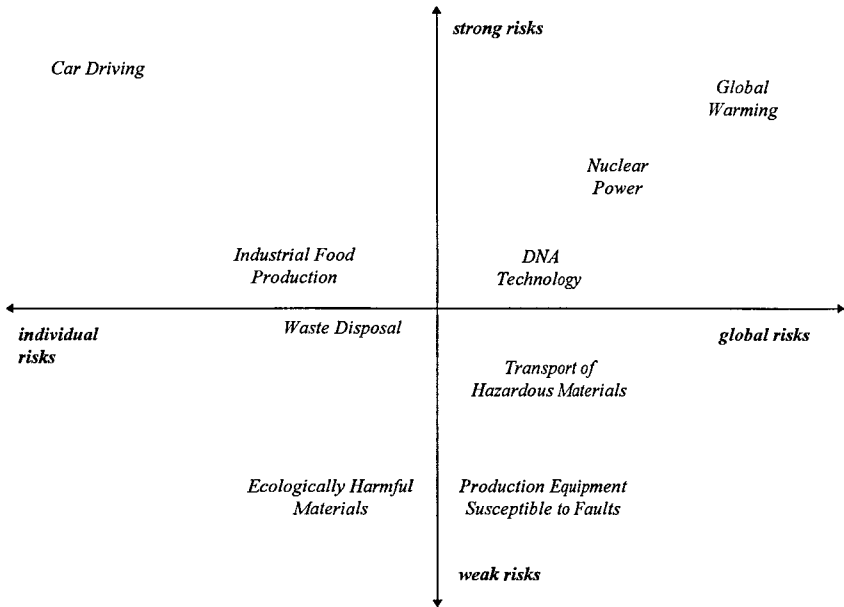
Table 1: Items of the Questionnaire

Risk sources	Attributes of risk sources
<ul style="list-style-type: none"> • nuclear power • DNA technology • industrial food production • waste disposal • use of ecologically harmful materials in the production process • transport of hazardous materials • use of production equipment susceptible to faults • global warming (greenhouse effect) • car driving 	<ul style="list-style-type: none"> • potentially catastrophic • familiar • own exposure • controllable • fatal consequences • exposure of many people • probable • voluntary • responsible • perceivable • acceptable • inequitable distribution of risk and benefit • easy to reduce • immediate adverse effects • affecting future generations

The results shows that the variance of risk perception can be explained to 78 % by three latent dimensions. The first two dimensions and the positions of the risk sources are displayed below (see *Figure 3*). A more detailed description of the dimensions is the following:

1. *Risk-Exposure Dimension*: The extreme points of this first latent dimension are “individual” and “global risks”. This dimension contrasts between “car driving” on the one hand and “global warming” and “nuclear power” on the other hand. Car driving is associated with attributes like “voluntary”, “responsible” and “acceptable”. In contrast, global risks are evaluated as “potentially catastrophic” and have “negative consequences for future generations”.
2. *Risk-Involvement Dimension*: The second dimension differentiates between “strong” and “weak risks”.
3. *Risk-Latency Dimension*: The third dimension which is not displayed in *Figure 3* has the extreme points “acute” and “latent risks”. The “transport of hazardous materials” is perceived as an acute risk whereas “waste disposal” is a latent one.

Figure 3: Managers' Risk Perception in a Twodimensional Space



Worth to mention, that the managers in our sample are not highly involved with regard to well-known industrial risks like “faulty production equipment” or the “use of ecologically harmful materials in the production process”, which are perceived as “weak risks”. To sum up, corporate related risks are perceived more or less as local restricted and rather weak. This result can be a consequence of a lacking awareness of typical ecological risks of businessmen, at least in our sample. In the future, some more empirical work has to be done to proof this statement.

4.2 Managers' Risk Acceptance: An Application of Conjoint Analysis

Our second study was conducted to gain some insights to explain the risk acceptance of managers. In this case we have applied conjoint analysis to analyze the data. Conjoint analysis refers to any decompositional method that estimates the structure of an individual's preferences (in our case part-worths and importance rates for risk attributes) given the individually overall estimation of a set of alternatives that are prespecified in terms of levels of different attributes (Balderjahn 1993, Green/Srinivasan 1978). In our study we described

hypothetical risky business projects based on four risk attributes with the following attribute levels (*Table 2*):

Table 2: Design of Conjoint Analysis

Risk attributes	Levels of the risk attributes
Benefit resulting from the risky project:	very high — high — low — very low
Probability of occurrence of an ecological damage:	0.0001% — 0.001% — 0.01% — 0.1%
Potential amount of damage:	only injured — below 10 dead — up to 1.000 dead — up to 10.000 dead
Possibility of negative effects for future generations:	yes — no

With these attribute levels 128 risky projects can be described. We have used a fractional factorial design, so that only 18 projects had to be rated by the managers. Although, individual results can be aggregated, conjoint analysis is mainly an individual-level based analysis. To model the individual risk structure we can apply three different risk preference models:

- the part-worth model for nominal attributes,
- the vector model for continuous attributes (“the more or the less the better”), and
- the ideal-point model in the case whereas an ideal point might exist.

The overall preference value is calculated on the sum of all part-worths. We assume an additive model.

In the following we want to explain the results for two high potential managers, one bank manager and one chief executive of an automobile company (see *Figure 4* and *5*). We can find differences in both risk preference structures. The bank manager favorites a linear risk concept, i.e. the risk acceptance proportionally decreases as the risk intensity increases. In comparison, the chief executive prefers a curvilinear concept, i.e. for this person the risk acceptance decreases very fast as the risk intensity increases.

Another result is that there are individual differences regarding the attributes relative importance weights. Importance weights are measures of the influence one attribute has on the global preference. On average “benefit” and “damage” are nearly equal weighted with 36 %, “probability” with 16 % and “negative future effects” with 11 %.

Figure 4: Bank Manager's Risk Acceptance — Linear Risk Concept

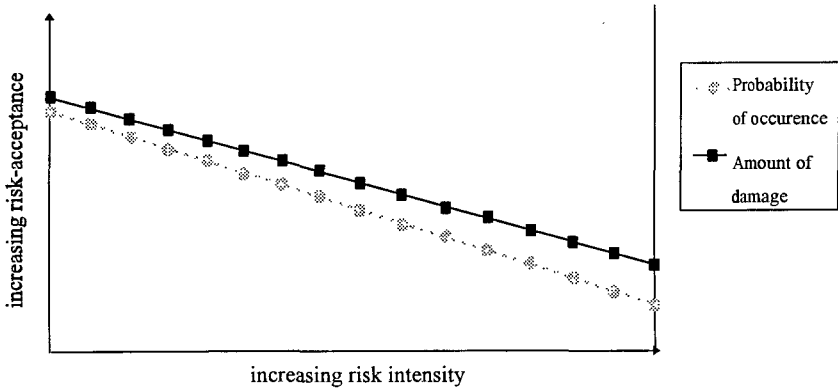
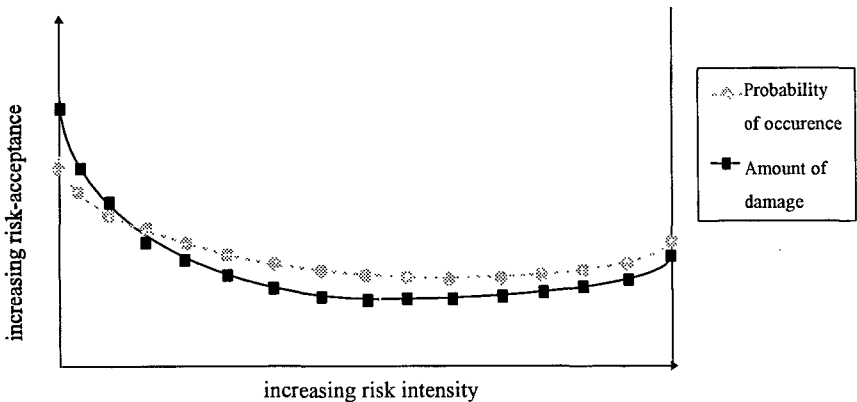


Figure 5: Chief Executive's (Automobile Company) Risk Acceptance — Curvilinear Risk Concept



We can conclude that at least the interviewed managers, firstly, do not perform rational or expectancy value risk models — they use additive models — and secondly, they hold different risk concepts — linear and curvilinear, respectively.

5 Ecological Crisis Management

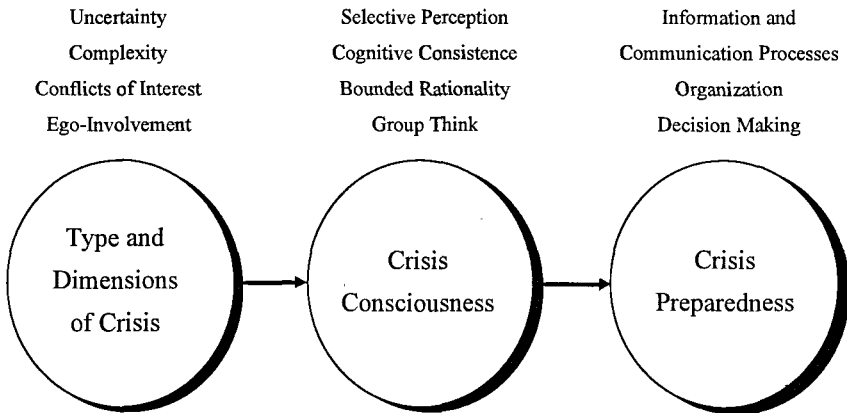
Companies or managers who do not handle ecological risks in a responsible way have to take into account the situation in which a risk occurs, the situation of crisis. Organizations are more or less prepared to cope with crisis. Pauchant/Mitroff (1992) categorized organizations in crisis-prone and crisis-

prepared organizations. Crisis-prepared organizations can be generally characterized as follows:

- open-minded for changes,
- communicative with their stakeholders (risk and crisis communication),
- cooperative in regard to the interest of their stakeholders, and
- socially responsible (Dyllick 1992).

The question that arises is which factors determine whether an organization is prepared for crisis (see *Figure 6*).

Figure 6: Conceptual Model of Crisis Management



From the manager's point of view uncertainty, complexity, conflicts of interest and ego-involvement occurring in the crisis-incident phase are the main factors which can explain the managers ability to handle crisis (Reilly 1987). One hypothesis is, that the more the management is risk and crisis conscious the better the organization is prepared to cope with crisis. The crisis consciousness is influenced by factors like selective perception, striving for cognitive consistence (e.g. creeping commitment), bounded rationality (e.g. rules of thumb), and group think (Janis 1982). On the organizational level, crisis preparedness is mainly determined by the susceptibility of a company, the internal information processes and the external crisis communication and the flexibility of the organizational structure to cope with crisis (Stubbart 1987).

6 Literature

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**Walter Dolde
and
Thomas J. O'Brien:**

**Determining the Opportunity
Cost of Capital for
International Investing in
Eastern Europe**

1	Introduction	194
2	The transition in global investment analysis	195
	2.1 Capital asset pricing models in the absence of purchasing power parity	195
	2.2 Empirical evidence on exchange rate risk premiums and market integration	196
	2.3 Choice of the currency of valuation	196
	2.4 What is the nationality of a firm?	197
	2.5 An example	198
3	Analyzing Eastern European investments	199
	3.1 Where are we in the transition?	199
	3.2 Nonconvertible currencies	199
	3.3 Degree of global market integration	200
	3.4 Forming quantitative estimates	201
4	A practical GCAPM with foreign exchange risk	202
5	Summary and conclusions	203
6	Bibliography	204

We present a new method for analyzing global investments that is consistent with the transition to globally integrated markets in which exchange rate exposures are systematic risk factors. The model is readily implementable by practitioners. We focus application of the model on investments in eastern European nations in transition to market economies.

1 Introduction

Only a quarter century ago, market-economy managers made little distinction between the methods used to analyze prospective international and domestic investments. Exchange rates were fixed and those devaluations that did occur were viewed as diversifiable rather than systematic risks. Shareholders' opportunity costs of capital were *de facto* other investments in the country where the investment would occur. With markets almost totally segmented — virtually no cross-border shareholdings and asset returns internationally uncorrelated — the premium for systematic risk in most applications reflected only covariance with the market portfolio in the target country.

Two developments since the early 1970s have caused a significant rethinking of investment procedures at the best global companies. First, exchange rates now fluctuate, occasionally with very high volatility. This raises the possibility that investors with different home currencies experience different rates of return from a given investment. Certainly they experience different nominal returns. If purchasing power parity (PPP) holds, however, investors' real returns are identical, since the currency fluctuations are exactly those necessary to offset differential movements in nominal price levels. Alas, overwhelming empirical evidence indicates that PPP does not hold, though there is some tendency to move towards it over horizons of fifteen years or so. In the short run, the volatility of real exchange rates is of the same magnitude as the volatility of nominal exchange rates (Rogoff, 1996).

The second development compelling a revamping of capital budgeting analyses is the global integration of asset markets. Volatile, disappointing stock returns in the 1970s pricked investors' interest in the benefits of diversification that academics had long espoused. International asset holding provided a natural method to increase diversification. The consequent cross-border portfolio rebalancing is far from complete, but it is accelerating and has proceeded sufficiently that knowledgeable investors no longer regard a domestic market portfolio as the sole source of systematic risk.

A third development, of course, motivates the current volume, the transition of eastern European nations to market economies. A critical aspect of the progression is capital investment. The transition in eastern Europe coincides with a transition in western assessment of global investments. Local and foreign

managers analyzing prospective investments in eastern Europe (and elsewhere) confront a number of questions.

- How should a firm decide whether to pursue an international investment?
- Do the shareholders' nationalities matter?
- Do foreign exchange risks matter to shareholders?
- Does it matter whether a firm analyzes a foreign investment in its domestic currency or in the foreign currency?
- What special considerations apply to prospective investments in eastern Europe?

Section 2 of this paper reviews the ongoing transition in global capital budgeting in the general case. In section 3 we turn to special considerations relevant for eastern European investments. Section 4 reviews a cost of capital model consistent with both theoretical strictures and empirical evidence in the academic literature, but which is also readily implementable by practitioners. Finally, section 5 provides a summary and conclusions.

2 The transition in global investment analysis

2.1 Capital asset pricing models in the absence of purchasing power parity

In segmented capital markets without (systematic) foreign currency risk, characteristic of markets prior to the early 1970s, the familiar single factor capital asset pricing model (CAPM) provides an adequate estimate for the *ex ante* opportunity cost of capital for project i :

$$E(r_i^S) = r_f + \beta_i^S(E(r_m^S) - r_f), \quad (1)$$

where $E(r_m^S)$ is the expected return on the segmented market portfolio of risky assets, r_f is the riskfree rate, and β_i^S is the relative exposure of project i .¹

Under identical conditions in a multi-currency world in which PPP fails, Solnik (1974), Sercu (1980), and Adler and Dumas (1983) demonstrate that the appropriate risk-pricing model is the global CAPM or GCAPM:

$$E(r_i^G) = r_f + \beta_{mi}^G(E(r_m^G) - r_f) + \sum_k \beta_{xki}^G(E(x_k) - r_f), \quad (2)$$

where $E(r_i^G)$ is the required expected rate of return on project i , $E(r_m^G)$ is the expected return on the global market portfolio, $E(x_k)$ is the expected rate of

¹ The systematic exposure of the market portfolio, b_i^S , is necessarily 1.

appreciation of currency k relative to the currency of valuation, and β_{mi}^G and β_{xki}^G are respectively the relative exposures of project i to the global market portfolio and currency k . Returns on the global market portfolio are computed theoretically and empirically in a manner entirely analogous to returns on a single-country market portfolio. r_m^G is the wealth-weighted average return on all risky assets, all stated in the currency of evaluation. The GCAPM represents a no-arbitrage general equilibrium, despite the fact that investors in different currencies experience different real returns from a given asset. In addition, the GCAPM holds when expressed in any currency; the translation restates both returns and β coefficients fully consistently.

A special case of GCAPM occurs when PPP is counterfactually assumed to hold: the final summation in equation (2) drops out, resulting in single-factor model with the global market portfolio as the sole source of systematic risk. Stulz (1995) terms that model a *classic* GCAPM.

2.2 Empirical evidence on exchange rate risk premiums and market integration

Even with PPP soundly rejected at practical planning horizons, it remains an empirical matter whether the currency exposures (β_{xki}^G) in equation (2) are statistically significant, *i.e.* whether exchange rate changes are systematic risk factors. An accumulating body of empirical literature provides evidence of exchange rate premiums in expected returns.² Thus although the single-factor classic GCAPM has the appeal that only one risk premium and one exposure β are required, it achieves that simplicity by ignoring priced risk factors. Its use will provide inappropriate opportunity cost discount rates and, thus, misallocation of corporate resources in investment decisions.

One might also inquire at the empirical level whether the integrated- or segmented-markets model is more appropriate, given the lingering home-country bias in most investors' portfolios. Empirical tests on returns, however, as compared to tests on portfolio shares, indicate that most assets are priced as if risk-return tradeoffs are determined in integrated global rather than segmented local markets.³

2.3 Choice of the currency of valuation

To summarize, theoretical and empirical finance research now indicates that managers evaluating an investment with cash flows in a convertible currency

² See, for example, Dumas and Solnik (1995), Ferson and Harvey (1993, 1994), Harvey, Solnik, and Zhou (1994), and Brown and Otsuki (1993, 1994).

³ See Stulz (1995) and Harvey (1991).

should employ some form of the GCAPM to determine shareholders' opportunity cost of capital. Armed now with the appropriate model, practitioners require further guidance on two issues in their implementation of the GCAPM.

- Which and how many currencies k should one include in the analysis?
- Does it matter what currency one executes the analysis in?

With respect to the number of currencies, suppose there are K convertible currencies. The summation over currency returns in equation (2) then has $K-1$ terms, expressing appreciation or depreciation of the other $K-1$ currencies in terms of the currency of valuation. There are at present about 40 convertible currencies, and the number is rising. Clearly it is impractical for managers to estimate 40 currency exposures and corresponding risk premiums. The task is daunting even for academic researchers using sophisticated econometric techniques. For example, Dumas and Solnik (1995) report that computational constraints caused them to limit their tests of the GCAPM to returns on three currencies relative to a valuation currency. Fortunately, Dolde and O'Brien (1996) have developed a practical version of the GCAPM that collapses the $K-1$ currency exposures into a single exchange rate index. Section 4 reviews that approach.

2.4 What is the nationality of a firm?

The choice of currency in which to analyze a prospective investment requires some clarification in today's increasingly integrated capital markets. Most global firms pay dividends, issue shares, and present their consolidated financial statements in a single currency. Most of the corporate-level executives and members of the board of directors have the same nationality as that currency. Thus we might be tempted to say that IBM is American and Siemens is German. But that statement is misleading in two important respects.

First, when it comes to the nationality of stock returns, the shareholders are the relevant stakeholders. An increasing number of IBM and Siemens shareholders live neither in the United States nor Germany and spend their investment returns on consumer goods priced neither in dollars nor marks.

Second, identifying a firm's nationality with the currency of its consolidated financial statements ignores important foreign exchange exposures. Financial accounting systems capture only simple proportional foreign exchange effects on incomes and asset values. In the United States, for example, *transaction exposures* refer to the possibility that a contractual cash flow in a foreign currency may fluctuate in terms of dollars, the consolidated reporting currency. *Translation exposures* refer to the fluctuation in dollar (consolidated reporting) terms of equity in foreign subsidiaries with nondollar functional currencies. If the foreign currency depreciates by 10 percent against the dollar, the

corresponding item is recorded at a 10 percent lower value in dollar terms in the consolidated financial statements.

Transaction and translation exposures constitute part — in some cases only a small part — of *economic exposures* to which the firm's cash flows and thus its shareholders are exposed. One example of an economic exposure other than a transaction or translation exposure occurs when competitors have production facilities in different countries and thus costs in different currencies. In these circumstances, exchange rate fluctuations change the competitive balance. The firm whose costs are adversely affected will suffer a lower profit margin, lower sales volume, or both. In this sense, even a firm with all of its costs and revenues in a single currency is not shielded from foreign exchange exposures.

2.5 An example

Consider, for example, an investment that will generate cash flows in Australian dollars (A\$). The opportunity cost of capital is the expected rate of return on the best foregone investment *with comparable risk*. The most obviously comparably risky investments are probably⁴ other projects with A\$ cash flows. A firm headquartered in Australia would naturally carry out its invest/do not invest analysis in terms of A\$. Some non-Australian firms assessing the same opportunity would also perform their analysis in A\$. If they start from the same assumptions as the Australian firm, they will come to the same estimate of the project's net present value (NPV), the measure of shareholder wealth created. If NPV is positive in A\$, it is also positive in, say, marks. In fact, NPV in marks can be calculated as NPV in A\$ multiplied by the spot mark/A\$ exchange rate. Prospective shareholders providing the equity capital to undertake the investment are indifferent about whether an Australian or German firm manages the project if the cash flows to and from investors are identical.⁵

Some firms prefer to analyze all prospective investments in terms of their home (*i.e.* consolidated reporting) currency. In the A\$ example, a non-Australian firm would transform the projected A\$ cash flows into the home currency, marks, for example. It must also transform the opportunity cost of capital it applies, since it is now analyzing a cash flow stream stated in marks. The firm can in principle make these transformations accurately and arrive at the same invest/do not invest decision that it would have made in the original A\$.⁶ Dolde and O'Brien (1996) demonstrate, however, that in practice such transformations are

⁴ The qualifier *probably* is necessary (as opposed to *certainly*) because the investment may have a unique exposure to, say, the Japanese yen, so that no existing A\$ investments are even closely *comparably risky*.

⁵ If one firm has a competitive advantage with the project due to synergies, economic rents, taxes, regulations, etc., then it can offer shareholders a superior cash flow profile, which they prefer.

⁶ See, for example, Dumas (1994).

precarious and onerous.⁷ Even if managers believe it convenient to transform an investment's cash flows and corresponding opportunity cost of capital into their home currency, they should keep in mind that that home currency is irrelevant for international shareholders. Thus a Finnish shareholder providing capital for an A\$ investment cares only about the ultimate transformation from A\$ to markka. It is irrelevant (1) whether there is an intermediate currency and (2) if so, what that currency is.

3 Analyzing Eastern European investments

3.1 Where are we in the transition?

The nations of eastern Europe are at different stages in their transitions to market economies. For countries further along the transition path, application of the GCAPM requires little adaptation from the manner in which it would be applied to any other global investment. As one informal index, as of this writing *The Economist* each week reports exchange rates (current and year-ago), interest rates, and stock market indexes for the Czech Republic, Hungary, Poland, and Russia. Some currency analysts suggest that Hungary and Poland might join the European Monetary Union at an early stage. For nations where the transition is less advanced, investment analyses require some modification.

3.2 Nonconvertible currencies

One question concerns whether cash flows will arise in a convertible currency. Where that is not the case, investors may require premiums for liquidity risk and other factors not captured in the GCAPM. A trading partner with a nonconvertible currency may be willing to contract in a convertible currency, such as the mark. Even so, the economic exposures are not the same as those of cash flows originating in Germany. Rather the cash flow exposures reflect economic events in the eastern European country and in the countries of trading partners important to the venture. If, for example, Slovakia represents an important market for the output of the investment, then relevant risk considerations include exchange rates and other external and internal economic factors experienced in Slovakia.

Trading partners have developed a number of other methods for fostering investments where currency convertibility problems exist. These include payment in kind, barter, co-production, and others. Whatever the intermediate

⁷ Let $E(A\$)$ represent the expected value of a cash flow in A\$. Then $E(DM)$, the expected value measured in marks is $E(e)E(A\$) + cov(e, A\$)$, where e is the contemporaneous exchange rate. In particular, $E(DM)$ is not $E(A\$)$ multiplied by either the expected exchange rate or the forward exchange rate. See Dolde and O'Brien (1996).

transactions, ultimately there must result cash flows back to the investing firm and its shareholders. The exposures of these cash flows can be analyzed based on the geographic and goods markets in which they will arise. These exposures in turn imply risk premiums and a required rate of return.

A distinct but related problem is political risk of expropriation, punitive tax changes, contract annulment by fiat, and the like. Most analysts have treated political risk as nonsystematic, in which case it does not affect the opportunity cost of capital. Rather potential political risk should modify expected cash flows.

3.3 Degree of global market integration

Another issue for investing in each eastern European economy pertains to where it lies on the spectrum of global asset market segmentation-integration. Consider a local firm raising capital only from local shareholders to whom foreign investments are inaccessible.⁸ Some eastern European nations are still closer to these circumstances than to full integration with global markets. Such a firm might reasonably apply the single-nation segmented markets CAPM of equation (1). Even so, the local firm in a currently segmented market should pause before rejecting the integrated GCAPM for an investment with a useful life of more than a couple of years. Asset markets in eastern Europe will become increasingly integrated globally as the general economic transition proceeds. Some of the cash flows generated by investments made today will be reevaluated against a global benchmark rate of return within a very few years.

A global firm investing in eastern Europe generally should use the GCAPM of equation (2). Its shareholders hail from many nations and currencies. Their incremental risk associated with the prospective investment depends on its covariances with systematic risks globally, not just in the project's home market. A possible exception arises in the case of a firm with a short investment horizon if government regulations or lack of liquidity in the local stock market might prevent the firm from realizing the value of its investment if it decides to sell its interest. Then even the global firm with internationally diversified shareholders may have to evaluate investments by the segmented-market CAPM. This situation is analogous to the analysis by Stein (1996) of capital investment decisions when stock markets are not efficient. Short-term investors must heed current stock market values, since they may have to liquidate in current conditions. Long-term investors should estimate fundamental values, ignoring any perceived mispricing in the current market. Similarly, global investors with long horizons or facing no unusual liquidity constraints should estimate fundamental values and apply the GCAPM when considering eastern European projects. Prospective investments in the Czech Republic, Hungary, and Poland

⁸ The same analysis applies whether the shareholders are individuals or public institutions.

are more likely to fit the integrated global model at present. But increasingly projects in most of eastern Europe will accord with the GCAPM as the economic transition progresses. It is important when performing investment analyses in eastern European currencies to use the local riskfree rate, not the riskfree rate in the global investor's home currency. Similarly, whether the investor analyzes a potential investment in his home currency or the currency in which the cash flows will occur, he must estimate β s and risk premiums that apply to returns measured in the currency in which he performs his analysis. More generally, all risk premiums and β s must be stated in the same valuation currency.

3.4 Forming quantitative estimates

A practical issue in implementing the GCAPM to eastern European investments is that there exists little historical data and thus little formal statistical guidance on which to form quantitative estimates of β s and risk premiums such as those in equation (2). This situation is not without precedent. In the early 1970s the major industrialized nations moved from a system of fixed to floating exchange rates, leaving analysts with no data on which to assess how currencies and other market variables might subsequently co-vary. More recently the nations of the European Economic Community have proceeded through several exchange rate regimes on the path to monetary union. Each shift of regime requires reassessment of asset β s and risk premiums.

Even when the future will be discontinuously different from the past, history can help us put some bounds on asset β s and risk premiums. Historical risk premiums for the global portfolio of risky assets have the form $(r_m^G - r_f)$, the excess of the risky portfolio return above the riskfree interest rate. Averages for various historical periods are readily available for widely used proxies such as world indexes computed by Morgan Stanley Capital International and the Financial Times-Actuaries. A prospective quantitative assumption within the range of historical experience should rarely garner objection, especially if the assumed premium accords with historical subperiods similar to current market conditions. Historical currency risk premiums are $(x_k - r_f)$, the difference between the percentage change of the value of currency k and the riskfree rate, both in the currency of valuation. While only abbreviated time-series on convertible eastern European currencies are available, a rich history of risk premiums for other currencies exists, including several for which the emerging market process began some years ago.

The β s have the form of multiple regression coefficients, which are functions of covariances among all systematic risks.⁹ The covariance between two risk

⁹ See Dolde and O'Brien (1996).

factors y and z in turn can be understood more intuitively as the product of the correlation between the two variables and their respective standard deviations: $cov(y, z) = \rho_{yz}\sigma_y\sigma_z$. Ample historical data are available for correlations among asset returns and exchange rates in various geographical regions, market relationships, and policy circumstances. Correlations (ρ_{yz}) are pure numbers bounded between -1 and +1, making it relatively easy to gain an intuitive interpretation. Standard deviations (σ_y and σ_z) are much studied as the volatilities that are inputs to prices of options on the corresponding assets. As such, there exists considerable analysis of what constitutes "normal" volatility, and what is considered "high" or "low" volatility.

Harvey (1995) provides formal statistical estimates of the risk exposures of emerging market stock indexes. He cannot reject the hypothesis that β_{mi}^G , the exposure to the global market portfolio, is zero. The result is based on only short time series heavily influenced by the noisy process of the initiation of trading. The situation is analogous to the extremely volatile returns on initial public offerings (IPOs) in the United States. The β s of IPOs are often not significantly different from zero (nor from unity!) during the first year of trading. When the stock later becomes less volatile, it takes on a β characteristic of other firms with comparable risks, such as other firms in the same or related industries and markets. Thus a long-term investor in eastern Europe should assume that investment risk exposures there will become more like those for established firms that have been trading for some years.

4 A practical GCAPM with foreign exchange risk

The global capital asset pricing model (GCAPM) in equation (2) is too unwieldy for practical implementation. Dolde and O'Brien (1996) demonstrate that with a modest additional assumption, the K -factor model of equation (2) reduces to a two-factor model:

$$E(r_i^G) = r_f + \beta_{mi}^G(E(r_m^G) - r_f) + \beta_{Xi}^G(E(X) - r_f), \quad (3)$$

where $E(X)$ is the expected rate of appreciation of a wealth-weighted index of all K convertible currencies relative to the currency of valuation, β_{Xi}^G is the exposure of investment i to the currency index, and the other variables are as defined after equation (2) above. The assumption that permits the derivation of equation (3) is one traditional in financial economics, namely that assets are priced as if there were a representative investor.¹⁰ The same wealth weights are

¹⁰ Equation (3) is consistent with heterogeneous degrees of risk aversion across investors, but it requires that the national average be identical for all countries. Equation (2) results if national average risk aversion differs across countries.

used to calculate both the exchange rate index X and the return on global risky assets r_m^G . Thus the exchange index here differs from some familiar exchange rate indexes, which generally are unweighted or trade-weighted.

The two-factor GCAPM of equation (3) has several appealing attributes for application to prospective investments in eastern Europe and elsewhere. It is consistent with the evidence that asset returns are increasingly globally integrated rather than segmented. It is consistent with the accumulating evidence that exchange rate fluctuations are systematic risk factors priced in investors' required rates of return. The GCAPM is readily implementable. Empirical estimation requires time series of excess returns on only two explanatory variables: the global market portfolio, for which high-quality proxies are already available, and the global currency index, which can be readily constructed or for which an extant trade-weighted index might reasonably be substituted. The theoretical form of the β s is that of regression coefficients; they can be estimated in a regression application of equation (3). Dolde and O'Brien (1996) provide a fuller analysis of the two-factor GCAPM and provide empirical examples of its estimation and application.

5 Summary and conclusions

We summarize and conclude by providing brief responses to the questions posed in section 1.

How should a firm decide whether to pursue an international investment? It should estimate the net present value of undertaking the project. Only if NPV is positive will the project augment the wealth of shareholders, whether individuals or public institutions. A critical input to the NPV calculation is an accurate opportunity cost of capital. The firm should use the two-factor GCAPM of equation (3) to estimate the cost of capital.

Do the shareholders' nationalities matter? Shareholders' nationalities do not matter for the investment decision. If a project has a positive NPV in one valuation currency, it augments shareholder value measured in all currencies.

Do foreign exchange risks matter to shareholders? There is increasing evidence that exchange rate exposures are priced risk factors. These include not simply the direct exposures from translating returns from one currency to another, but rather the full range of economic exposures to the currencies of customers, suppliers, and competitors.

Does it matter whether a firm analyzes a foreign investment in its domestic currency or in the foreign currency? In principle the investment analysis described here can be consistently applied in any currency. In practice, the greatest accuracy and convenience result from analyzing cash flows in the

foreign currency in which they will arise. There is considerable likelihood of grave error in transforming projected cash flows and the cost of capital between currencies.

What special considerations apply to prospective investments in eastern Europe? The GCAPM is appropriate at present for many projects in some eastern European economies. The circumstances that meet the conditions for its applicability are growing in number and seem likely to be nearly universal within a few years. Currency convertibility and degree of market integration are current concerns in some economies. Section 3 above reviews these and other considerations, including the formulation of quantitative estimates.

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**Wolfgang Dorow
and
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**Market Entry in Eastern Europe
as a Challenge for Expatriates —
Case Study: The Volkswagen-
Skoda Joint Venture in the Czech
Republic**

1	Introduction	208
2	<i>A conflict-theoretical perspective</i>	208
3	Major areas of conflict at the Volkswagen-Skoda Joint Venture	209
	3.1 Reward system	211
	3.2 Job security	212
	3.3 Work performance	212
	3.4 Participation and responsibility	214
	3.5 Organizational culture	214
4	The challenge for expatriates	215
5	Bibliography	216

1 Introduction

The agreement for a joint venture between the German market-oriented company Volkswagen and the state-owned, centrally-planned Czech company Skoda was signed in April 1991. In the early stages of the joint venture important restructuring processes were initiated to integrate Skoda to the Volkswagen Production Group as quickly as possible. The prime goal of this ongoing restructuring process has been to secure the existence of Skoda in a global competitive market. To achieve this strategic goal fundamental changes in the structures and processes were necessary: factories and production techniques had to be modernized, quality had to be improved and an efficient supplier-customer network needed to be implemented. In addition to the transfer of technology, a transfer of managerial know-how was also needed. The task of the German Volkswagen expatriates was to carry out this know-how transfer.

Human resource management, especially the handling of interest conflicts, are key factors for a successful transformation process from a centrally-planned to a competitive market-oriented company. Based on a systematic analysis of the goals pursued by the Skoda employees on the one hand, and the Volkswagen expatriates on the other, this essay describes the interest conflicts linked to the know-how transfer during the transformation process of Skoda, and the methods of conflict management that were used. Handling the interest conflicts was one of the main challenges for the Volkswagen expatriates. A theoretical framework for the analysis of conflict emergence and conflict handling will be outlined below.

2 A conflict-theoretical perspective

The individual exchange relationship between employers — i.e. the Volkswagen expatriates — and employees can be seen as based on mutual demands and pledges and thus on mutual expectations of fulfillment. If conflicts are defined as an opposition between individuals or groups, then exchange relationships are conflictive whenever the parties have diverging opinions regarding the mutual pledges and demands (see Dlugos et al. 1988, Dlugos 1993, Dlugos/Dorow 1992, Dorow 1990 and 1993).

Conflict emergence can thus be caused either by insufficient fulfillments of ones own demands or by excessive claims to ones own pledges. Both can be brought about by the exchange partner's breach of agreement, by misconceptions or by general changes in values or expectations. Examples of conflicts due to breaches of agreement or misconceptions on the side of the employer or employee include situations in which an employee expects a certain predetermined salary, which he does not receive, or situations in which the required work performance is

greater than the employee expected. Conflicts are due to general changes in values or expectations when, for example, the salary which was agreed upon no longer meets the employee's expectations, or when the employer increases his expectations regarding his performance requirements. The extent to which these examples of conflict emergence can be transferred to the case of the Volkswagen-Skoda Joint Venture will be analysed later.

Once the causes of conflict emergence have been identified the next step is to define actions with which conflicts can be addressed. The methods of conflict handling can be divided into two categories: *goal delimitation* and *environmental delimitation*. The first refers to a delimitation of the adversary's goal-setting process which can be achieved through direct communication. Examples of goal delimitation include persuasion of employees to accept the goals of the employer or announcement of positive or negative sanctions to influence the employee's goal setting process. Environmental delimitation refers to a limitation of the adversary's scope of action through an alteration of environmental components like the public opinion, legislation and jurisdiction, contracts, organizational structures, cooperation opportunities and physical factors (see Dorow 1982).

The aforementioned theoretical framework will be used to analyse the conflicts the Volkswagen expatriates had to handle during the transformation process of Skoda. After a short description of the situation at the start of the joint venture, the major areas of conflicts that developed during the transformation process will be analysed, the causes of conflict emergence and the methods of conflict handling used by the Volkswagen expatriates will be highlighted.

3 Major areas of conflict at the Volkswagen-Skoda Joint Venture

The main goal of the joint venture was to create an alliance that could benefit from the strengths of both Skoda and Volkswagen and thus be successful in a market driven, global economy while still remaining sensitive to the local constraints and opportunities. The joint venture provided Volkswagen entry to the emerging markets of Eastern Europe and gave Volkswagen the advantage of a strong market position through the traditional Skoda trademark together with a qualified, motivated and cheap workforce. For Skoda the joint venture meant privatization, investments in technology as well as transfer of managerial know how. At the start of the joint venture both partners thus had good reasons to look ahead in a positive and confident way.

But the transformation process proved to be more difficult than expected by both sides and a number of potential conflicts were quickly identified. Some of the strong points of Skoda at the start of the joint venture — the long tradition of the

Skoda trademark, the usable basic technology and a relatively modern car, the pioneering spirit of the workers, the high basic qualification level of the staff as well as their enthusiasm and ability to learn — were outweighed by Skoda's weak points (see Kunz 1995):

- partly outdated technologies and backward work processes;
- underdeveloped systems and process-oriented thinking and acting;
- individual unwillingness to take responsibility;
- low level of fundamental western-style management abilities;
- lack of specific know-how in controlling, sales, purchasing, personnel management and project management;
- “old boys’ network”

These weak points lie at the root of many of the conflicts discussed hereafter. Although the Volkswagen expatriates realized that the Czech managers had to be involved in the transformation process from the beginning, a number of problems could not be ignored: the necessity to balance short-term operative results with long-term strategic development, and to find a trade-off between copying the methods of the Volkswagen group and creating a synergy that meets the requirements of Skoda; the need to synchronize the necessity to achieve quick results with a culture-sensitive cooperation, which could also be described as “striving for dominance versus intergration” (see Kunz 1995).

These challenges would ideally have been met by a tandem management concept with German and Czech managers working together as partners. Tandem management refers to the use of a Volkswagen expatriate manager as a coach in the management process, with the Skoda manager carrying out and being responsible for the management actions. The goal is to bring about a transfer of know-how and a development of expertise in a smooth and rapid manner. It increases confidence on the Czech side as the management positions in the company are not all taken up by expatriates after the joint venture, which would have been an alternative method of know-how transfer (management by expatriates instead of tandem management).

The qualities required of the managers in a tandem relationship, especially the expatriates, are broad and demanding. They include intercultural sensitivity, leadership competences and ability for role-change, competences in process management, analytical abilities and the ability to learn quickly. Moreover the expatriates must have specific know-how to master pressing operative functions and management know-how to ensure a strategic orientation for the future. They

also have to be able to develop potential local successors so that a quick transfer of responsibility into Czech hands can take place.

The implementation of the tandem method and the process of know-how transfer were accompanied by a series of conflicts linked to the difficulty for German and Czech managers to agree on common goals and objectives. The nature of the interest conflicts linked to the transfer of knowledge during the transformation process of Skoda and the methods of conflict handling used by the expatriates will be analysed in the following paragraphs. Five major areas of conflict can be distinguished.

3.1 Reward system

The Czech employees' expectations as to the economic development of Skoda after the joint venture and the consequent increase in their salary were much too optimistic. They expected immediate market success with increased sales for Skoda and in accordance to this a very fast adjustment of their salaries to those of the Volkswagen employees. Despite a significant increase in salaries after the formation of the joint venture, the Czechs were still dissatisfied with their pay because their benchmark was the salary of the expatriates, and the disparity in wages that existed between themselves and their German colleagues was still very high.

Not only the salary itself, but also the structure of the reward system was a source of problems. In the old central planning system all production targets were set by the government. Salaries were tied to the achievement of those annual targets. Seventy-five percent of the salary was fixed and the bonus system which existed was misused, as it was more dependent on the employee's relationship with the political authorities than on his personal performance. As a result, productivity and quality as well as job performance was low. The new western bonus system, in which rewards are based on performance and ability was not easily accepted by all employees.

Fears of being used as cheap, unqualified labour by the Volkswagen group were also prevalent among the Skoda employees. The Volkswagen headquarters decided to reduce the initially planned investment volume of seven billion DM by fifty percent, which was misinterpreted by the Skoda employees. They believed the Volkswagen management intended to scale down Skoda to a mere assembly factory. But the reduction of the investment volume was in fact made possible through the higher efficiency of the whole project due to price reductions for investment goods and technologies as well as a better cooperation with the Czech suppliers than had been anticipated. An information campaign was necessary to explain the new investment policy of the Volkswagen Group to the Skoda employees in order to allay their concerns.

From a conflict-theoretical perspective the conflict potential in the exchange relationship between Skoda employees and Volkswagen managers was caused by misconceptions, unrealistic expectations and unjustified fears. More information on the company's policies would have reduced the uncertainties and contributed to an easier conflict resolution.

3.2 Job security

Conflict emergence caused by diverging opinions regarding the pledges and demands for job security can be analysed from two perspectives.

Many Skoda employees — especially the “Meister”, the managers responsible for the production units — did not have the qualifications needed for a successful career in a market economy. Under the old regime political loyalty was a very important factor. Initiative and acceptance of responsibility were not required and the management did not have to show any leadership qualities. This changed radically with the transition to a market economy, and the Volkswagen managers introduced new selection methods to evaluate the potential leadership qualities of future Skoda managers. More than one quarter of the “Meister” lost their jobs as a result of the evaluation of their qualities in an assessment center. They were not considered suitable for a manager position in a market economy. These fears of job loss represented a conflict potential: the employee's demands for job security were considered not to be sufficiently met by the employer's pledges.

Conflicts linked to job security can also be caused by other factors. Rumors at Skoda about massive layoffs and imminent and drastic changes produced great uncertainty among Skoda's employees. An important information campaign initiated by the board of directors and the workers' council was necessary to rebuild a climate of confidence among the employees. They were informed that the Volkswagen group did not — contrary to the rumors — plan to reduce the work force by fifty percent, but intended to double Skoda's production capacity, maintain social benefits and minimize layoffs. The conflict was thus handled through an exchange of information which led to a revision of the misconception regarding the employer's job security pledge.

3.3 Work performance

This conflict area refers to the insufficient fulfillment of the employer's demand of a certain level of work performance or the excessive claims to the employee's work performance pledge. In the case of the Volkswagen-Skoda Joint Venture the conflict linked to work performance conflict is mainly caused by the fact that the required work performance is much greater than Skoda employees expected, and that most performance requirements are new to them.

To ensure a quick integration of Skoda in the Volkswagen Production Group many projects were initiated within two years after the joint venture. Consequently the employees were confronted with various new duties and the work load was much greater than they were accustomed to. By working long hours, often twelve to fourteen hours per day, they tried to accomplish their goals. The inevitable consequences were exhausted workers, less satisfactory project results and a more and more negative attitude of employees towards the whole reorganisation process. The employer's high expectations regarding the performance requirements could not be met because of lacking qualifications.

Modern management concepts like empowerment, teamwork or involvement were still unknown to the Czech employees and intensive training programs were necessary to fill the management gaps created by forty years of communism. Delegation of responsibility, initiative, time management, teamwork, flexibility and quality were some of the areas addressed in training. Another precondition for a successful joint venture was the ability of the Skoda employees to think in a performance oriented way. In the communist system individual performance was not important: "In the Red regime the best was to be an average employee and this experience is deeply rooted in the minds of people" (see quote of a Czech manager in Cyr/ Schneider 1994).

A performance related bonus system was introduced at Skoda after the joint venture. The evaluation of performance was no longer linked to the achievement of political targets but to characteristics like quality of work, efficiency, acceptance of responsibility, flexibility, initiative, time management, risk taking and team work. These radical changes were considered to be less problematic for the younger employees and for those who already had some previous experience in a market economy. For the others it was a difficult time and some even regreted the old system which required much less initiative and acceptance of responsibility.

The expatriates played a crucial role in this difficult situation. To minimize interest conflicts they had to ensure that the Czech managers were actively involved in the entire transformation process and had an active role in deciding which goals were to be accomplished. Insufficient information, underestimation of the Czech proposals, enforcement of their own systems and arrogance could have caused frustration of the Czech employees and endangered the whole transformation process. It was thus necessary to establish a real *partnership* between Volkswagen and Skoda rather than to *impose* Volkswagen's own set of beliefs and values. Participation, delegation of responsibility and acceptance of the responsibility by the employee are key concepts in this context.

3.4 Participation and responsibility

The acceptance of responsibility by the employees at Skoda and their continued involvement in the strategic goal-setting process was, however, difficult to achieve. After forty years of communism, radical changes were necessary for them to accept their new independence and the responsibility that comes with it. Intensive management training programs were necessary to train them to take on responsibility and to understand that they are responsible for their work and for achieving certain results (see Cyr/ Schneider 1994).

New organizational structures, working methods and practices – like semi-autonomous working groups — were introduced together with the training programs. The aim was to reduce the gap between the expatriates' demand for more employee participation and acceptance of responsibility on the one hand, and the pledges of the Skoda employees on the other. From a conflict-theoretical perspective, the methods of conflict handling used could be referred to as “environmental delimitation”, i.e. a limitation of the exchange partner's scope of action through an alteration of environmental components such as organizational structures or cooperation forms. In order to bring the interests and the goals of both exchange partners — the Volkswagen expatriates and the Czech employees — in line with each other, changes were necessary not only in the work methods and structures, but also more fundamentally in the minds of the people. To achieve the latter a new organizational culture had to be created.

3.5 Organizational culture

At the beginning of the joint venture the ideological remnants of the past were still deeply rooted in the minds of the Czech employees and conditioned their value system. Thus there were substantial differences between the organizational culture at Skoda and in the Volkswagen Group. A rapid assimilation of the western value system by the Czech employees could not be expected, and the expatriates were aware that even the best strategic plans would be threatened if they did not take Skoda's organizational culture into account. The solution lay in a gradual adjustment of both cultures and not in the immediate enforcement of Volkswagen's own system of values. The training programs for the Czech employees constituted a first step in this direction, provided they addressed not only the new management methods but also the organizational culture after forty years of communism, and gradually replaced it with a profit and market-oriented philosophy of management. The crucial role of the expatriates was to minimize the level the uncertainty during the transformation process and to facilitate the development of an international corporate culture at Skoda, and its gradual integration into the global culture of the Volkswagen Group. For a global company like Volkswagen, a geocentric cultural orientation which integrates both global and local concerns is a prerequisite for bringing about

synergies between the organizations within the Group and for a successful intercultural conflict resolution. If Skoda had developed its own local corporate culture the conflict potential would have been even greater.

The analysis has purported to show that a constructive resolution of the conflicts that emerged during the organizational and cultural transformation process at Skoda can only be achieved through the voluntary acceptance by the Skoda employees of the new goals and objectives set after the joint venture. This form of conflict handling involves constant informational communication between employers and employees. Other forms of conflict handling which are not based on communicative interaction and voluntary acceptance of the new goals but on a forced limitation of the other party's scope of action (referred to in this essay as "environmental delimitation") have negative consequences, as they lead to the suppression of the conflictive interests. Companies which choose this form of conflict handling will have difficulty to motivate their employees to accept and to identify themselves with the new sets of goals and values.

4 The challenge for expatriates

The analysis of the conflicts that emerged during the transformation process at Skoda after the joint venture has revealed that most conflicts were due to misconceptions and false expectations of both joint venture partners. Insufficient information is probably at the root of this problem. It can be assumed that the Volkswagen expatriates had not been sufficiently trained for their foreign positions, and thus did not have the correct information concerning the demands and pledges of the Skoda employees. A resolution of conflicts caused by false expectations will only be possible when both partners are adequately informed about each other's demands and pledges.

The following list summarizes the most frequent management mistakes in joint ventures and shows the critical points which have to be tackled for a successful know-how transfer (see Kunz 1995):

- inadequate selection of expatriates, specialists are chosen instead of experienced managers;
- insufficient training for foreign positions and inadequate preparation for the know-how transfer on both sides;
- dealing with formal day-to-day problems instead of concentrating on the learning process;
- inadequate division of tasks between expatriates and locals, the German manager is responsible for the strategic development, the Czech manager for the day-to-day work, underestimation of the partner's abilities;

- retention of information, absence of a systematic and rapid dissemination of relevant information to the employees;
- East-West “image factor” and western arrogance;
- insufficient procedures of integration: expatriates attempt to enforce their own system without adjusting it to the local requirements;
- no agreement on common objectives;
- no critical reflexion but mere obedience to headquarter-rules, no acceptance of partner’s proposals.

Market entry in eastern Europe is a challenge for expatriates. A successful know-how transfer requires constant communication and a continuous learning process. The challenge can only be met if both joint venture partners work together and agree on common goals. Through training, coaching and teamwork the Czech employees will gradually become more confident and the German expatriates will then be in a position to hand them over the day-to-day management. They will have met their challenge of managing a transformation process in an eastern european company.

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**Dieter Wagner
and
Achim Seisreiner:**

**Managing Revolutionary
Change of Economic Systems —
Experiences and Insights from
the Transformation of the
former GDR**

1	Abstract	220
2	Change Management and processes of revolutionary change	220
3	Revolutionary economical change within the system transformation of Eastern Germany	223
4	Human Resource Management in the transformation of the former GDR	226
5	Model orientations of Human Resource Management	228
6	External conditions of East German firms	229
7	Internal conditions of East German firms	231
8	Model orientations of Human Resource Management in East German firms	233
9	Conclusions and implications for managerial research and theory	238
10	References	240

1 Abstract

Managerial research certainly plays an important role, if the individual aspects of an economic and political system transformation are to be examined. Privatisation and foundation, managerial activities as well as entrepreneurial thinking are as closely connected as the acceptance of private property, of differences in wages and the development and implementation of performance related reward systems.

Such a transformation does not only involve the adjustment of the population to the new conditions and related learning processes, it also requires a reconstruction of working systems, of planning and decision-making processes. One should not underestimate the possibilities of a knowledge and innovation transfer and the creation of innovation and flexibility potentials.

National and regional characteristics are usually neglected in the course of such radical transformation processes. This also applies to the field of Human Resource Management (HRM) and organization. In the case of the political and economic transformation of the former German Democratic Republic, Western experiences and attitudes are often considered to be the "measure of all things". On the other hand the mutual provision of information and interpretations is important in order to achieve a constructive dialogue.

2 Change Management and processes of revolutionary change

Transformation means that transitional processes take place and that the Old is being replaced by the New. Firms find themselves in a continuing transitional stage, otherwise their survival in a dynamic, complex environment would be in danger. In how far these more or less predictable changes are being managed by the firms, can be seen as an indicator for the quality of the change management: the ability to survive depends on the ability to change.

"Deliberate strategic change involves a planned intervention by senior executives, arising under certain environmental and organizational conditions, which attempts to guide emergent reactions toward initiating, managing and sustaining fundamental changes in strategy (e.g. mission, product/market mix) and/or organization (e.g. people, task, structure), resulting in a realignment between the firm and its environment." (Greiner and Bhambri, 1989, p. 68)

This change in organization can be defined as the "process of adjusting the organization to changes in the environment" (Michael, 1982, p. 68). Managers and organizations must constantly increase the fit of strategy, structure, and culture. Organizational change based on existing value systems, structures, and processes results in incremental innovation and change. The adaptation is being

achieved by gradual step-by-step expansions and improvements, where the new "model" of the firm is an update of the old. This change can be called *evolutionary*, which means that in the process of organizational change the pressure of time plays a minor role. In the short run even certain deviations from the envisaged goal are acceptable. They can be tolerated temporarily within a changing but *predictable* environment. Only in the long term should accumulated organizational change processes support the firm substantially in its efforts to adapt to its predictable environment. Evolutionary organizational change means operating in a world of relative stability.

In the case of non-routine changes because of discontinuous developments in the relevant environment, the existing value systems, structures and processes of the firms often become useless and valueless. This radical environmental change often requires a completely new organizational basis for the necessary organizational processes. Consequently organizations have to destroy what had been created in order to build a new organization better suited for the future. This is the world of *revolutionary* change:

"Almost all successful organizations evolve through relatively long periods of incremental change punctuated by environmental shifts and revolutionary change. These discontinuities may be driven by technology, competitors, regulatory events, or significant changes in economic and political conditions." (Tushman and O'Reilly III, 1996, p. 11)

Obviously a completely new alignment of strategy, structure, and culture is needed immediately but cannot be created in the short term. The existing pressure of time is due to enormous deviations from the target alignment. To be successful the inevitable change has to be mastered immediately, i.e. the ability to pursue discontinuous organizational change is necessary. Unfortunately radical environmental changes are *not predictable*.

Therefore managers and organizations face enormous problems in overcoming inertia and implementing radical organizational changes. This implementation is unavoidable but may lead to opposition of the organizational members. To overcome staff's inhibitions a lot of convincing is needed. While from the outside it may appear that an organization is managing change, the insider's view may be very different even if there is agreement about necessary fundamental changes and even if all parties involved agree that it is critical to bring organizational and individual aspects into line. It may be hard for individuals to understand that what made the organization successful in the past has to be destroyed now. At the same time it seems unlikely that the individual's attitudes will change by realizing that organizations that try to adapt to discontinuities through incremental adjustment are unlikely to succeed. Quite the reverse can be expected.

For this reason times of revolutionary change represent highly complex situations for management. There may be no possibility of determining clear objectives. Only one non-operational objective can be fixed: the organization is willing to survive. But how to put this in concrete terms? The sphere of managerial activity is not a sure thing. Management is forced to cope with totally new information without having any experience in this field. This is like searching for a needle in a haystack. Although there is the permanent danger of being on the wrong track, in order to succeed in radical shifting environments the managerial wandering should not last too long. In addition, the division of planning and implementation of activities that may be possible if an environment is stable and changes are only gradual seems to be impossible here. Managers, as organizational architects, are responsible for designing the organization in ways that best fit their strategic challenges (Tushman and O'Reilly III, 1996, p. 17), no matter whether gradual or radical organizational changes are taking place. Therefore they *must* act even in highly complex situations because inactivity does not generate any solutions:

“There is at least one point in the history of any company when you have to change dramatically to rise to the next performance level. Miss the moment and you start to decline.” (Comment of a senior manager, see Sherman, 1993, p. 58)

The conduct of managerial planning and decision is like *muddling through* a black box in order to survive. Managerial activity is limited to *directional planning*. That kind of proceeding is called *incremental planning process* or *planning without objectives* (Hopfenbeck, 1994, p. 500f.). The main theoretical difference between integral (synoptic) planning and step-by-step (incremental) planning approaches of managerial activities is based on different views about the development of organizational objectives. In the first case objectives are the starting point of pursuing a strategy while in the second case activities are only based on the very view of situational feasibility.

Above all, in situations of revolutionary change planning without objectives can be seen as the only possibility (Hopfenbeck, 1994, p. 500). Therefore some theoretical approaches of organizational change cannot be applied to radical changes. The success of evolutionary change is related to systematically elaborated managerial concepts of *procedural planning*. This process of adaptation has a stereotype nature and can be called *formal-* or *technical-based view of change*. In contrast, the success of revolutionary organizational change seems to be related to *directional planning* whereby the elaboration of operational managerial concepts will be a lost cause. The more organizational change is characterized by radical shifts, the more *visionary leadership* and *inductive learning* are needed (Kammel, 1996, p. 205, see also Mintzberg and Westley, 1992, p. 43ff.). These preconditions are vital for success. Without charismatic managers showing up the future of the organization, e.g. tomorrows'

competitiveness, priorities of action, and innovative efforts, no directional activities are to be expected. Similarly important is the behavior of the whole staff. If managers are the responsible architects of a new organization, all the other organizational members are the construction workers. The staff must be willing and able to change themselves to succeed in radical changes of the organization. This means that all organizational members have to learn continuously to avoid organizational inertia. Learning of that kind does not necessarily aim at certain objectives but serves the purpose of being successful in the long term. Therefore it can be called inductive learning and the process of adaption can be called *informal- or organic-based view of change* (Kammel, 1996, p. 206).

For this reason in the face of revolutionary change the need for visionary leadership and inductive learning can be seen as an intermediate stage on the road to success. However, leadership and learning are objects of managerial research. This is why radical transformation of economic systems is not only a field of economic research but also a field of managerial research.

3 Revolutionary economical change within the system transformation of Eastern Germany

When in May 1989 the Federal Republic of Germany celebrated the 40th anniversary of its Constitution, the vision of the European Community was taking on a concrete form, whereas the reunification of Germany seemed to be nothing but an utopia paradoxically set down as the state's objectives in the preamble to the Constitution (Albach, 1990). When on November 9th 1989 the Berlin Wall was torn down this was the unexpected, but logic consequence of the breakdown of an inefficient economic system that needed a wall only twelve years after its establishment in order to prevent an economic collapse (Albach, 1990, p. 9).

In the very beginning there was great enthusiasm about the reunification. But very soon emotions gave way to matter-of-fact analysis. The euphoria associated with the historic occasion disappeared when people began to think about future political and economic strains. Only one question had an obvious answer: in order to build a market-oriented economic system colossal *investments* would be needed (Albach, 1990, p. 11).

Despite the recognition that investments are indispensable for a successful political and economic transformation, activities started sluggishly. The potential investors' response was restrained. There did not seem to be any incentive for West German and foreign firms to invest instantly. One reason for the fear of bad investments were striking *misjudgements* about the situation of the East German economy (Albach, 1990, p. 12f.). For example, productivity per man-

hour worked was totally overestimated. As a result, both sides in industry (unions and employers' federations) fixed salary rates at an excessive level.

The wage adjustment was also based on the mistaken belief that on the one hand "good money" (e.g. D-Mark) and on the other hand "good law" (e.g. the law of the Federal Republic of Germany) are sufficient for a successful transformation. Another reason for these misjudgements was the lack of an economic transformation theory able to guide economic policy (Kloten, 1989, p. 100). When policymakers and managers became aware of the misjudgements, they tried to prevent rash actions (Sachverständigenrat zur Begutachtung der gesamtwirtschaftlichen Entwicklung, 1990, p. 276ff.). Even though they knew that investment was needed immediately, policymakers and managers failed to take action (Biedenkopf, 1990). The economy in East Germany was in danger of collapsing completely.

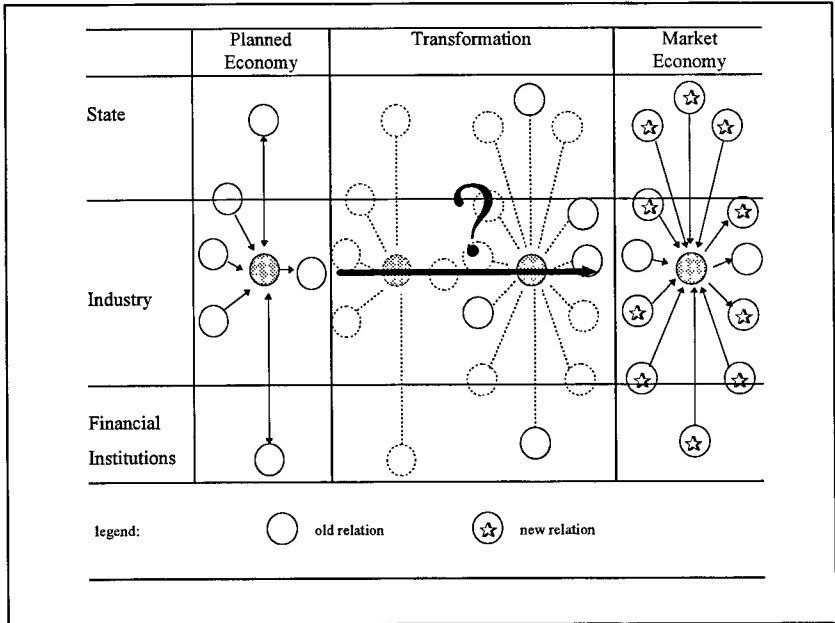
The predominant problem for East German firms was not only a lack of investment in new equipment, but also a lack of investment in "good human capital". According to the opinion of experts the access to know-how can be a crucial determinant of success in the transformation process (Albach, 1993, p. 17). No matter what kind of know-how was necessary in order to survive in the socialist economic system: it became useless in the transformation process. Most of the employees of state-owned firms were highly qualified. The GDR disposed of a better human capital than any other socialist country, but its value was restricted to the planned economy (Albach, 1993, p. 18). The problems of investment in new equipment were closely related to the difficulties in investing in know-how, since the *survival* of a firm in a market economy is guaranteed by *immaterial* and not by material *assets*.

Consequently, the possibilities of access to intellectual property can be described as immaterial goods owned by firms. Like any company in a market oriented economy East German firms had built up so-called *information networks* in the course of their development by which they gained access to the relevant know-how. Due to the radical system transformation in East Germany, however, these external sources of information lost their value or were lost completely. New kinds of information networks had to be build up (see figure 1).

The know-how of East German employees — e.g. their knowledge about products, production, marketing, organizations, and institutions — was mostly incompatible with new requirements. Evidently nearly all firms had lost all their property "overnight" and consequently were no longer able to compete in a market economy. The Treuhandanstalt THA (the state institution that held the East German firms in trust) had to invest several billion German marks to ease the access to know-how for East German firms (Albach, 1993, p. 18f.). That means, for example, that the THA paid West German firms co-operating with

East German firms. All these activities were intended to speed up economic development in East Germany via the building of new information networks

Figure 1: Change of information networks



Source: Based on Albach, 1993, figure 2, p. 25.

We already mentioned that both the *willingness of employees* to support the necessary changes as well as *visionary leadership* are vital for the success of radical organizational changes (see p. 223). Both are *core skills* or *competencies* which embody the expertise of the firm's incumbent staff, accumulated know-how and intellectual property rights. It seems obvious that these competencies are essential for the necessary transfer of knowledge and innovation to East Germany. Even if the specialized qualifications of employees in East Germany were partly invalidated, this was not true for all *technical competencies*. Additionally, even in the case of radical system changes a complete loss in value of *methodical* and *social competencies* is rather unlikely.¹ What will remain in any case is the *potential of human capital* that can generate particular, often unique abilities which provide the basis for the firm's competitive advantages

¹ *Technical competencies* describe the specialized knowledge of workers or managers in their field. *Methodical competencies* describe the degree of mastering special methods or tools. *Social competencies* reflect individual characteristics and behavior of workers or managers.

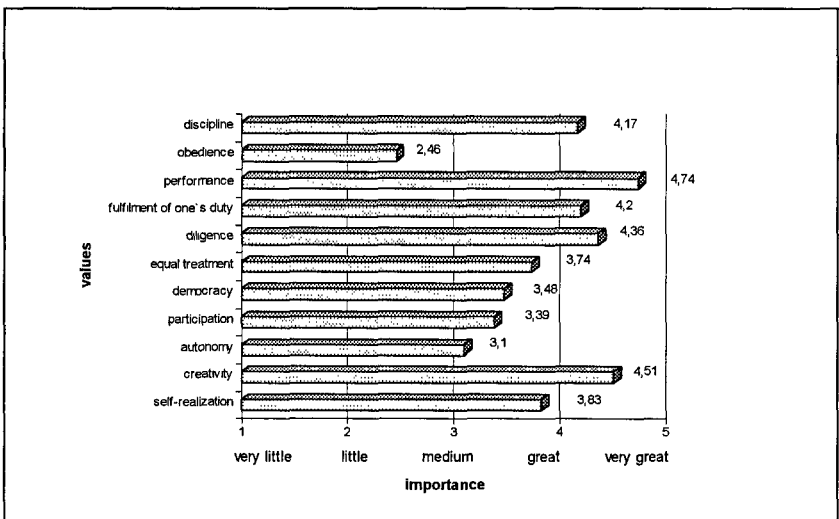
over rivals. Human capital, however, is the very basis for the creation of innovation and flexibility potentials. Therefore the professional management of human capital controlled by the firm (e.g. HRM) seems to be a *real option* on the organization's future regardless of whether there is incremental or radical environmental change.

4 Human Resource Management in the transformation of the former GDR

The degree of professionalization of leadership in East Germany can be derived from the *system of values* of East German managers (see figure 2).

The fact that values like “performance”, “creativity” and “diligence” are very important in the view of East German managers can lead to the conclusion, that in dynamic situations of change, when managers only provide the general direction of action (“directional planning”), there was (and still is) a certain innovation and flexibility potential in the firms. Additionally one can assume that the existence of innovation and flexibility potentials has positive effects on the learning processes which are necessary due to the change.

Figure 2: Value system of East German managers (n=207)



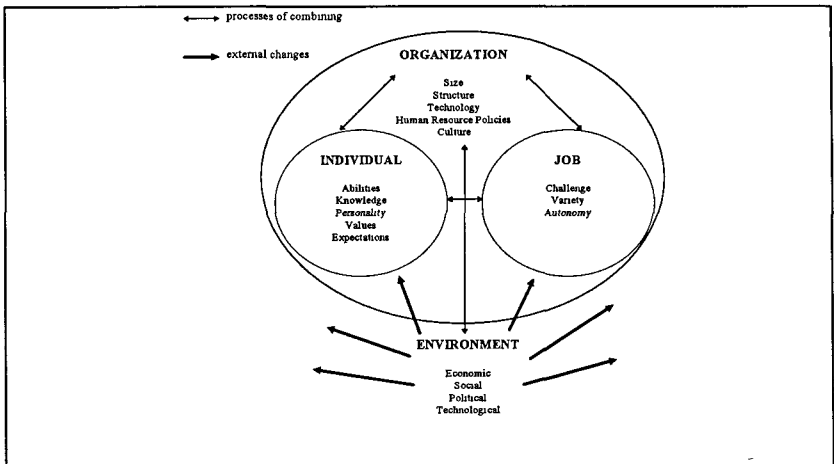
Source: Based on Lang and Steger, 1996, figure 1, p. 74.

Consequently, in the case of the system transformation in East Germany the informal approaches to change — *visionary leadership* and *inductive learning* — seem to be of great importance. Both approaches can be seen as the gist of all

HRM activities. HRM is a *cross-section function*, by which all sections and levels of a firm are affected (Wagner, 1994, p. 11). For this reason, HRM can be seen as a representative object of managerial research because it reflects the general management of a firm (see figure 3). Hence HRM should be an *essential object of managerial research* in transformation processes, since the adjustment of human resources to the radically changed environment supports the adjustment of the firm to the new environment. Consequently, the rationale for examining HRM in the system transformation of the former GDR is that specialized knowledge of aspects of “people management” is very important and will lead to better managerial and organizational performance.

“Human resource management is the process of bringing people and organizations together so that the goals of each are met. It can be viewed as the process of combining four components ... in a harmonious and productive fashion. Its goal is an optimal degree of fit among these four components —the environment, organization, job, and individual.” (Hall and Goodale, 1986, p. 4)

Figure 3: HRM and transformational processes of combining



Source: Based on Hall and Goodale, 1986, figure 1.1, p. 4.

If we assume that HRM plays an important role for the way firms cope with radical external changes, HRM activities can be considered a constituent part of all other activities in the firm. Therefore in the following we will describe different *model orientations of HRM*. These patterns allow the change of conceptual HRM in East Germany to be examined and assessed.

5 Model orientations of Human Resource Management

We assume that the HRM of firms can have different model orientations each representing a strategy and furthermore:

The different model orientations are indicated by the implementation of different HRM activities in a firm.

Figure 4 shows the assumed assignment of HRM activities to four model orientations defined as follows:²

- stock-taking-oriented HRM (orientation S): HRM has a short-term orientation; sees itself as personnel administration ⇒ “*administrative strategy*”
- efficiency-oriented HRM (orientation E): HRM is performance and cost-oriented, sees itself as partner of all controlling activities by analyzing the (internal) organizational possibilities ⇒ “*control strategy*”
- tailor-made-oriented HRM (orientation T): HRM has a long-term orientation, sees itself as partner of all controlling activities *and* marketing management by analyzing the (external *and* internal) organizational possibilities ⇒ “*scanning strategy*”
- potential-oriented HRM (orientation P): HRM has a long-term orientation; sees itself as predominant actor in building up potentials for success ⇒ “*development strategy*”

Considering the variety of HRM functions the catalogue of activities shown in figure 4 cannot claim to include all aspects.³ However, it can be assumed that different combinations of certain HRM activities indicate differentiated model orientations of HRM.

One should note that the implementation of certain activities *cannot* be assigned to one specific model orientation. For example, the activity “personnel information system” can be seen and implemented as a routine administration of employment matters (maintenance of personnel records) *and* as a provision of specialized advice on personnel issues to the whole staff (Zander, 1992, p. 974ff.). Accordingly this HRM activity can be assigned to different model orientations (see figure 4). This also applies to other HRM activities.

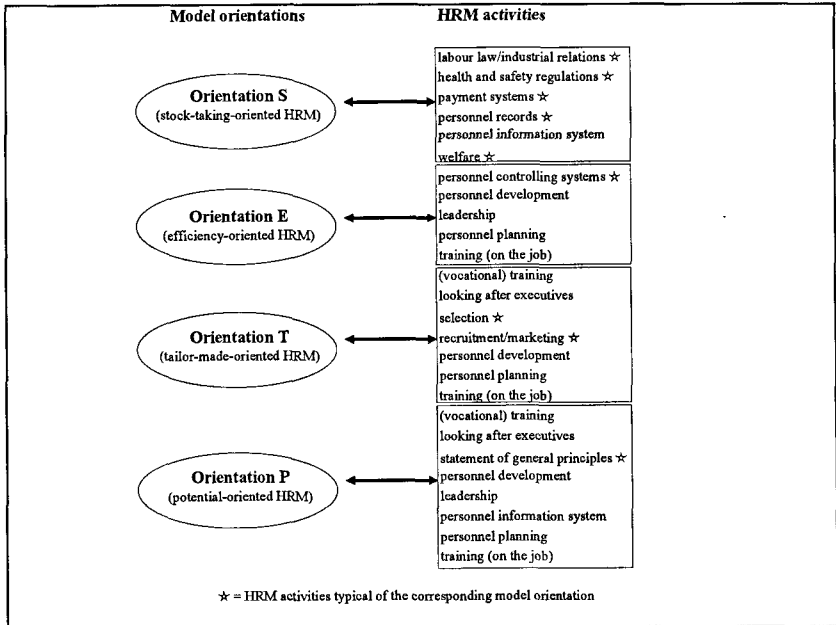
This necessary differentiation of individual HRM activities is difficult since, as empirical experience shows, the *real* organizational arrangement of all HRM

² The expressions for HRM strategies are based on Ackermann (1986).

³ For a more comprehensive catalogue of HRM activities (also with no claim to be exhaustive) see Wagner, 1994, p. 20f.

activities in a firm can only be analyzed by interpretation. For that reason it is assumed that the implementation of *some* HRM activities determines the orientation of HRM. Those are the HRM activities which can clearly be assigned to one model orientation. In figure 4 they are marked by a special character and they are seen as *typical* for the corresponding model orientation.

Figure 4: HRM model orientations and HRM activities



Source: Based on Domnik, Seisreiner and Wagner 1996, figure 7, p. 365.

The following will discuss the results of a research project on “Professionalization of personnel function in East Germany”. The project was carried out in the years 1994-96 and emphasized the change of HRM model orientations. First of all the external and internal conditions of the 61 firms, which were examined, will be described. Then the model orientations of HRM derived in the project will be presented.

6 External conditions of East German firms

Our first research results are far from being world-shattering. It is not very surprising that in general *property rights*, *stable markets* and an *adequate firm size* are important stability factors. But, as we mentioned earlier, the economic transformation process in East Germany was subsidized by the THA in order to

build new information networks. As a result not only the Western enterprise's willingness to buy East German companies was supported but also the willingness of some experienced *West German managers* to go East.

In some of the firms these managers played a leading role. They often joined the board of directors and assumed the branches of management where revolutionary changes had taken place (marketing, accounting, finance). Nevertheless, Western *personnel* managers played quite an important role, too. In some of the firms which had been bought up Western managers came from the holding companies. Other managers obtained their positions in East German companies through the THA.

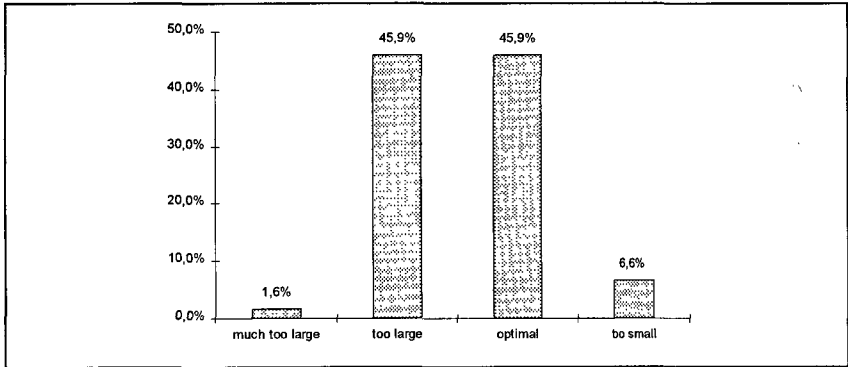
The question of when and how firms were privatized played an important role. The transference of ownership of firms from the State to private interests is essential for the transformation from a planned to a market economy. The earlier the *privatization* took place the higher was the chance of the firm's survival. But not every privatization was easy to manage. In some cases the moment of planned privatization was a signal for political engagements. Employees took action in order to push through the unchanged existence of their enterprises (as part of so-called "industrial centers" in East Germany) and the fear of being unemployed seemed to provide sufficient reasons for the untimely conservation of industrial structures. On the one hand these actions prevented necessary organizational changes. On the other hand unions and management achieved the continued existence of firms. In some cases this happened against the will of the THA, which had classified some still existing firms as ready for liquidation.

Those firms, which depended on the "markets" of the former COMECON (Council of Mutual Economic Assistance/Aid), lost their *sales possibilities* completely. In those firms, which were bought up by Western holdings to be used as production centers, a shift of production took place in order to secure at least part of the employment. Most of the firms which had a mainly regional sales area, were able to keep it, even if there was a slump in sales. Consequently solving the sales problems was and still is crucial for the survival of East German firms. It is not very satisfactory that only East German food and allied industries still sell their products successfully (for example Thuringian schnapps, gherkins from Brandenburg, beer and sparkling wine from Saxony). Furthermore it is questionable whether these positive exceptions are indications of promising economic developments. It is hard to overemphasize the need for innovations in all East German industries. What is more, there is not the slightest justification for continuous conservation of industrial structures. For that reason the problem of adequate *firm size* does still exist today (see figures 5 and 6).

There is much to be said about both figures. On reflection, however, the process of personnel cuts resulting from sales problems has not yet stopped in East Germany. The scale of reductions will be smaller in the future (to see this in

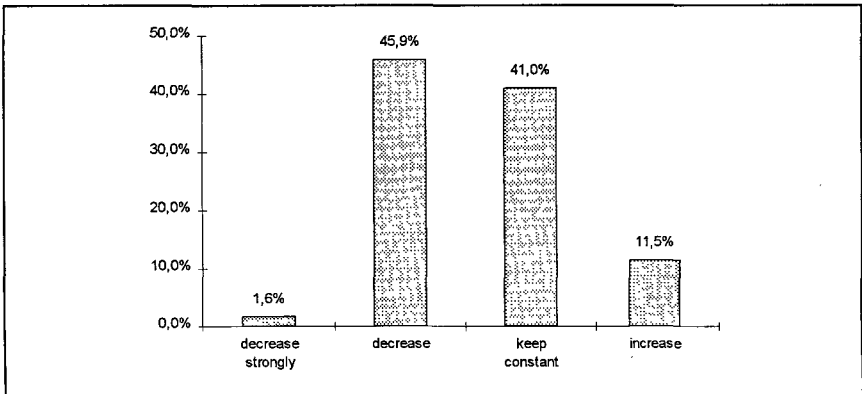
perspective one has to remember that enormous personnel cuts were carried out in the last six years), but the downsizing of firms seems unstoppable for the moment.

Figure 5: Assessment of present firm size (staff) by senior management (n=61)



Source: Based on Domnik, Seisreiner and Wagner (1996), figure 4, p. 358.

Figure 6: Estimated development of firm size (staff) — assessment by senior management (n=61)



Source: Based on Domnik, Seisreiner and Wagner (1996), figure 5, p. 359.

7 Internal conditions of East German firms

Many East German firms became part of holdings, whose head offices are seated in West Germany. Incidentally, we must not forget that this was a helpful way

for East German firms to build up new information networks with the purpose to survive. As a consequence, in East German firms the self-determination of top management is often limited. But that is quite usual for subsidiary companies controlled by a holding company. Our research suggests that East German firms are subject to varying degrees of centralized control by the parent companies. Different branches of management are controlled to a different extent. HRM — compared with marketing, finance, accounting, or production — seems to be the least controlled branch of management in East German subsidiary companies. Which conclusions can be drawn from this? The most sensible conclusion we can come to is that *all actors* (e.g., East and West German staff) *had to rethink* their skills because none of them were prepared for the revolutionary changes of system transformation.

Undoubtedly, East German managers quite quickly acquired the technical and methodical tools and qualifications in the course of the transformation process. But the uniqueness of the transformation process in East Germany did not permit Western management tools to be transferred directly to the East without modification. Take the case of an experienced West German manager who observed with much truth that ...

“... one could throw away the well-established management tools. These tools became useless. The only way to cope with these totally new situations was the visionary belief in feasibility. I had to decide immediately without any planning ...”⁴

One might reasonably suppose that rethinking the Old and learning about the New are very important phenomena of change. Added to that, there was the urgency to shed organizational ballast. One way to receive information about organizational slack is the implementation of *cost control*. As a result many East German firms tried to become lean. Some of them were bloated conglomerations with a cost-intensive range of welfare activities. As a result of make-or-buy decisions they outsourced the production and services beside the core business which led to dramatic personnel cuts. Surely, many firms are still trying to cut overhead costs. Above all, this is true for firms, whose position in the market is still insecure. In those cases conceptional and strategic HRM activities become less important. Surprisingly, even in some dominant firms with monopoly power (energy supply companies) managerial decisions and activities are principally based on cost control information. The inescapable conclusion from what we have said is that cost control will remain a dominant task of East German management in the future.

⁴ This statement is also a sign for the relevance of *directional planning* and *incremental planning processes* in times of revolutionary economical change. See p. 222.

One of the most striking features of the organizational changes of East German firms was the demand for new machinery and equipment. These *investments* were needed to replace worn-out and obsolete capital items. Most firms have already gained a high level of technical equipment by now. Particularly those firms, which were bought up at an early stage, have achieved a high technological standard which was realized either by the holding company or by the firms' own efforts. In this context firms held in trust by the THA were at a disadvantage. According to some researchers, the THA was not always willing to provide sufficient information (Lungwitz and Preusche, 1994, p. 226f.) This made it more difficult for those firms to be co-operative and to find potential buyers. Similarly, the access to financial resources was limited.

Almost all firms still have a great need for financial resources at the moment. Some firms require financial resources to become solvent, to bear operating costs, and to invest in new equipment. Other firms — the luckier ones — need financial resources to start conceptional and strategic activities.

8 Model orientations of Human Resource Management in East German firms

All of the firms analyzed are trying to establish a new business culture and modern management style. In this context, it is essential to realize that in the economy of the former GDR *business culture* was characterized by well-defined procedures and job roles, and an emphasis on conformity. This was a type of culture we call *role culture*. Firms are trying to change this into a *task culture* which is characterized by an emphasis on problem solving by team work. On the one hand, expertise may be less developed in a task culture than in role culture organizations, where job roles are more specialized: on the other hand, task culture places a much greater emphasis on flexibility and creativity than does role culture. Therefore this development of business culture seems to be absolutely sensible in times of radical changes.

It would be naïve to suppose that the firms' willingness to change their culture will automatically change the *management style* practised, too. In East German firms the often mentioned dog-eat-dog mentality and tendencies of fading solidarity are partly results of an *exploitative autocratic* management style (where decision-making is autocratic and where employee compliance is achieved through coercion) or a *benevolent authoritative* management style (where decision-making is still largely centralized but managers appear to take some note of employee views and interests). It is only natural that more person-oriented management styles — the *consultive* or *democratic* style — are being promoted by firms in order to reduce job dissatisfaction and build up employee commitment. But how to achieve this? Only few managers believe

that these management styles have already been put into practice, most of them think that management style is still related to individual managers' personal characteristics. In contrast, one executive considered the management style practised in his firm to be more dependent on the economic situation: the better the economic situation the more employee involvement is accepted. All this goes to show that in a system transformation the leadership styles of managers cannot be changed overnight.

Moreover, it is significant that "vocational training" and "training on the job" play an important role for future plans. New "working and payment systems" are only relevant for East German firms if they have positive effects on production (e.g. "team work" and "group incentive bonus schemes"). In firms which belong to a holding company in particular the concepts based on the philosophy of lean production will be realized in the near future.

At present there are hardly any HRM activities in "selection and recruitment". One reason for this is simply a lack of opportunity: firms still have to reduce the number of staff. Therefore objective methods of personnel selection are logically not needed. Even though other HRM activities will become more substantial in the future. "Flexitime systems" are being implemented gradually and will be essential HRM activities in the future. Beside that increased stability of firms leads to an increased interest in "personnel development".

In order to get an overview of these varied results, the analyzed activities were aggregated for each firm. A specific *HRM model orientation* (according to figure 4) was assigned under two conditions:

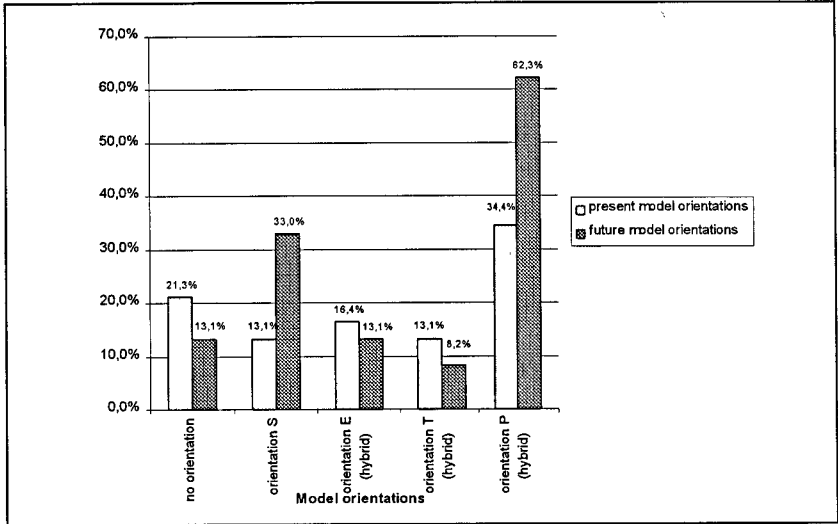
- (1) More than 50 percent of the assigned HRM activities have to be carried out regularly and
- (2) the typical HRM activities have to be carried out at least occasionally.

The assignment of model orientations to individual firms' HRM was not always unambiguous. When more than one model orientation could be assigned to a firm, the orientation is called *hybrid orientation*. Therefore it was assumed that in the *orientation sequence* $S - E - T - P$ each HRM model orientation is a subset of the orientation which follows. That means, that "orientation S" (stock-taking oriented HRM) is subsumed in "orientation E" (efficiency oriented HRM), "orientation S" and/or "orientation E" are/is subsumed in "orientation T" (tailor-made oriented HRM) and another or several other model orientations are subsumed in "orientation P" (potential oriented HRM). Figure 7 shows the distribution of present and future HRM model orientations of East German firms.

While at the time of the survey 21.3 percent of the firms did not have any HRM model orientations, this figure is expected to decrease to 13.1 percent in the near

future. On the other hand, the proportion of firms, which intend to be potential oriented (“orientation P”), will increase from 34.4 percent currently to 62.3 percent in the future.

Figure 7: Distribution of model orientations (in %, n=61)



Source: Based on Domnik, Seisreiner and Wagner, 1996, figure 9, p. 368.

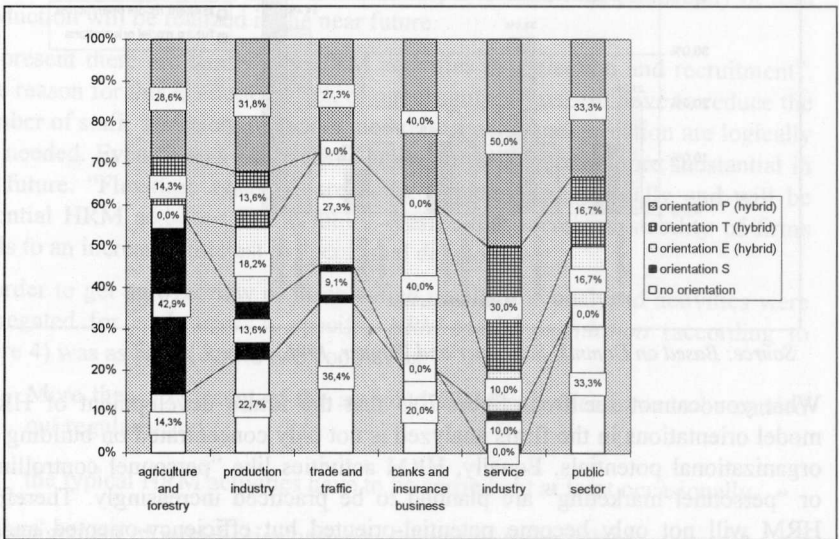
What you cannot see from figure 7 is that the future development of HRM model orientations in the firms analyzed is not only concentrated on building up organizational potentials. Equally, HRM activities like “personnel controlling” or “personnel marketing” are planned to be practiced increasingly. Therefore HRM will not only become potential-oriented but efficiency-oriented and/or tailor-made-oriented at the same time. As a consequence, the important “HRM orientation P” will be a complete mixture of different orientation patterns (hybrid model orientation) in the future (see figure 7).

Obviously, HRM considers itself as equal partner in cost control and marketing. All the indications are that HRM is willing to increase its *organizational standing*. Perhaps, in general, this is only a helpful justification for HRM caused by firms’ efforts to cut overhead costs radically. Therefore, becoming an equal managerial partner offers a chance for HRM to survive as a centralized institutional function and to prevent decentralization or outsourcing. Regardless of the reasons for future HRM orientations it is certain that administrative activities (for example “personnel records”) will lose their status in the future.

These activities can be outsourced easily. So, it is only natural that HRM *must* change from bureaucracy to active management.

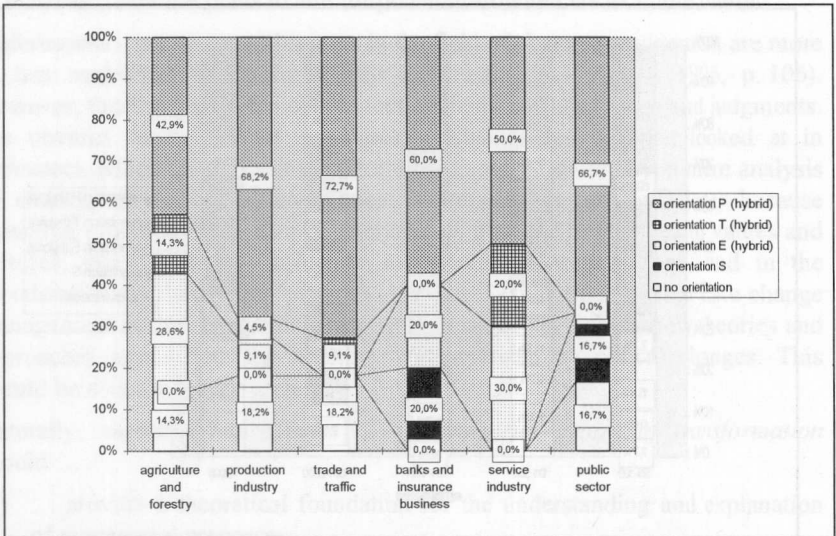
The intention of the remainder of this section is to provide an overview of HRM model orientations according to industries and firm size. Figure 8 illustrates the present distribution and figure 9 shows the expected future distribution of analyzed HRM model orientations according to *industries*. A comparison of the two figures shows that in firms operating in the branches “trade and traffic”, “production industry”, and “public sector” HRM is drifting towards “orientation P”.

Figure 8: Present HRM model orientations according to industries (in %, n=61)



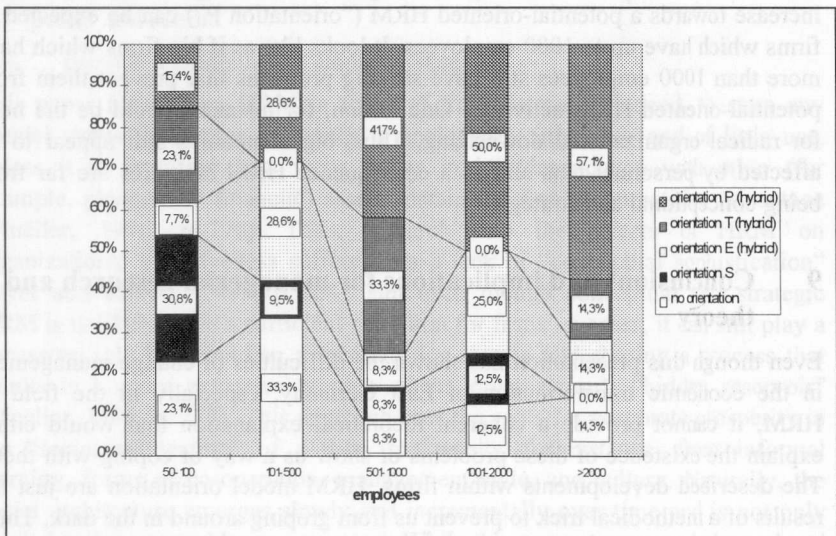
Source: Based on Domnik, Seisreiner and Wagner, 1996, figure 10, p. 369.

Figure 9: Future HRM model orientations according to industries (in %, n=61)



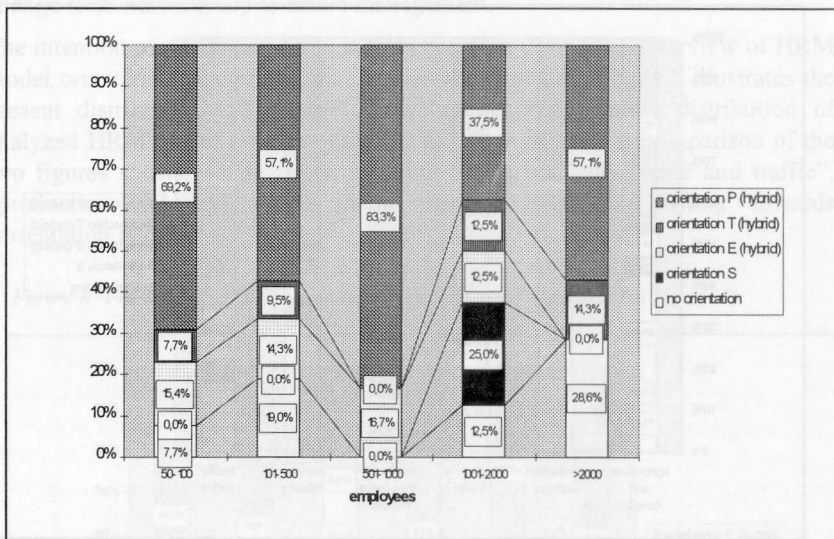
Source: Based on Domnik, Seisreiner and Wagner, 1996, figure 11, p. 369.

Figure 10: Present HRM model orientations according to firm size (in %, n=61)



Source: Based on Domnik, Seisreiner and Wagner, 1996, figure 12, p. 371.

Figure 11: Future HRM model orientations according to firm size (in %, n=61)



Source: Based on Domnik, Seisreiner and Wagner, 1996, figure 13, p. 371.

Figure 10 shows the present and figure 11 shows the expected future allocation of HRM model orientations with regard to *firm size*. Surprisingly, the biggest increase towards a potential-oriented HRM ("orientation P") can be expected of firms which have up to 1000 employees. It looks like as if big firms which have more than 1000 employees still have striking problems that prevent them from potential-oriented HRM activities. One reason, for instance, could be the need for radical organizational downsizing. Thus, big companies still appear to be affected by personnel cuts and as a consequence HRM activities are far from being conceptual and strategic.

9 Conclusions and implications for managerial research and theory

Even though this presentation has shown the difficulties of change management in the economic transformation of East Germany, especially in the field of HRM, it cannot provide a coherent theoretical explanation that would either explain the existence of these problems or show us a way of coping with them. The described developments within firms' HRM model orientation are just the results of a methodical trick to prevent us from groping around in the dark. Thus, these tendencies which result from the survey described above can only be seen

as temporary and speculative. Nevertheless, conceptional HRM activities seem to exist and there are plans to aim for potential-oriented HRM in the future.

Unfortunately, many general reports in the field of change management are more or less supported by empirical tests (Alt, Lang and Weick, 1996, p. 106). However, these papers often contain comprehensive conclusions and judgments. For obvious reasons, many processes of change can only be looked at in retrospect, which could result in distorted pictures. Additionally, a mere analysis of changes in legal and economical institutions is not sufficient, because transition processes must also be analyzed with regard to changes in values and cultures, changes in the influence and power in organizations, and in the socialisation and behavioral patterns. As a result, many papers that take change management as their theme hardly meet the task of developing new theories and approaches appropriate for situations characterized by radical changes. This should be a challenge for us.

Naturally, essential future tasks of a *managerial theory of transformation* should ...

- (1) ... provide a theoretical foundation for the understanding and explanation of managerial processes.
- (2) ... describe and explain crashes, continuity, and stability in transformation processes.
- (3) ... provide insights and findings as a guideline for practical economic policy and action.
- (4) ... provide a guideline for empirical research.

This paper focused on HRM in firms of East Germany. Indeed, to state any special status for human resources is analytically imprecise and of little use, unless it is specified how these assets in interdependence with other (for example, physical or financial) assets sustain the firm's competitive advantage (Mueller, 1996, p. 776). Thus, research into the effects of HRM on organizational effectiveness suffers from a lack of "conceptual sophistication" (Dyer and Reeves, 1995, p. 668). But even though conceptual and strategic HRM is unlikely to be a sufficient condition for firms' success, it can still play a *necessary* role by providing a stimulus for change and starting a process that results in a more extensive tapping of the organization's "hidden reservoir" (Mueller, 1996, p. 777). This approach sees the roots for corporate prosperity in the "social architecture" of a firm that results, for instance, from informal learning, forms of co-operation, management style, and culture. Naturally, the social architecture emerges slowly and incrementally over time and is not only created and re-created by management. While this suggests a more balanced and realistic view of management, it is obvious, that HRM is the branch of management concerned with achieving effective use of the human resources

available to the organization. Given this task, it is only natural that HRM should be the "social architect" of a firm and, therefore, is the focus of this paper.

Further empirical research will have to find out, whether results in East Germany differ dramatically from the results in the West. At first sight, there may be many similarities. The main difference might be the fact that in the former FRG a disillusionment has already taken place, because conceptional HRM is not really being supported financially and through actions by senior management. In East Germany this "oath" is yet to be sworn. At least, we hope that the East will find its own ways.

10 References

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Teil III:
Entwicklungsberichte

Michail Balaschewitsch:

**Einfluß staatlicher Politik auf
die Entwicklung von kleinen und
mittleren Betrieben in der
Republik Belorus**

1	Einleitung	246
2	Kooperativen — privatwirtschaftliche Anfänge im Sozialismus	247
3	Kleinbetriebe als spezielle Kooperativen	249
4	Besteuerung als Instrument zur Unterdrückung der Privatwirtschaft	250
5	Zusammenfassung und Ausblick	251

1 Einleitung

Der wirtschaftliche Erfolg von westeuropäischen kleinen und mittleren Betrieben in den 60er bis 80er Jahren basierte auf günstigen Rahmenbedingungen, die in dieser Periode für Privatunternehmen geschaffen wurden. Zu diesen Bedingungen zählten unter anderem:

- der große wissenschaftlich-technische Fortschritt;
- günstige wirtschaftliche Entwicklung;
- staatliche Förderung;
- individueller Drang nach wirtschaftlicher Unabhängigkeit;
- Verbreitung und Akzeptanz marktwirtschaftlichen Denkens.

Die um die Rechtfertigung ihrer Ideologie bemühte und um die Erhaltung ihrer Macht besorgte Sowjetführung konnte die wirtschaftliche Entwicklung der westlichen Länder, die durch den wirtschaftlichen Fortschritt und eine verstärkte soziale Ausrichtung verursacht war, nicht adäquat einschätzen.

In der UdSSR repräsentierte die Republik Belarus 3,5 % der Gesamtbevölkerung und 0,92 % des Staatsgebiets; sie erwirtschaftete aber 7,8 % des Bruttosozialproduktes bzw. 7,7 % des Bruttoinlandsproduktes.

Seit dem Zusammenbruch der UdSSR und der staatlichen Selbständigkeit von Belarus, die mit dem Übergang zu einer offiziell marktwirtschaftlich orientierten Politik verbunden war, hat sich die wirtschaftliche Lage der Republik Belarus von Jahr zu Jahr verschlechtert. Diese schlechte Lage ist die Folge der Wirtschaftspolitik, die von der vorangehenden Regierung betrieben wurde und auch von der gegenwärtigen Regierung praktiziert wird. Diese Politik ist durch folgende Merkmale gekennzeichnet: es werden keine Wirtschaftsreformen durchgeführt, obwohl diese mehrfach von der Regierung versprochen wurden; Privatisierungen erfolgen nur zögerlich und der Staat unternimmt keine Anstrengungen, um die Mentalität der an Unselbständigkeit gewöhnten Menschen — durch Förderung des unternehmerischen Geistes — zu verändern.

Die anschließende, kurze Darstellung der Entwicklung der belorussischen Privatwirtschaft, insbesondere der Entwicklung von Kleinbetrieben, zeigt, daß sich die Privatisierung auch ohne tatkräftige Unterstützung durch die nur offiziell marktwirtschaftlich orientierte Politik ihren Weg bahnt und sich etabliert, wie sie es bereits unter der Sowjetmacht getan hat.

2 Kooperativen — privatwirtschaftliche Anfänge im Sozialismus

Privatunternehmen entstanden in der Republik Belorus bereits auf der Grundlage der sowjetischen Gesetzgebung. Die Regierungsverordnungen der UdSSR Nr. 160 und Nr. 162 vom 05.02.87 ließen die Bildung von Kooperativen für die Nahrungsmittel- und Konsumgüterproduktion zu. Diese Verordnungen machten de facto den Weg frei für die Gründung von Privatunternehmen, wengleich das Recht zur selbständigen Arbeit bereits vorher formal als Bürgerrecht existierte. Die Analyse der Verordnungen zeigt, daß die darin formulierten Rahmenbedingungen in bezug auf die Tätigkeit von Kooperativen keine normale, marktwirtschaftliche Entwicklung gewährleisten konnten. Einerseits wurden folgende Vergünstigungen für die Kooperativen festgelegt:

- den Verwaltungen und Betrieben konnte Anlagevermögen (Gebäude, Anlagen etc.) kostenlos oder für einen Mietzins überlassen werden;
- für die Bildung des Umlaufvermögens waren Banken verpflichtet, kurz- oder langfristige Kredite zu außerordentlich günstigen Konditionen (0,75–1 % Zinsen p.a.) zu gewähren;
- im Vergleich zu den staatlichen Betrieben wurden für die Kooperativen niedrige Gewinnsteuersätze festgelegt (für das 1. Jahr 2–3 %, für das 2. Jahr 3–5 % und für die folgenden Jahre 10 % des Gewinns);
- die Kooperativen konnten die Preise für Handelswaren sowie die von ihnen gezahlten Löhne frei festlegen.

Andererseits wurde die Handlungsfreiheit der Kooperativen erheblich eingeengt, indem das Tätigkeitsfeld stark eingeschränkt wurde. Des weiteren war die Gründung von Kooperativen ausschließlich mit Zustimmung bzw. auf Initiative von staatlichen Verwaltungen oder regionalen Räten zulässig. Damit sollte die Gründung von Kooperativen unter staatlicher Kontrolle gehalten werden.

Den Kooperativen wurden über die staatliche sowjetische „Gossnab“ Rohstoffe bzw. Materialien mit ständig steigenden Preiskoeffizienten überlassen, entweder zu Einzel- oder zu Großhandelspreisen.

1988 wurde das Gesetz „Über die Kooperative in der UdSSR“ verabschiedet, in das die in den Verordnungen angeführten Regulierungen übernommen wurden. Diese halbherzigen und widersprüchlichen Regelungen, die ein erfolgreiches Wirtschaften der Kooperativen eher behinderten als förderten, zeigen unserer Meinung nach, daß der Staatsapparat damit der Belastung durch Schwierigkeiten im eigenen Sektor, durch den Mangel an qualifizierten Arbeitskräften (aufgrund des geringen Lohnniveaus) etc. Rechnung getragen hat. Da der Staatsapparat für

sich selbst keine Zukunft im Rahmen einer privatwirtschaftlichen Ordnung sah, beabsichtigte er, die Vertreter der Kooperativen an das staatliche System zu binden, um sie dadurch besser kontrollieren zu können.

Risikofreudige Privatunternehmen nutzten die Öffnung der staatlichen Wirtschaft und schufen einen Markt für Fertigprodukte und Dienstleistungen. Sie beschäftigten Mitarbeiter mit unterschiedlichsten Qualifikationen; ihr Anteil am Warenaufkommen betrug 0,8 %. Zu erwähnen ist, daß die Kooperativen viel flexibler und effizienter arbeiteten als die staatlichen Unternehmen.

Doch die Tätigkeit der Kooperativen war auch mit Schwierigkeiten verbunden: Beispielsweise war für staatliche Unternehmen der Zugriff auf Rohstoffe und Materialien vergleichsweise einfacher. Aus diesem Grund kauften die Kooperativen häufig Rohstoffe und Materialien im Handelsnetz zu staatlichen Preisen, verkauften ihre Waren jedoch anschließend zu sogenannten „freien Preisen“, die bei fehlender Konkurrenz relativ überhöht waren. Geprägt von Zukunftsängsten begannen die Kooperativen, offen „Geld zu machen“, indem sie Einnahmen direkt in Löhne umwandelten.

Der staatliche Verwaltungsapparat nutzte die Unvollkommenheit und die künstlich geschaffenen Bedingungen für das Wirtschaften der Kooperativen, um sich selbst Vorteile zu verschaffen: Mit Hilfe von Kooperativen, die durch staatliche Unternehmen gegründet wurden, konnten aus — bis dato bargeldlosen — Transaktionen Erlöse in Form von Bargeld erzielt werden. Zusätzlich existierte, wie bereits erwähnt, für Kooperativen keine einengende Lohnniveauregulierung.

Die schwerwiegenden Fehler, die die staatliche Wirtschaftslenkung bei Einführung der marktwirtschaftlichen Erfolgsrechnung sowie der eigenverantwortlichen Unternehmensfinanzierung begangen hatte und die darüber hinaus aus der Möglichkeit resultierten, den Lohn wesentlich erhöhen zu können, führten zum raschen Zusammenbruch des freien Marktes.

Die Kooperativen hatten einen geringen Anteil an dieser Entwicklung. Trotzdem begannen die Medien, die öffentliche Meinung gerade gegen sie zu beeinflussen: Den Mitgliedern von Kooperativen wurde der Aufkauf der staatlichen Produktion, Spekulation sowie illegale Bereicherung vorgeworfen. Es wurde der Versuch unternommen die Kooperativwirtschaft wieder abzuschaffen. Dabei wurden altbekannte sozialistische Argumente wie die angebliche Ausbeutung der Werktätigen, und der Vorwurf unbegründet hoher Löhne verwendet. Als Folge verabschiedete der Ministerrat eine Reihe von Verordnungen, um die Kooperativen einzuschränken. Nur der aktive Widerstand von Kooperativmitgliedern und einzelnen gesellschaftlichen Gruppen konnte diese Einschränkung verhindert. Öffentlich wurde mehrfach die Meinung vertreten,

daß von der Staatsbürokratie sogar die systematische Kompromittierung von Kooperativmitgliedern vorgesehen wurde.

3 Kleinbetriebe als spezielle Kooperativen

Zum Jahreswechsel 1990 wurde die Kooperativwirtschaft gründlich kompromittiert. Unter den Anzeichen der zunehmenden Krise unternahm die staatliche Verwaltung einen neuen Versuch zur Gesundung der Wirtschaft. Der Ministerrat der UdSSR verabschiedete am 08.08.1990 die Verordnung „Über Maßnahmen zur Gründung und Entwicklung von Kleinbetrieben“; erst am 20.05.1991 verabschiedete der Ministerrat der Republik Belorus die entsprechende Verordnung. Von der sowjetischen Verordnung unterscheidet sich die belorussische grundsätzlich durch eine Verschärfung der Voraussetzungen für die Gründung kleinerer Unternehmen. Die Verordnung bestimmt den wirtschaftlichen Zweck von Kleinunternehmen und deren Registrierung.

Günstige Rahmenbedingungen, einige Steuervergünstigungen sowie die explizite Nennung von Kleinunternehmen als Mittel zur Beschleunigung des wirtschaftlichen Wandels in der Präambel der sowjetischen Verordnung konnten nicht darüber hinwegtäuschen, daß der wirtschaftliche Nutzen der beiden Verordnungen gering war: Zum einen konnte zu ihrer Vorbereitung nicht auf nationale Erfahrungen zurückgegriffen werden, zum anderen wurden internationale Erfahrungen ignoriert; des weiteren fanden kleine Unternehmen, die in unterschiedlichen — staatlichen oder privaten — Wirtschaftssektoren gegründet wurden, auch (weiterhin) äußerst unterschiedliche Ausgangsbedingungen vor.

Im November 1992 hatte das Präsidium des Ministerrates das Grundkonzept für ein staatliches Programm zur Förderung und Entwicklung von Privatunternehmen in der Republik Belorus für gut geheißen, das von Privatunternehmen selbst ausgearbeitet worden war. Bereits im Januar 1992 hatte der Ministerrat einen Beschluß über die Gründung einer belorussischen Stiftung zur finanziellen Unterstützung von Privatunternehmen gefällt. Das staatliche Programm blieb aber für den Großteil der betroffenen Personen nahezu unbekannt und die Stiftung zur Unterstützung von Privatunternehmen verfügt bis heute über keine nennenswerten Fördermittel: Die Bereitstellung von gerade einmal 200 Mio. Rubel im Budget von 1993 kann kaum als erster Schritt zur Förderung von Privatunternehmen verstanden werden.

Der Zustand der Privatunternehmen in der Republik kann beispielsweise mit Hilfe von Zeitungsschlagzeilen beurteilt werden: Die „Narodnaja Gazeta“ schreibt am 06.02.1993 „Machen Sie nicht den Unternehmer zu einem Verbrecher“ und am 11.02.1993 „Befreien Sie das Volk, es wird sich ernähren“. Im Januar 1993 wurde das Gesetz über die Privatisierung des Staatseigentums

angenommen, aber erst Mitte 1994 begann dessen Voucher-Privatisierung. Trotzdem ist eine rasche Privatisierung unwahrscheinlich, da:

- der Voucher-Wert nicht hoch ist;
- die Chancen für gewinnbringende Voucher-Investitionen bei den gegebenen Krisenbedingungen äußerst gering sind;
- die staatlichen Leitungsorgane beabsichtigen, den Umfang der vorgesehenen Privatisierungsobjekte einzuschränken;
- in der Republik die schlechten Erfahrungen bekannt sind, die mit der Privatisierung in Rußland gemacht wurden.

Aus diesen Gründen genießt die Privatisierung nicht das Vertrauen des Volkes.

4 Besteuerung als Instrument zur Unterdrückung der Privatwirtschaft

Die negative Grundeinstellung des Staates gegenüber der Privatwirtschaft dokumentierte sich — äußerst augenfällig — im neugeschaffenen Steuersystem der Republik. Das Steuergesetz für Wirtschaftsunternehmen von 1991 hatte einige Steuervergünstigungen für neu gegründeten Kleinunternehmen vorgesehen: Kleinunternehmen, die Verbrauchsgüter oder Baumaterialien herstellen, landwirtschaftliche Produkte verarbeiten sowie Vorprodukte fertigen, zahlten zugunsten des Staatshaushaltes im Laufe des ersten Jahres nur 25 % und im Laufe des zweiten Jahres nur 50 % des festgelegten Gewinnsteuersatzes von 35 %. Diese Vergünstigungen verringerten ein wenig die Finanzschwierigkeiten der Kleinunternehmen, die neben der Gewinnsteuer weitere Abgaben (Umsatzsteuer, Sondersteuer, örtliche Steuern und Gebühren) an die Staatskasse abführen mußten.

Im Jahre 1992 wurde im Rahmen eines neuen Konzeptes für das belorussische Förderprogramm die bevorzugte Stellung von Kleinunternehmen wieder abgeschafft: Vor dem Gesetz wurden sowohl staatliche Großunternehmen als auch private Mittel- und Kleinunternehmen gleichgestellt. Die Steuerpflicht verringerte die Wettbewerbsfähigkeit der Kleinunternehmen und veranlaßte deren Inhaber zur Neuorientierung auf Handelsgeschäfte, da die damit verbundenen Erlöse vor dem Staat leichter verheimlicht werden konnten.

Nach der Steuergesetzgebung von 1995 erhielten die Kleinunternehmen, deren Gewinn pro Jahr bis zu 5.000 Mindestlöhne beträgt, eine 50%-ige Vergünstigung bei der Gewinnsteuer. Trotzdem bleiben die gesamten Steuerabgaben auf hohem Niveau: Sie betragen bis zu 90 % des Unternehmensgewinns.

5 Zusammenfassung und Ausblick

Die Analyse der privatwirtschaftlichen Entwicklung zeichnet ein fast typisches Bild: Die Grundzüge des wirtschaftlichen Wandels werden in der Übergangsphase durch die Interessen von bestimmten, in der Regel „Macht habenden“ Gruppen festgelegt. Die generelle Richtung der Privatisierung wird zwar nicht mehr staatlich diktiert, jedoch verlängert sich der Übergang von der Staats- zur Privatwirtschaft auf unbestimmte Zeit, da gegenwärtig keine Schritte zur Einführung eines marktwirtschaftlichen Systems erkennbar sind.

In der Landwirtschaft verhindern die Leiter von Kolchosen und Sowchosen und die unter ihrem Einfluß stehenden lokalen Behörden die gesetzliche Anerkennung des Privateigentums an Boden. Sie wehren sich gewaltsam gegen eine private Landwirtschaft. Deshalb können Kolchosen nicht privatisiert werden; folglich sind grundlegende Veränderung in der Landwirtschaft ausgeschlossen.

Größte Anstrengungen sind notwendig, um die negativen Einstellungen, die die Staatspolitik und die öffentliche Meinung gegenüber den Privatunternehmen besitzen, zu verändern, bevor diese den ihnen gebührenden Platz im belorussischen Wirtschaftssystem einnehmen können.

Unserer Meinung nach wird das Verhältnis der heutigen Regierung zu Kleinunternehmen durch die Reformmöglichkeiten der Staatswirtschaft bestimmt: Solange der Staatssektor unter der wirtschaftlichen Krise leidet, wird die Entwicklung von Privatunternehmen, insbesondere von Kleinunternehmen, von seiten des Staates erschwert werden. Der Präsident hält nicht sein Versprechen, Privatisierungen zu fördern; im Gegensatz dazu hat der Druck auf die Privatwirtschaft sogar zugenommen. Außerdem herrscht in staatlichen Organisationen altes „telephonisches Recht“: Es werden Befehle erteilt, wirtschaftliche Kontakte zu Privatunternehmen zu vermeiden.

Die westlichen Staaten sind bereit, finanzielle Mittel für Wirtschaftsreformen in den ehemaligen sozialistischen Ländern zu gewähren. Diese Mittel müssen hauptsächlich für die Entwicklung des privaten Sektors verwendet werden. In der Republik Belarus hat die Regierung für dieser Mittel ein sozialorientiertes Programm zur Investition in bevorzugte Branchen ausgearbeitet. Allerdings stehen nur 0,4 % der dafür bewilligten Kredite dem privaten Sektor der Wirtschaft zur Verfügung. In den kommenden 3–5 Jahren wird somit der belorussische Staat die Kleinunternehmen nicht als Partner zur Ankurbelung der Wirtschaft betrachten.

Nikolai Filanowitsch:

**Belorussian Economy — Barrers
to Progress of Transformaton**

The national economy of Belarus is in the greatest economic crisis since World War II. The sovereign republic inherited a structure dominated by heavy industry as opposed to light industry and characterised by technological backwardness resulting from a number of factors of low competitive ability such as:

- excessive resource consumption: expenditure on material, energy and labour per national income unit is 1.5–2 times as much as in developed foreign countries;
- inclination not to accept scientific and technological progress;
- little economic stimuli for labour and the development of production;
- use of dictatorship and compulsion from a command-administrative system instead of market relations;
- slow-moving managerial structures.

Besides these factors there exist a number of psychological causes determined by the peculiarities of mythologized confession of post-soviet persons. For example, it is often stated that one can choose between different reform alternatives. This statement is obvious — it is a truism. But the main point is that the availability of alternatives does not imply their superiority over a policy of radical economic reforms. In Belarus the consequence of the mentioned truism is a tendency to give up radical economic transformations in favour of very careful and limited changes in the existing system.

One of the most serious mistakes is the uncritical use of experiences made in western countries. As a rule an uncritical attitude is only one of these mistakes: in addition many facts about government influence on economic activities in these countries can be used as further instructive examples. Another, rather simple conclusion results from this: If even western governments regulate their markets, how can we speak about a free market economy in our country?

In Belorussian discussions civilized market (socially oriented, of course) is usually compared with the wild capitalist market as known in the distant past of western countries and currently in place in Belarus. In this case being civilized brings reasonable governmental interference to the market process. Naturally, at first sight another conclusion results from this: economic development dictates the intensification of government control over economic activities. In contrast to this, historical findings testify to other facts. As F. Hayek mentioned, “there is no civilization which achieved success without a government which saw its main goal caring about private property just as “strong” government hindered growth and prosperity of the thing to which those cares helped”.

The most common mistake is the statement that the specific character of every country demands specific methods of treatment of common economic "diseases" (this concerns especially the problem of inflation). But experience of reforms shows that common economic problems are solved by definite methods independent of the specific character of the country (for example, macroeconomic stabilization as a means against high inflation; liberalization of prices, economic activity inside a country and foreign trade as a means of liquidating "the economy of deficit"; fundamental simplification of the system of taxation and removal of bureaucratic regulation as a means of fighting corruption). It is a paradox that in discussions of the problem of transformation the main role is given to the government which in the past showed its absolute lack of ability to solve economic problems effectively. Why is this so?

First of all there is incomprehension (maybe ignorance) of the fact that imperfection of the market in definite spheres does not mean that the government is capable of solving these problems better. In addition, many people, including politicians, usually act on the basis of their emotions: When they see an enormous number of urgent problems to cope with they call for the government as the most obvious institution to solve these problems. It is obvious that in a political struggle a call for government action as a solution to all the problems is more attractive than an appeal to rely upon depersonalized market power.

An idea of "limited government" is more important for the countries which are on the way to market reforms than for the capitalist countries. As F. Hayek put it, "centralized government which is subordinated to what is known as "social justice" is a luxury which can be afforded by a rich nation for a long time without perceptible damage to their incomes. But of course, this is unacceptable for poor countries where economic growth depends on rapid adaptation to quickly changing conditions".

High social costs which are caused by negative events linked with radical economic reforms lead people to doubt these reforms. To avoid negative events, more moderate strategies are chosen (or reform is given up entirely).

But if there are negative events this should not be a reason for rejecting a particular strategy. Nevertheless there is a need to compare the social costs implied by alternative strategies. As a rule, giving up radical reforms leads immediately to a growth in social costs (in the form of unemployment, reduction of life expectancy, strengthening of social intensity etc.). Through this procedure "illness" is driven inside.

The question about private landed property has not been solved in Belarus so far. Belorussian people are afraid that the land will be bought by foreigners. Meanwhile 40 % of the land in Germany, on which industrial enterprises are

situated does not belong to Germans. But Germany has not become poorer since selling the land to the English, Americans and Japanese. Any foreign proprietor takes care of this land much more effectively than the government. He has to work on it profitably for a long time.

There exists a myth that we are able to move to market relations without unemployment. The level of unemployment currently stands at 3 % in the Republic of Belarus. But the level of hidden unemployment was about 25 % in 1995. At some enterprises hidden unemployment reached 50–70 %. The situation could be changed, if the creation of small and medium-sized enterprises and hence of new employment opportunities was strengthened by legislation. Conceptional and logical mistakes are being made. A terminology carrying emotional associations can be attributed to them: such terms like “shocking therapeutics” in which “painful” elements are perceived as dominant and “social market economy” as its illusory alternative are the most widespread in this context.

“Social makeweight” compared to the term “market economy” confuses economists and politicians in Belarus so much that many “specialists” are convinced that such an economy is connected with the strengthening of planned elements and programs of social defence of population. Meanwhile L. Erhard was the greatest adversary of “compulsory-organized economy” under which he understood socialism; he considered that there is no need to convert the economy into a social one because it is social by nature.

This term underwent “system transformation” in official structures of Belarus (the word “market” was taken away), and as a result “socially oriented economy” appeared which implied the third way for Belarus, and an idea of “market socialism” appeared later.

The strangeness began from a well-known myth about socially oriented economy. This idea was a product of prolonged reforms in Germany, a result of the free market economy. No one and nowhere wanted to create a social market economy without creating an elementary basis for a market economy, laying a foundation for the principles of rational behaviour and consumers before strengthening social vectors in the system of economic priorities.

The population of the countries of the former USSR (unlike their east European neighbours) did not know for sure what market economy meant and what demands it would make on people. This is still the case in Belarus.

In the second half of 1994 a programme of urgent measures was adopted to pull the economy out of crisis. The main parameters of reform were included, though the project did not present itself as something supernatural. These measures were not realized because the government took up the position of “market socialism”, and decided to look for the third variant of economic development,

thereby following the populist promises and moods of those members of the population who understood the possibilities of economic growth incorrectly and felt nostalgia for the past.

If the government decided to begin some market transformations the first step to undertake would be to initiate real privatization. Privatization is one of the main reform steps but it still is one of the most neglected elements in all government activities. Such an important economic measure in the process of reforms as bankruptcy does not work so far. Though it seems painful, it is a necessary surgical intervention in a sick economic organism. It is the only method to make the leaders of enterprises bear responsibility.

Judging by the latest actions of the Belorussian president, such as the prohibition of enterprise registrations and the distribution of licences, the degree of administrative control and extent of government regulation in the economy, the idea of major government intervention is going to be reanimated.

Nowadays the future integration with Russia is advertised widely as a panacea for all Belorussian troubles. Its supporters argue that the main cause for the economic crisis is the break-up of economic relations in the former USSR. But the majority of producers think that unification with Russia is unable to make a significant difference for the state of Belorussian industry and to pull the economy out of the crisis. Insofar as the cause of the crisis is not in the break-up of the USSR but the failure of an economic system based on state ownership, the economic situation will only really improve if economic reforms are adopted and first of all privatization.

It is unlikely that the signed agreement is able to solve the energy problem faced by Belarus. Nowadays Russian enterprises have to purchase oil and gas at world market prices.

The main argument in favour of integration is the hypothetical possibility that Belorussian producers can expand their sales in the immense Russian market. But the penetration of the Russian market was yesterday's problem: No one prevents Belorussian enterprises from trading with Russia. Enterprises were losing their markets in Russia even before custom duties were introduced. It was solved after a free trade area was established. A new agreement does not expand the possibilities of mutual trade. Russia is ready to buy Belorussian products but cannot do so because of its lack of money. The situation has not changed since the agreement was signed.

The real cause for the gradual loss of Belorussian sales in the Russian market is that Belorussian producers are unable to compete with western producers.

The government is very careful about the question of property and instead of real reforms does nothing but offer promises. Only 47 enterprises were privatized during three and a half months in 1996. 25 of them were sold through auctions,

13 were bought by lease-collectives and 9 were transformed into joint-stock companies. Moreover no new enterprise started production because of the stop on registrations.

The situation in Belarus shows that the current government is inclined to defend until the end the ideals of the socialist economy, in which the government has a monopoly over the means of productions. The government is unable to cope with the development of the state sector, yet it continues to cling to the idea of monopoly management of the economy. Even the few half measures towards market reforms are immediately compensated for by numerous obstacles and barriers to private initiative. Statistics and facts testify to progressing economic recession. This is not an expression of “classical economic crisis”, but a reflection of a deep transformational mutation of all the system. The condition of society is characterized by a different speed of change in the legal system as well as the economic and political institutions. In addition the formation of a new economic and social system is carried out in an inconsistent way and thereby slowed down.

It is time to formulate the principles of economic reforms:

- low inflation;
- increasing tendency of households to save;
- positive real rate of interest offered by banks;
- relative equilibrium of consumption, incomes and savings;
- positive value of net exports (to the “far abroad”, i.e. non-CIS countries);
- minimum adaptional experience of population.

Now it is time to use positive results in quickly and effective economic strategy. The conception of national economic development as a system of institution and organization measures for realization of the “break” to the interregional and world economy can form its basis. This is a well-known methodology of the “points of growth” which was not realized in Russia but formed the bases of economic innovations in Japan and South Korea. For example, Japan defined such branches as automobile industry, microelectronics and ship-building as reference points, developed these to act as “locomotives” and then tightened up the branches forming tail-end to the leading branches, resulting in the well-known success story. In accordance with the size of Belarus and the specific features of its economy the development focus could be on a number of branches and types of production.

Today Belorussian industry (especially such giants like Tractors Plant of Minsk, Belorussian Automobile Plant, Automobile Plant of Minsk) cannot grow without a solid infusion of western innovations. The experience of the former East Germany shows that building a new enterprise or organizing new production is usually ten times cheaper than retaining an old enterprise. Even now we must be ready to lay off half of all current staff at enterprises as a result of reorganization — it is inevitable. People have to look for a new job and retrain.

Small and medium-sized enterprises which form the basis of any economy are needed in Belarus. It is also necessary to begin the development of the service sector which in the future will have to take on most of the workers released from other sectors. Nobody is seriously engaged in a thorough revision of second resources, though the country would be able to cover 50 % of its current needs in paper.

The economic potential of Belarus is great. It is only necessary to reorganize the economy more rapidly, establish private property, give firm guarantees to foreign investors, lower taxes to at least 50 % — no one will ever be able to survive under current tax rates. There is no need to make the rich poor: only a rich enterprise and a rich businessman will have the means to invest in the economy. Making a policy of shaking out the government risks to reach the situation when a taxpayer can't give anything. The sooner the leaders understand this the better it will be for everyone.

Igor Kiselov:

**Weißrußland als Brücke zwischen
Ost und West — Landesypische
Eigenschaften und
Voraussetzungen für eine soziale
marktwirtschaftliche
Entwicklung**

Die Situation, in der sich Weißrußland befindet, ist neu- und einzigartig: Die Republik besitzt die Möglichkeit, frei und selbständig ihren zukünftigen wirtschaftspolitischen Weg zu bestimmen. Aber das Land zeigt auf diesem Wege große Entscheidungsschwäche, weil es sich vor einer endgültigen Entscheidung für eine soziale marktwirtschaftliche Entwicklung fürchtet — schließlich muß eine Entscheidung endgültig und verbindlich sein; das Land darf sich dabei nicht irren, da es keine Zeit besitzt, Fehler zu korrigieren. Die anhaltende Untätigkeit verschlimmert jedoch die wirtschaftliche Lage des Landes.

Die Entscheidung für ein konkretes sozial-marktwirtschaftliches Modell stellt ein grundlegendes, existenzielles Problem dar, das die Anstrengung aller intellektuellen Kräfte und die Berücksichtigung aller relevanten Einflußfaktoren erfordert. Da diese Entscheidung langfristig bindend ist bzw. einen strategischen Charakter aufweist, ist sie für Weißrußland sehr wichtig. Von einem erfolversprechenden Modell hängt das Schicksal des Landes sowie die wirtschaftliche Zukunft jedes einzelnen Menschen ab.

Leider ist die moderne Wirtschaftstheorie nicht imstande weltweit verbreitete, reale Wirtschaftsprozesse zu erklären, insbesondere nicht in den Ländern, die sich in ähnlichen existenziellen Transformationsprozessen wie Weißrußland befinden. Trotzdem muß das Dilemma, daß eine Entscheidung einerseits notwendig ist, andererseits aber schmerzhaft Reformen mit sich bringt, unverzüglich gelöst werden. Leider hat das Land bereits zu viel Zeit verloren und befindet sich deshalb im Rückstand zu den Ländern, die bereits erfolgreich marktwirtschaftliche Reformen durchgeführt haben — diesen Rückstand gilt es aufzuholen. Es stellt sich die Frage, welche Gründe zu dieser Situation geführt haben und welche Lösungen sich dafür anbieten?

Wir gehen davon aus, daß sich das Modell der Wirtschaftsreformen auf die allgemein bekannten, klassischen *Prinzipien der Marktwirtschaft* stützen sollte: Privateigentum, Konkurrenz, Privatisierung von Staatseigentum, Autonomie von Unternehmen. Aber auch in Ländern, in denen diese allgemeinen Prinzipien angewendet werden, unterscheiden sich die Modelle der Marktwirtschaft und der Sozialordnung grundsätzlich; beispielsweise unterscheiden sich die Modelle von Japan, Hongkong und Südkorea wesentlich von den europäischen. In Europa wiederum gibt es Unterschiede zwischen den Modellen von Großbritannien und Schweden, von Frankreich und Deutschland.

Der einzige erfolversprechende Weg für Weißrußland ist eine Synthese aus den global verbreiteten Tendenzen des Übergangs zur Marktwirtschaft und den spezifischen geopolitischen und national-historischen Eigenschaften des Landes. Um die gegenwärtigen Wirtschaftsprozesse in Weißrußland verstehen zu können, müssen beispielsweise geistig-psychologische, kulturelle und mentale Einflußfaktoren berücksichtigt werden.

Leider weiß man im Westen sehr wenig über Weißrußland: Das Land wird häufig als Teil Rußlands angesehen, obwohl es ein selbständiger, souveräner Staat ist. Deshalb möchte ich kurz auf dieses Problem eingehen. Das Gebiet Weißrußlands liegt zwischen dem europäischen Westen und Rußland — es verbindet den Osten mit dem Westen. Es ist ein Territorium, wo sich zwei verschiedene Kulturen, zwei verschiedene Welten treffen. In der Vergangenheit war Weißrußland entweder ein Teil der einen oder der anderen Welt. Deshalb besteht sein Schicksal vielleicht auch darin, diese zwei Welten miteinander zu vereinigen und gegensätzliche Einstellungen auszugleichen. Die Gründe für dieses Schicksal sind in der Geschichte, Kultur und in den Traditionen Weißrußlands zu suchen.

Bestimmte spezifische Eigenschaften der politischen und historischen Entwicklung Weißrußlands haben ohne Zweifel die wirtschaftliche Entwicklung des Landes beeinflußt. Die Weißrussen zeichnen sich durch ein multinationales Bewußtsein aus. Das liegt unter anderem darin begründet, daß das weißrussische Staatsgebiet abwechselnd ein Teil verschiedener Staaten — von Rußland, von Polen und vom Großfürstentum Litauen — war. Aus diesem Grund entwickelte sich auf dem Territorium des heutigen Weißrußlands eine einzigartige sozial-kulturelle Gesellschaft, die sich durch eine äußerst ausgeprägte Toleranz auszeichnet. Beispielsweise war immer konfessionelle Toleranz vorhanden; heute — wie auch in der Vergangenheit — gibt es in Weißrußland drei christliche Konfessionen: die katholische, die orthodoxe und die der unierten Kirche. Jedoch fällt die nationale Identität nicht immer mit der konfessionellen zusammen; z. B. betrachten sich Weißrussen, die sich zum Katholizismus bekennen, oft als Polen.

Die Weißrussen zeichneten sich immer durch eine hohe Anpassungsfähigkeit an ungünstige soziale Bedingungen, an Umstürze und Kriege aus, die das Territorium Weißrußlands von Westen nach Osten oder umgekehrt überzogen. Das prägte in der Bevölkerung eine gewisse Gelassenheit und das Streben, Probleme friedlich zu lösen, ohne Gewalt anzuwenden. Der polnische Politiker J. Marchlewski schrieb zu Beginn des 19. Jahrhunderts, daß der Weißrusse durch eine kritische Anpassungsfähigkeit gekennzeichnet ist. Das alles zusammen beeinflußte in gewissem Maße die Psychologie der Weißrussen, ihre Mentalität und ihr wirtschaftliches Verhalten. Die nationale Mentalität ist durch Charakterzüge wie Toleranz, Eintracht, Ausgeglichenheit, Behäbigkeit, Bescheidenheit etc. geprägt. Gleichzeitig wird jedoch betont, daß sich der Charakter eines Volkes im Laufe der Zeit wandeln kann; trotzdem ist die Mentalität in hohem Maße historisch bedingt. Auch muß zwischen der *nationalen Mentalität* und der *marktwirtschaftliche Mentalität* unterschieden werden. Die erstgenannte ist durch die Besonderheiten der historischen und geopolitischen Entwicklung der Republik Weißrußland, aber auch durch spezifische

Traditionen, Normen und Werte bedingt. Die zweitgenannte — die marktwirtschaftliche Mentalität — ist mit dem Verhalten der Menschen unter marktwirtschaftlichen Bedingungen verbunden; sie kann als Veranlagung zum marktwirtschaftlichen Denken interpretiert werden. In Zusammenhang mit der Durchführung von Wirtschaftsreformen in den osteuropäischen Ländern haben in der westlichen Literatur Diskussionen über die marktwirtschaftliche Mentalität zugenommen. Beispielsweise untersuchten westdeutsche Wissenschaftler dieses Problem in den neuen Bundesländern nach der deutschen Vereinigung. Es ergab sich ein Bild, das die Ostdeutschen als nicht besonders initiativenreiche und wenig unternehmerisch veranlagte Menschen zeichnet; also als Menschen, die sich an marktwirtschaftliche Bedingungen nicht anpassen können. Diese Mentalität wird vor allem mit dem staatlichen Eigentums- und Verwaltungssystem der ehemaligen DDR begründet.

In diesem Zusammenhang ist eine Einschätzung der marktwirtschaftlichen Mentalität in den ehemaligen Sowjetrepubliken interessant. Eine solche Einschätzung wurde von westlichen Experten der Deutsche Bank vorgenommen (vgl. Corbet, Jürgen: Die Sowjetunion im Umbruch: Fakten zu den Sowjetrepubliken, Stand: 01. Oktober 1990, Frankfurt/Main: Dt. Bank AG Volkswirtschaftl. Abt., 1990, S. 9). Die Verfasser schätzten das Niveau der marktwirtschaftlichen Mentalität und bewerteten deren Potential mit folgender Skala: 10 Punkte — gut, 5 Punkte — mittelmäßig, 0 Punkte — schlecht, d. h. kein Potential vorhanden. Das Ergebnis zeigt, daß die baltischen Republiken das höchste Niveau der marktwirtschaftlichen Mentalität besitzen (10 Punkte), gefolgt von Georgien mit 9 Punkten, Armenien mit 8 und Moldawien mit 5 Punkten. Die Ukraine und Weißrußland belegen mit je 3 Punkten nur den 7. bzw. 8. Platz. Daran ist zu erkennen, daß die marktwirtschaftliche Mentalität der Bevölkerung in Weißrußland, nach Meinung der deutschen Experten, nur durchschnittlich ist. Das hohe Potential der baltischen Republiken kann mit historischen und politischen Faktoren, mit der Nähe zum Westen, vor allem aber mit Vorkriegserfahrungen mit der Marktwirtschaft erklärt werden. Letztere zeigen sich beispielsweise darin, daß im Bewußtsein der dortigen älteren Generation noch ein gewisses marktwirtschaftliches Denken vorhanden ist.

Paternalistische gesellschaftliche Grundeinstellungen besitzen einen negativen Einfluß auf die Bildung einer marktwirtschaftlichen Ordnung. Diese Grundeinstellungen sind stark ausgeprägt, da der Staat jahrzehntelang als einziger Arbeitgeber auch die einzigen Einkommensmöglichkeiten anbot. In diesem Zusammenhang sei folgende Besonderheit betont: Die individuellen Interessen der Bürger Weißrußlands, wie auch der Bürger anderer Staaten der ehemaligen Sowjetunion, sind nicht durch Streben nach Privateigentum, sondern durch das staatlich legitimierte „Volkseigentum“ geprägt. Das wird durch soziologische Umfragen bestätigt, in denen nur ein geringer Teil der Befragten (ca. 5 %) die

Kapitalbildung — Erwerb eines Grundstücks oder Betriebes, Sparen zum Zweck der Geldanlage — als Motiv der Berufstätigkeit nennt. Im Gegensatz dazu erwartet die Mehrheit der Befragten eine abgesicherte Befriedigung ihrer materiellen Grundbedürfnisse durch den Staat. Sie haben kein Interesse daran, die Eigentumverhältnisse zu ändern und der Bevormundung durch den Staat zu entfliehen. Der Großteil der weißrussischen Bürger ist gegenwärtig nicht an liberalen Grundwerten interessiert — Privateigentum ist für diese Bürger unbedeutend. Anders gesagt, die weißrussischen Bürger wissen nicht, was man mit Privateigentum anfangen und wie es produktiv eingesetzt werden kann. Die Privatisierung von Staatseigentum auf Wertpapierbasis, die in der Republik durchgeführt wird, findet deshalb keine Zustimmung der breiten Bevölkerung. Das erschwert die Bildung einer gesellschaftlichen Mittelschicht.

Eine Unabhängigkeit der Privatwirtschaft vom Staat ist notwendig, um eine Mittelschicht zu schaffen. Dafür wäre es wünschenswert, wenn wenigstens die Staatsbeamten, die zur Intelligenz zählen, Teil der unabhängigen Intellektuellen werden, die überwiegend mit der Privatwirtschaft zusammenarbeiten. Aber die wichtigste Voraussetzung für die Bildung einer Mittelschicht ist eine starke demokratische staatliche Macht, die bisher jedoch fehlt. Ein weiteres Hemmnis für die Verwirklichung von Wirtschaftsreformen sind die Leiter der großen staatlichen Betriebe und die Mitarbeiter der Ministerien, die eine Ideologie des staatlichen Dirigismus vertreten. Aus diesem Grund besitzen sie eine Mentalität, die den marktwirtschaftlichen Prinzipien zuwiderläuft. Das alles beeinflusst die Entwicklung des Unternehmertums in negativer Weise. Es werden deshalb große Hoffnungen in die Jugend gesetzt, die kaum durch paternalistische Grundeinstellungen gekennzeichnet ist.

Die Unternehmer des Landes sind gezwungen, unter schwierigen Bedingungen zu wirtschaften. Das hängt damit zusammen, daß in Weißrußland die Produktion der staatlichen Betriebe, das Bildungssystem und die politische Meinung lange Zeit streng kontrolliert wurden. Diese Kontrolle drückte den Denk- und Verhaltensweisen der Menschen ihren Stempel auf. Wenn Privatunternehmen in das Wirtschaftsleben eintreten, stoßen sie auf negative Erscheinungen wie Korruption, hohe Kriminalität, eine unvollständige Gesetzgebung und ein hohes Unternehmerrisiko. Deshalb ist das Sozial- und Rechtsempfinden vieler Unternehmer auch gering ausgeprägt.

Kurz gesagt, alle genannten historischen, wirtschaftlichen, national-psychologischen Faktoren sind wichtig für die Gestaltung eines Wirtschaftsmodells, das eine soziale marktwirtschaftliche Entwicklung gewährleistet. Mit diesen Faktoren kann das zögerliche Verhalten des Landes erklärt werden, wenn zwischen einem marktorientierten Sozialismus und einer sozialen Marktwirtschaft entschieden werden soll. Natürlich ist das Modell der sozialen Marktwirtschaft attraktiv, und dieses Wirtschaftssystem findet bei vielen Bürgern unserer Re-

publik Unterstützung. Um dieses Modell zu verwirklichen, ist es aber notwendig, daß die Grundprinzipien der Marktwirtschaft berücksichtigt werden. Das betrifft unter anderem die Einführung des Privateigentums und dessen Gleichstellung mit anderen Eigentumsformen, die Zulassung von Konkurrenz sowie die Autonomie von Unternehmen. Leider gibt es in der Gesellschaft bisher keine eindeutige Befürwortung von Privateigentum. Wichtig ist dabei, daß die Frage vom Kauf und Verkauf des Bodens noch nicht gelöst ist. Des weiteren entspricht die weißrussische Gesetzgebung nicht den Anforderungen der Marktwirtschaft.

Auf der heutigen Entwicklungsstufe braucht die Wirtschaft Weißrußlands eine gewisse Stabilisierung und Ausgeglichenheit. Das ist eine Teilaufgabe im Rahmen der Umgestaltung der weißrussischen Gesellschaft, um damit den Weg für Wirtschaftsreformen zu bereiten. Dafür sind u. a. folgende Maßnahmen dringend notwendig:

- Aufbau einer marktwirtschaftlich orientierten Gesetzgebung;
- Abschaffung aller staatlichen Regulierungen, die sich auf den Einsatz von Produktionsfaktoren (Arbeit, Materialien etc.) beziehen;
- Gleichstellung aller Eigentumsformen zur Absicherung der gesellschaftlichen Demokratisierung;
- Durchführung einer umfassenden Privatisierung;
- Revision und Neubewertung des Volkseigentums einschließlich der Naturschätze, Humanressourcen u. a.;
- Freigabe der Preise und Garantie der unternehmerischen Autonomie;
- Durchführung einer ausgeglichenen Außenpolitik, die sich am Osten und Westen gleichermaßen orientiert.

In Weißrußland sind die Voraussetzungen gegeben, damit das Land eine den Osten und Westen verbindende Brücke wird. Daran sind alle demokratische Kräfte der weißrussischen Gesellschaft interessiert. Das Land wird sein Möglichstes tun, damit es sich auf demokratischem Wege entwickelt.

Abschließend soll die Gründung eines interdisziplinären, wissenschaftlichen Projekts unter dem Arbeitsnamen „*Gemeinsamkeiten und Besonderheiten (sozial-wirtschaftliche, geopolitische, kulturelle, sozial-psychologische Aspekte) der Länder Ost- und Mitteleuropas, Rußlands und Weißrußlands im Prozeß des Übergangs zur Marktwirtschaft*“ vorgeschlagen werden. Die Verwirklichung eines solchen komplexen Euro-Projektes könnte wichtige und originelle Informationen generieren, die eine weitere Problembewältigung von Übergangsgesellschaften — unter Berücksichtigung nationaler Traditionen und Besonderheiten der betroffenen Länder — unterstützen.

Brygida GrzeganeK-Wiecek:

**Umwandlung von
Organisations- und
Rechtsformen polnischer
Betriebe**

1	Ausgewählte Probleme des polnischen Transformationsprozesses	268
2	Privatisierung der polnischen Wirtschaft	271
2.1	Kommerzialisierung	271
2.2	Kapitalprivatisierung	272
2.3	Direkte Privatisierung	274
2.3.1	Einbringen des Unternehmensvermögens in eine Gesellschaft	275
2.3.2	Übergabe des Vermögens zur entgeltlichen Nutzung	277
2.4	Liquidation staatlicher Unternehmen	277
3	Bankenvergleichsverfahren als Form der Umstrukturierung von Unternehmen im Prozeß der Wirtschaftstransformation	280
4	Nationale Investitionsfonds (NFI)	281

1 Ausgewählte Probleme des polnischen Transformationsprozesses

In Polen war eine marktwirtschaftliche Orientierung der Wirtschaft das grundlegende Ziel einer Systemtransformation; aber nur unter der Voraussetzung, daß der Markt einen regulierender und koordinierender Mechanismus sowohl für mikro- als auch makroökonomische Prozesse bildet. Der Markt generiert Konkurrenz, rationalisiert die Produktion und die Dienstleistungen und fördert zusätzlich innovative Erkenntnisse, die helfen, die wirtschaftliche Effektivität zu steigern. Der Markt entscheidet über die Allokation von Produktionsfaktoren und hilft außerdem, Produktivität zu gewährleisten. Dabei muß aber berücksichtigt werden, daß der Marktmechanismus — in bestimmten Situationen — eine unvollständige Ausnutzung der zur Verfügung stehenden Produktionsmittel und Arbeitskräfte bewirken kann. Das führt zu mehr oder weniger großen Kapazitätsauslastungen der Unternehmen und darauf aufbauend zu Konjunkturschwankungen.

Der Marktmechanismus polarisiert und trägt dazu bei, daß sich auf jeder Ebene und in jedem Bereich von Wirtschaft und Gesellschaft unterschiedliche soziale Schichten bilden. Davon sind nicht nur die Bevölkerung (deren Mitglieder einerseits als Arbeitnehmer, andererseits als Verbraucher gesehen werden können), Unternehmenssphären und Regionen eines Landes betroffen, sondern — was eventuell viel wichtiger ist — auch die Verhältnisse zwischen verschiedenen Ländern. Infolgedessen werden die „Reichen“ (Einzelpersonen, Unternehmen oder Staaten) immer reicher und die „Armen“ immer ärmer.

Der Marktmechanismus begünstigt prinzipiell die Reichen und benachteiligt die Armen, denen es schwerfällt, ihre eigene soziale Gruppe zu verlassen. Im globalen Ausmaß etabliert sich eine Zweiteilung der Welt in reiche, sogenannte „Zentrumsländer“ und in eine „Peripherie“ aus ärmeren Ländern. Es stellt sich die Frage, warum der angeblich erprobte, nachahmenswerte Marktmechanismus nicht für alle Länder geeignet ist. In diesem Kontext soll folgende Frage beantwortet werden: *Hat die polnische Wirtschaft durch das Anwenden des Marktmechanismus reelle Chancen, in den Kreis der „Zentrumsländer“, d. h. der Reichen, einzutreten, oder wird Polen weiterhin zu den Ländern zählen, die die „Peripherie“ bilden?*

Die Auffassung, daß sich diese Frage für Polen nicht stellt, ist falsch. Gleichwohl ruft diese Frage große soziale Verbitterung und Frustration hervor. Daraus ergeben sich Erkenntnisse, die zur Formulierung einschränkender Bedingungen für die polnische Wirtschaftspolitik dienen sollen. Zu bedenken ist, daß ...

- ... das Marktphänomen als „Wundermittel“ für schnelles Wirtschaftswachstum auch viele Gefahren und „Fallen“ birgt, in die man leicht geraten kann;
- ... das kritiklose Übertragen von marktwirtschaftlichen Lösungen auf Polen sehr gefährlich ist, auch wenn diese aus den besten, hochentwickelten Ländern wie der BRD oder der USA stammen.

Diese Lösungsmuster haben sich unter den spezifischen Bedingungen dieser Länder bewährt; in der polnischen Realität würden sie aber völlig versagen. Deshalb sollte eine gründliche Analyse der polnischen Situation erfolgen, bevor Entscheidungen für bestimmte Lösungskonzepte getroffen werden.

Vielen marktwirtschaftlichen Lösungen ist Polen noch nicht gewachsen. Dem Land steht ein schwerer und langer Entwicklungsprozeß bevor, bis es imstande sein wird, diese Lösungen erfolgreich umzusetzen. Wenn in Polen die Umgestaltung als ein wirtschaftliches Phänomen verstanden wird, das aus einer Vielzahl von Mikro- und Makroprozessen (mit jeweils eigenen Ursachen und Wirkungen) zusammengesetzt ist, besitzt das Land die Chance, noch in absehbarer Zeit mit den Besten gleichzuziehen.

Die Umwandlung stellt jedoch einen stetigen Veränderungs- und Verbesserungsprozeß dar, der eine gewisse Zeit braucht; denn Ursachen wirken kontinuierlich, während sich Folgen — eher sprunghaft — in Form von konkreten Effekten (Löhnen, Preisen u.ä.) zeigen. Es gibt zwei Modelle, mit denen Geschwindigkeit und Mechanismus der wirtschaftlichen Umgestaltung beurteilt werden können:

- mit Hilfe eines kontinuierlichen, die Ursachen berücksichtigenden Modells;
- mit Hilfe eines Modells für sprunghafte, kumulierte Wirkungen.

In der wirtschaftlichen Praxis werden hauptsächlich Effekte bewertet. Für die Bewertung der Prozeßdynamik wird oft der sogenannte periodische Zinssatz verwendet. Der Zinssatz ist aber kein geeigneter Maßstab für die Bewertung und den Vergleich der Dynamik unterschiedlicher Mikroprozesse, die zusammen den Transformationsprozeß bilden. Er setzt nämlich eine lineare Zeitabhängigkeit der Meßwertänderungen voraus, während der Großteil der Prozesse einen nicht-linearen Verlauf aufweist. Der Zinssatz ist noch weniger für die Bewertung der Entwicklungstendenzen dieser Prozesse, der beobachteten Trends, geeignet, ohne deren Bestimmung allerdings Beurteilungen und Vergleiche der Dynamik ihren Sinn verlieren.

Besonderes Augenmerk sollte auf die Analyse von volkswirtschaftlichen Trends gerichtet werden, vor allem auf die Analyse von Inflationserscheinungen.

Analysergebnisse der Inflation, als einem Teiltransformationsprozeß der polnischen Wirtschaft, verdecken allerdings den Verlauf von Einzelprozessen. Die Ergebnisse sind zwar für die Praxis nützlich, z. B. für die Regierung und andere Organe der Staats- und Selbstverwaltung, basieren aber auf einer isolierten Betrachtung der Inflation, ohne dabei die Beziehungen zu anderen Teilprozessen des gesamten Transformationsprozesses im Sinne einer ganzheitlichen Analyse zu berücksichtigen. Sie liefern deshalb keine Informationen und Erkenntnisse über den Verlauf vieler Prozesse mit großer politischer und sozialer Bedeutung.

Insbesondere geht es dabei um Informationen über die Erhöhung von Waren- und Dienstleistungspreisen sowie über die Lohnerhöhungen in verschiedenen Gehaltsgruppen. Eine Analyse solcher Steigerungen im Zeitablauf liefert nur unzureichende und damit falsche Erkenntnisse über die Wirtschaftslage in Polen.

Während beispielsweise in Frankreich die Preis- und Lohnerhöhungen parallel verlaufen und nur die Geschwindigkeiten dieser Erhöhungen gegebenenfalls unterschiedlich sind, sind in Polen viele verschiedene Verläufe möglich; zusätzlich läßt sich eine große Differenzierung der Geschwindigkeiten beobachten. Die polnische Transformation gleicht einem Bild vieler Züge, die gleichzeitig ein Schienennetz mit unterschiedlichen Geschwindigkeiten befahren und deren Fahrpläne nur schwer aufeinander abzustimmen sind. Die französische Inflation ist durch einen langsamen Rückgang der Dynamik von Preis- und Lohnerhöhungen gekennzeichnet, während sich die polnischen Preis- und Lohnerhöhungen (leider) immer häufiger durch zunehmende Geschwindigkeit auszeichnen; solche Entwicklungen vergrößern die Inflationsgefahr.

In kleinen und mittelständischen Unternehmen beobachtet man immer noch einen geringen Unternehmergeist und fehlende Innovationsfähigkeit. Davon sind speziell Fleischwaren-, Milchprodukte- und Backwarenhersteller betroffen, aber auch andere Handwerker und Dienstleister; allgemein gesehen betrifft es Anbieter von Verbrauchsartikeln und von Kundendienstleistungen. Auf regionaler Ebene besitzen diese häufig eine Monopolstellung.

Die Analyse dieser Erscheinungen weist auf eine (ungerechtfertigte) Verarmung einiger Berufsgruppen (z. B. von Angestellten, Ärzten, Lehrern, Eisenbahnarbeitern) zugunsten von Wohlstandssteigerungen bei anderen Gruppen hin (z. B. bei Lebensmittelproduzenten und -verkäufern, Dienstleistern wie Taxifahrern). Zur Zeit kann die polnische Marktwirtschaft kaum als „frei“, dagegen eher als „wild“ bezeichnet werden. Aus diesem Grund sollen im folgenden die zeitlichen Entwicklungen von Prozessen im Vordergrund stehen. Einer der grundlegenden Prozesse der polnischen Wirtschaftstransformation ist der im Jahre 1990 eingeleitete Privatisierungsprozeß.

2 Privatisierung der polnischen Wirtschaft

Der seit fünf Jahren in Polen laufende Privatisierungsprozeß liefert immer mehr Daten für Analysen und neue Untersuchungen des Privatisierungsprozesses, als auch für andere durch diesen Prozeß bedingten Erscheinungen. Erst jetzt können zuverlässige Erkenntnisse über die Ergebnisse der Privatisierung gewonnen werden.

Ein grundsätzlicher Privatisierungserfolg ist die Veränderung der Eigentumsstruktur der polnischen Wirtschaft infolge der Privatisierung von Staatsunternehmen. Ein neuer Ansatz zur Bewertung der Privatisierung ist der Versuch, strukturbildende Folgen der Eigentumsumwandlung zu bestimmen, d. h. die Änderungen der technologisch-produktiven und unternehmensbezogenen Marktstrukturen zu ermitteln.

2.1 Kommerzialisierung

Die Kommerzialisierung beruht auf der Änderung der Rechtsform staatlicher Betriebe: aus Staatsunternehmen werden Kapitalgesellschaften, sogenannte „Einpersonengesellschaften des Staatsfiskus“.

Im Rahmen des fünf Jahre dauernden Kommerzialisierungsprozesses verdient das Jahr 1994 besondere Aufmerksamkeit, denn in diesem Jahr sind etwa 208 „Einpersonengesellschaften des Staatsfiskus“ entstanden. Diese Gesellschaften beschäftigen insgesamt 188.579 Mitarbeiter (Stand vom 31.12.1994) und ihr Stammkapital beträgt 2.031 Mio. neue Zloty. Im Jahre 1994 wurden etwa 27,1 % der gegründeten Gesellschaften umgestaltet. Der Anteil der kommerzialisierten Unternehmen an den Betrieben, die von der Eigentumsumgestaltungen betroffen waren, betrug 39 %.

Die Kommerzialisierung ermöglicht den Unternehmen, eindeutige Kompetenz-, Verwaltungs- und Kontrollstrukturen aufzubauen. Diese Strukturen bereiten die Unternehmen dann auf die Anforderungen einer Zusammenarbeit mit Organisationsstrukturen vor, die in entwickelten Marktwirtschaften vorhanden sind.

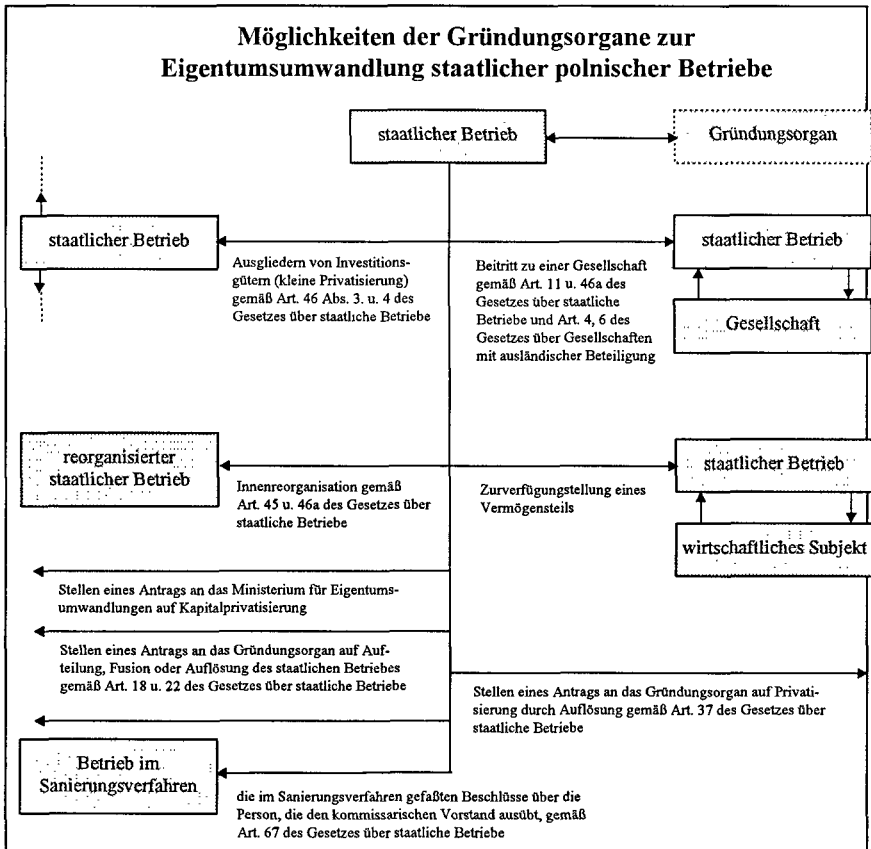
Die Kommerzialisierung wird entweder betrachtet ...

- ... als Änderung der Verwaltungsform, deren Ziel darin besteht, alle Unternehmensangelegenheiten (Eigentums-, Verwaltungs-, Finanzierungs-, Entwicklungsstrategien usw.) zu koordinieren, oder ...
- ... als Vorbereitungsphase auf die Kapitalprivatisierung.

Die Erfahrungen mit der Privatisierung deuten darauf hin, daß beide Formen gemeinsam realisiert werden, denn als Privatisierungsvoraussetzungen gelten nur das Einleiten der Umstrukturierung sowie das Vorbereiten des Managements

und der Belegschaft auf die Privatisierung des Unternehmens. In *Abbildung 1* wird diese Privatisierungsform dargestellt.

Abbildung 1: Schema der Möglichkeiten der Gründungsorgane zur Eigentumsumwandlung staatlicher polnischer Betriebe



Quelle: Juristisch-wirtschaftliche Grundlagen der Eigentums-umwandlung der polnischen Wirtschaft — juristische Probleme, in: Edukationsstiftung für Unternehmungsgeist, H. 3, Warszawa, 1993.

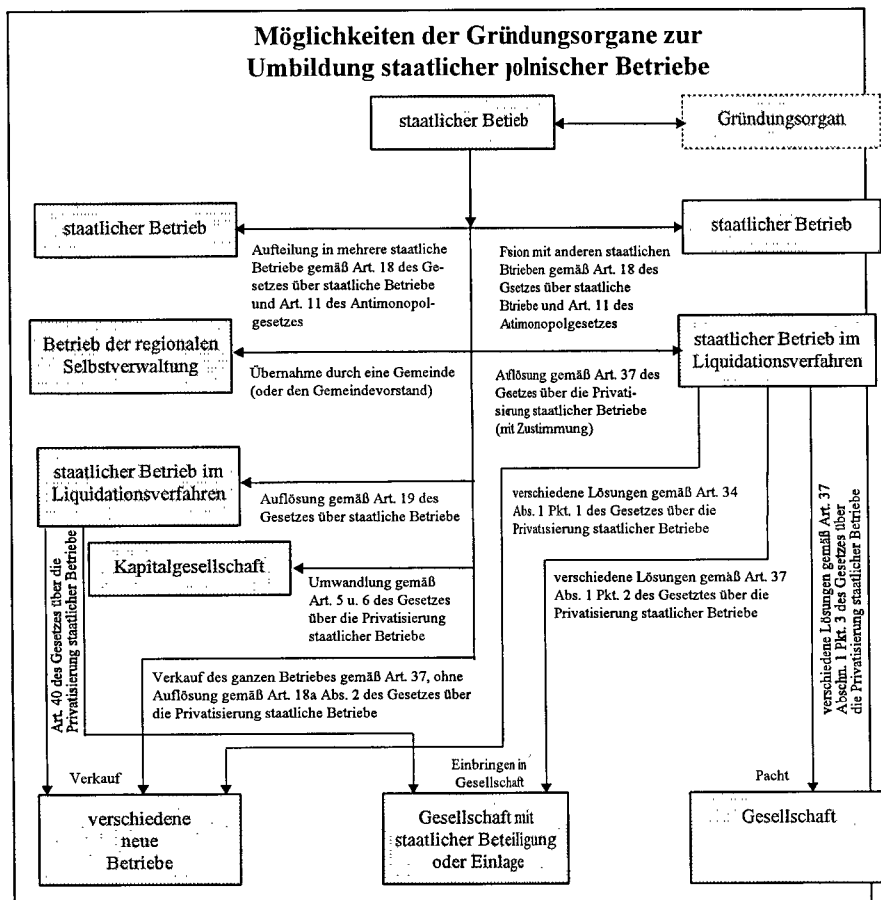
2.2 Kapitalprivatisierung

Die individuelle Privatisierung (case-by-case-Kapitalverfahren) beruht auf der Realisierung des Privatisierungsvorhabens auf dem Wege einer öffentlichen Ausschreibung, d. h. entweder durch Einladung von potentiellen, langfristige orientierten Investoren zu Verhandlungen oder durch Ausschreibung (diese

Prozedur wurde noch nicht angewendet; sie wird aber im Ministerium für Eigentums- umwandlungen vorbereitet).

Grundsätzlich ist der Umwandlungsprozeß der Kapitalprivatisierung mit dem Verkauf aller bzw. fast aller Aktien oder Anteile (ausgenommen 20 % für die Belegschaft und 5 % für die Reprivatisierung) durch öffentliche Ausschreibung oder an einen ausgewählten Investor verbunden.

Abbildung 2: Schema der Möglichkeiten der Gründungsorgane zur Umbildung staatlicher polnischer Betriebe



Quelle: Juristisch-wirtschaftliche Grundlagen der Eigentums- umwandlung der polnischen Wirtschaft — juristische Probleme, in: Edukationsstiftung für Unternehmungsgeist, H. 3, Warszawa, 1993.

Der Verkauf von Aktien oder Anteilen durch öffentliche Ausschreibung stellt eine arbeitsaufwendige und relativ kostenintensive Privatisierungsmethode dar. Diese Form wird meistens bei der Privatisierung von Gesellschaften angewendet, die sich durch gute wirtschaftlich-finanzielle Leistungswerte auszeichnen. 1994 wurden auf diese Weise fünf Gesellschaften privatisiert.

Der Verkauf der Gesellschaften durch öffentliche Ausschreibung kann als besonders attraktive Form der Kapitalprivatisierung angesehen werden. Die große Bedeutung, die dieser Privatisierungsform beigemessen wird, resultiert aus der Tatsache, daß sie die Grundlage für den entstehenden polnischen Kapitalmarkt bilden soll: Die auf dem öffentlichen Weg privatisierten Gesellschaften stellen den wichtigsten Bestandteil des Kapitalmarkts dar. In *Abbildung 2* (s. vorangehende Seite) wird diese Privatisierungsform dargestellt.

2.3 Direkte Privatisierung

Das Ziel einer Liquidation nach geltendem Recht ist die Übergabe des ganzen Unternehmens oder eines seiner organisatorisch selbständigen Teile an einen neuen Besitzer.

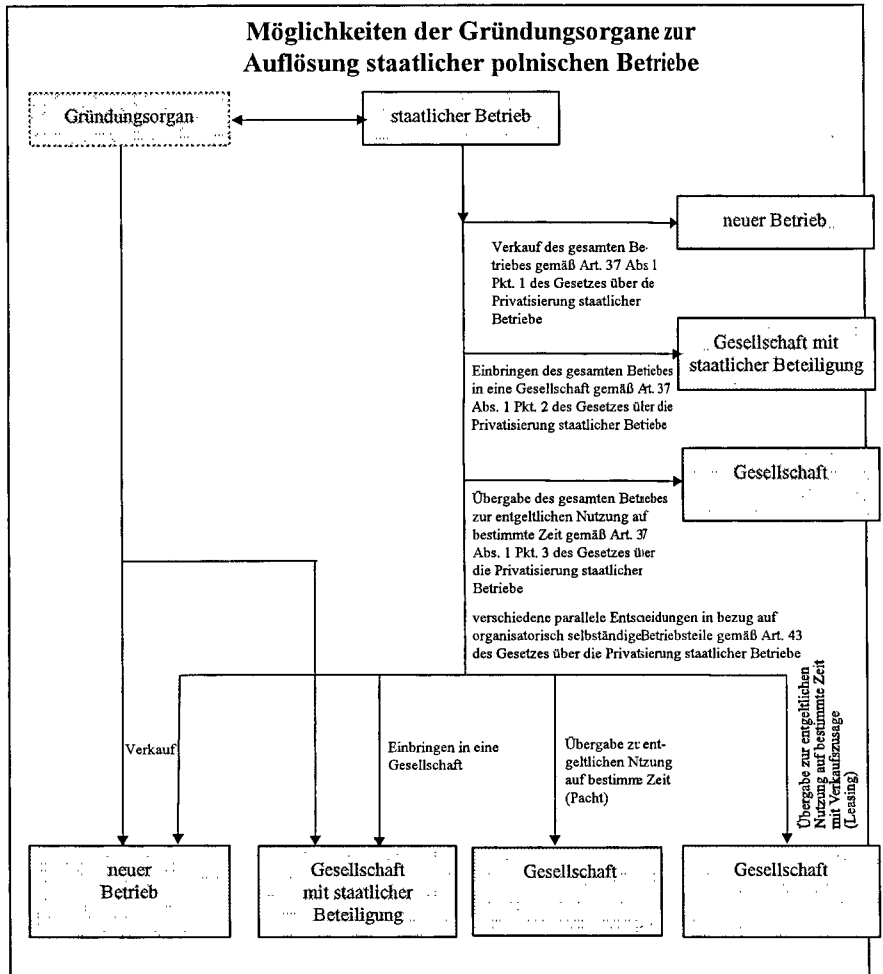
Das Unternehmensvermögen kann in beiden Fällen verkauft werden, in eine andere Gesellschaft eingebracht oder der bisherigen Unternehmensbelegschaft übertragen werden. Der Verkauf des Unternehmens wird nach Art. 37 Abs. 1 Pkt. 1 des „Gesetzes über die Privatisierung staatlicher Betriebe“ realisiert. Von dieser Vorgehensweise wird der sogenannte „schnelle Verkauf“ unterschieden, der nach Art. 18 Abs. 2 des „Gesetzes über staatliche Betriebe“ vom 25.09.1981 realisiert wird. Das ist in *Abbildung 2* (s. vorangehende Seite) wiedergegeben.

Der Grundgedanke einer Privatisierung gemäß den Prinzipien des „schnellen Verkaufs“ ist es, natürliche und juristische Personen anzusprechen, die inländischen Kapital repräsentieren. Diesen Erwerbern werden bestimmte Vergünstigungen eingeräumt, beispielsweise die Möglichkeit zu Ratenzahlungen. Bei dieser Form des Unternehmensverkaufs werden im Verhandlungsprozeß außer dem Preis folgende Faktoren berücksichtigt:

- Zahlungsbedingungen,
- Arbeitsplatzsicherungen,
- Investitionsprogramme und Garantien für deren Realisierung,
- Verpflichtungen im Bereich des Umweltschutzes.

Die Möglichkeiten für eine direkte Privatisierung werden in *Abbildung 3* dargestellt.

Abbildung 3: Schema der Möglichkeiten der Gründungsorgane zur Umbildung staatlicher polnischer Betriebe durch Auflösung



Quelle: Juristisch-wirtschaftliche Grundlagen der Eigentumsumwandlung der polnischen Wirtschaft — juristische Probleme, in: Edukationsstiftung für Unternehmungsgeist, H. 3, Warszawa, 1993.

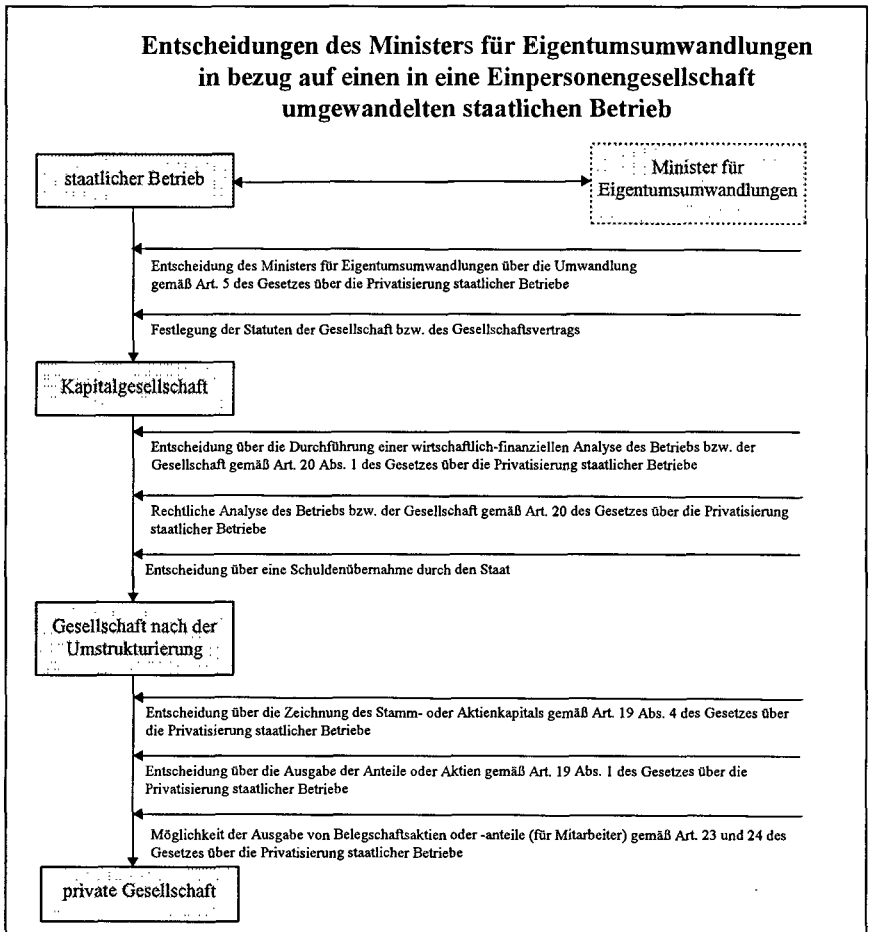
2.3.1 Einbringen des Unternehmensvermögens in eine Gesellschaft

Das Einbringen des Unternehmensvermögens in eine Gesellschaft wird gemäß Art. 37 Abs. 1 Pkt. 2 des „Gesetzes zur Privatisierung staatlicher Betriebe“ reali-

siert. Diese Privatisierungsform wird für größere Unternehmen bevorzugt, deren Modernisierung einen erheblichen finanziellen Aufwand erfordert.

Beim Einbringen des Betriebes in eine Gesellschaft übernimmt der Staat die Aktienverteilung. Dem Staatshaushalt fließen jedoch erst im Falle des Aktienverkaufs Finanzmittel zu (vgl. *Abbildung 3* auf der vorangehenden Seite).

Abbildung 4: Schema der Entscheidungen des Ministers für Eigentums-umwandlungen in bezug auf einen in eine Einpersonengesellschaft umgewandelten staatlichen Betrieb



Quelle: Juristisch-wirtschaftliche Grundlagen der Eigentums-umwandlung der polnischen Wirtschaft — juristische Probleme, in: Edukationsstiftung für Unternehmungsgeist, H. 3, Warszawa, 1993.

2.3.2 Übergabe des Vermögens zur entgeltlichen Nutzung

Die vertraglich geregelte Übergabe des Vermögens zur entgeltlichen Nutzung an die bisherige Belegschaft des Unternehmens stellt eine kostengünstige Privatisierungsform dar. Sie dient als Vorbereitungsphase für eine Eigentumsübernahme durch den Staat.

Der ökonomische Sinn des Vertrages besteht darin, daß der Verkaufspreis erst bei Vertragsabschluß festgelegt wird und nach Tilgung der Forderungen für entgeltliche Nutzung automatisch die Bedingung der Eigentumsübergang erfüllt wird, ohne daß damit weitere ökonomische Folgen verbunden sind. Das ist die populärste Form der Vermögensumwandlung im Rahmen der direkten Privatisierung, die auch in *Abbildung 4* (s. vorangehende Seite) dargestellt ist.

Durch die direkte Privatisierung werden hauptsächlich kleine und mittelständische Unternehmen umgewandelt, die meist weniger als 500 Beschäftigte haben.

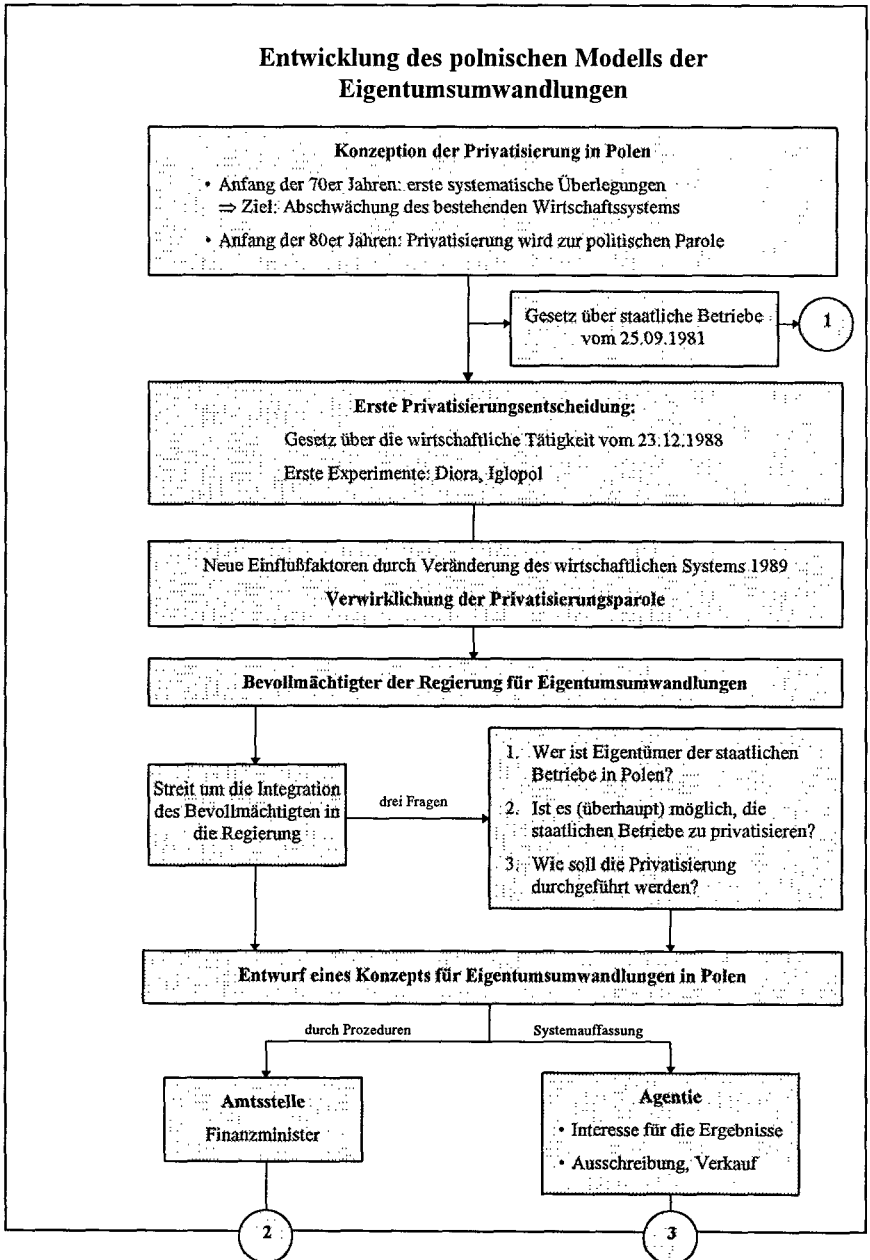
2.4 Liquidation staatlicher Unternehmen

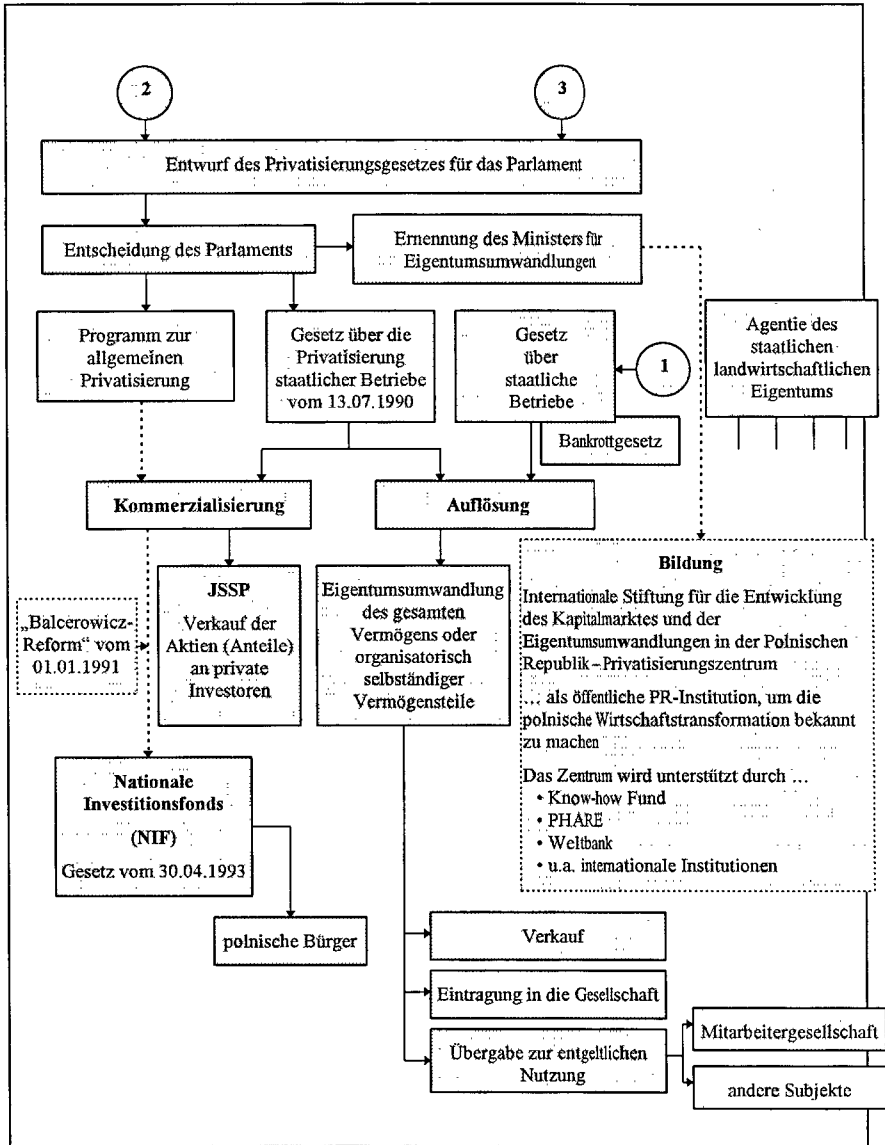
Nach dem „Gesetz über staatliche Betriebe“ vom 25.09.1984 beruht die Liquidation staatlicher Unternehmen darauf, daß das Unternehmen nach Erfüllung der Gläubigerforderungen aus dem Handelsregister gestrichen wird. Eine Liquidation ist dann angebracht, wenn das Weiterbestehen des Betriebes aufgrund ökonomischer Gründe nicht gerechtfertigt werden kann. Der Liquidation unterliegen grundsätzlich Unternehmen mit geringer Beschäftigtenzahl, die zudem vor der Eröffnung des Liquidationsverfahrens reduziert wurde. 80 % der betroffenen Unternehmen beschäftigen nicht mehr als 200 Mitarbeiter. Die unter die Liquidationsregelung fallenden Unternehmen weisen einen stetigen Rentabilitätsrückgang und eine Verschlechterung der Zahlungsfähigkeit auf, die Folgen von Lagerbestandszunahmen an unverkäuflichen Produkten sind. In den meisten Fällen ist die Verschuldung aus früheren Perioden der Grund für schlechte finanzielle Leistungswerte.

Gemäß Art. 24 des „Gesetzes über staatliche Betriebe“ kann ein Staatsunternehmen auch Konkurs nach den Vorschriften des Konkursrechts erklären.

Die Unterschiede zwischen Liquidation und Konkurs liegen in verschiedenen Voraussetzungen und Vorgehensweisen. Das Konkursverfahren wird durch das Gericht eröffnet, das einen Konkursverwalter bestellt, der unter der Aufsicht eines beauftragten Richters arbeitet. Der wirtschaftliche Nutzen von Liquidation und Konkurs ist ähnlich: Liquidator und Konkursverwalter haben beide die Aufgabe, Aktiva flüssig zu machen, um die Gläubigerforderungen zu erfüllen.

Abbildung 5: Entwicklung des polnischen Modells der Eigentums-umwandlungen





Quelle: eigener Entwurf.

Der wirtschaftliche Sinn einer Unterscheidung zwischen Liquidation und Konkurs liegt darin daß ...

... die Liquidation eines staatlichen Unternehmens durch dessen Gründungsorgan nur dann erklärt werden darf, wenn gesichert ist, daß die aus dem Aktivverkauf gewonnenen finanziellen Mittel die Forderungen der Gläubiger befriedigen und darüber hinaus zur Deckung der Liquidationskosten ausreichen;

... das Gericht den Konkurs jederzeit eröffnen kann, d. h. auch dann, wenn mit den finanziellen Mitteln aus dem Vermögensverkauf nicht alle Gläubigerforderungen befriedigt werden können.

Allerdings kann es auch passieren, daß eine sich verlängernde Liquidation von staatlichen Unternehmen mit einem Konkursverfahren endet. Eine Liquidation sollte zwar innerhalb von sechs Monaten durchgeführt werden, trotzdem kommt es vor, daß sie sich über zwei Jahre hinzieht. Dies wird oft durch schlechte Liquidationsvorbereitungen auf seiten des Unternehmens und durch mangelnde Nachfrage nach Vermögensbestandteilen verursacht. *Abbildung 5* (s. die beiden vorangehenden Seiten) gibt die Entwicklung des polnischen Modells der Eigentumsu mwandlung wieder.

3 Bankenvergleichsverfahren als Form der Umstrukturierung von Unternehmen im Prozeß der Wirtschaftstransformation

Im Jahr 1994 wurden neue Möglichkeiten für die Umstrukturierung und Privatisierung von staatlichen Gesellschaften geschaffen, die sich in schwierigen wirtschaftlich-finanziellen Situationen befinden.

Bereits 1993 wurden im „Gesetz über die finanzielle Umstrukturierung von Unternehmen und Banken“ gesetzliche Regelungen festgelegt, die zur Sanierung des Finanzsektors beitragen können und die auch Umschuldungsmöglichkeiten für solche Betriebe bieten, deren Potentiale Chancen für zukünftige Effektivitätsteigerungen versprechen.

Das Programm zur finanziellen Umstrukturierung hat gleichzeitig eine aktive Rolle von Banken als den Inhabern von „schlechten“ Forderungen gegenüber den durch Umstrukturierungs- und Privatisierungsvorgänge verschuldeten Unternehmen erzwungen.

Das Gesetz schreibt drei Vorgehensweisen für die Umschuldung von Bankkrediten vor:

- a) öffentlicher Verkauf der Bankforderungen;

- b) Umschuldung durch einen Vergleich mit der Bank, um damit zur finanziellen Sanierung des Unternehmens beizutragen;
- c) Umwandlung der Forderungen in Aktien oder Anteile des Schuldners.

Die grundlegende Idee des Programms ist, Unternehmen als Schuldner der Banken mit zusätzlichem Kapital auszustatten, indem entweder bestehende Schulden in Form von Kreditverbindlichkeiten erlassen werden — wenn keine Chance auf ein erfolgversprechendes Fortführen der Unternehmenstätigkeit gesehen wird (öffentlicher Verkauf der Forderungen) — oder Vertragsänderungen mit der Gläubigerbank vereinbart werden, wenn Chancen für eine erfolgversprechende Umstrukturierung und für zukünftige Schuldentilgungen gesehen werden.

Die Voraussetzungen für eine Eröffnung des Bankenvergleichsverfahrens sind die Ausarbeitung eines wirtschaftlichen Sanierungsprogramms für das verschuldete Unternehmen sowie die Möglichkeit zu dessen Realisierung durch teilweise Schuldentilgung, Umwandlung der Verbindlichkeiten in Aktien bzw. Anteile oder Gewährung von Zahlungsaufschub. Umwandlung der Verbindlichkeiten in Aktien bzw. Anteile der Gesellschaft führt zu einer ganz neuen Kapitalstruktur und zur Neuregelung der Eigentumsverhältnisse. Für die Gläubiger als Gesellschaftseigentümer ergeben sich dann neue Aufgaben: Durchführen der Umstrukturierung, Umsetzen des wirtschaftlichen Sanierungsprogramms und Erwirtschaften von Gewinnen. Allerdings verfügen sie gleichzeitig über verbesserte Einflußmöglichkeiten auf die Unternehmensführung.

4 Nationale Investitionsfonds (NFI)

In Polen wurde seit 1994 das Programm der NFI vom Ministerium für Eigentumsumwandlungen stets als eine Priorität der Eigentumsumwandlungen betrachtet. Die Aktivitäten des Ministeriums konzentrierten sich 1994 vor allem auf folgende Probleme:

- Auswahl von Unternehmen, die an dem Programm teilnehmen sollten, und Analyse der wirtschaftlichen Situation dieser Unternehmen;
- Verarbeitung und Bereitstellung von Informationen, Verteilung von Aktien als Anteile der beteiligten Unternehmen auf einzelne NFI;
- Vorbereitung des Drucks und Vertriebs von Teilnahmezertifikaten (u. a. wurde das Ausschreibungsverfahren für den Druck von Teilnahmezertifikaten entschieden);

- Durchführung der Werbe- und Informationskampagne;
- Kommerzialisierung der für die Teilnahme an den NFI ausgewählten staatlichen Unternehmen;
- Aufstellung von Regeln für den Handel mit Belegschafts- und Gesellschaftsaktien (Börsenverkehr und regulierter freier Verkehr);
- Errichtung eines Computerzentrums für Maklerbüros.

Es muß betont werden, daß die Mehrheit der Projekte, die durch das NFI-Programm realisiert werden — und die später gegebenenfalls zu Privatisierung von Unternehmen führen —, das Ziel verfolgen, dauerhafte Institutionen zu gründen. Diese Institutionen sollen nicht nur den Zielen des „Programms allgemeiner Privatisierung“ (polnische Abkürzung: PPP) dienen, sondern auch ein stabiles Element bzw. die Grundlage für die weitere Entwicklung des polnischen Kapitalmarktes bilden.

Eine günstige Entwicklung des polnischen Kapitalmarktes kann dann als direkte Folge des „Programms allgemeiner Privatisierung“ angesehen werden. Untersuchungsergebnisse weisen darauf hin, daß die Einstellung der Öffentlichkeit zum PPP in hohem Maße von der gegenwärtigen politischen Situation in Polen abhängt.

Zdzislaw W. Puslecki

**Polish - German Economic
Relations in the Period of
Transition**

1	Summary	284
2	Introduction	285
3	The basis for Polish-German economic relations in the nineties	287
4	Changes in the structure of trade exchange	289
5	Trans-border trade	293
6	German investment capital in Poland at the beginning of the nineties	295
7	Final remarks	300
8	Notes	302

1 Summary

A reorientation of economic relations with foreign countries took place in Poland in the period of transformation. The Federal Republic of Germany has become the most important partner of that country in all trade and economic relations. Poland cannot overcome all the economic problems connected with transformation by itself. Foreign aid is necessary, and the countries of Central and Eastern Europe are not able to grant such an aid.

The legal basis for the development of cooperation between Poland and Germany exists in the form of a set of Polish-German agreements negotiated and concluded between June 1989 and June 1991. In the period of transformation the structure of Polish-German trade exchange changed considerably. The Federal Republic of Germany has now a bigger share in total Polish foreign trade exchange while the share of Poland in the FRG foreign trade decreased. This quantitative asymmetry is accompanied by asymmetry in the structure of goods. This shows that Poland depends significantly on the German market.

Trans-border trade has begun to play a considerable role in Polish-German economic relations. Its size is relatively big, although it is still in the start-up stage.

Since there are new conditions, and especially economic difficulties in Poland associated with the transition from a centrally controlled towards a market economy and from the implementation of the principles of German-German currency, economic and social union, the Polish-German investment-capital cooperation also found itself in a transition phase. In 1990 the previously existing dynamics of German investments in Poland slowed down significantly.

The above discussion of Polish-German economic relations during the period of transition show that there are many reasons why both sides should be interested in the future development of different forms of cooperation; geographical closeness and comparative advantages in transport are examples. Polish-German cooperation supports the economic reform process in Poland. Growth, easier access to the German market, the possibility of developing near-the-border cooperation, and the increase of German capital invested in Poland reflect this. German banks helped to reduce the Polish debts owed to western commercial banks which may influence in a positive way the growth of German investments in Poland.

Polish reforms, the basis for privatization, will in turn lead to the increased demand for imported German goods and at the same time to the increased supply of export goods. Restructuring of the Polish economy will bring along more flexibility on the demand and supply sides and, as a consequence,

increased comparative benefits from trade exchange between the two countries. Cooperation between Poland and the Federal Republic of Germany — and other industrial countries — will help to change the former structure of production and exports. This is being predicted by the neo-technological theories of international exchange.

2 Introduction

The beginning of political and economic transformation which took place in Poland — and in other countries of Central and Eastern Europe — had significant influence on the relations between Polish and foreign economies. Emerging with lots of difficulties, a new economic system based on market principles found itself in a completely different economic environment. The Council for Mutual Economic Aid (CMEA) collapsed and the west of Poland suddenly shared a border with the united Federal Republic of Germany, a member of the European Union. Gradually economic and trade ties between Poland and East European countries weakened while the strengthening and broadening of contacts with the countries of Western Europe, especially with the European Union (with aspirations of becoming its member in the future) became the long-term goal of foreign economic policy.

As far as the economy is concerned the Federal Republic of Germany is the most important country of the European Union. For years this country has been also the most important economic partner of Poland in the West. After the reunification of Germany and the collapse of the CMEA, when East Germany ceased to exist and the trade turnover with the countries emerging from what remained from the former USSR was steadily decreasing — due to payment difficulties — the Federal Republic of Germany has become Poland's economic and trade partner number 1. Since the role of foreign trade — and especially exports — is extremely important during the period of transition, Polish-German economic relations should be in the centre of attention of both theoreticians and practitioners in economics. All the initiatives in this field should help to develop cross-country relations based on the principles of comparative benefits. Therefore, both sides — Polish and German — should be interested in the development of economic cooperation.

At the very beginning of the transition period in Poland, when the introduction of democratic and market changes in this country was accompanied by the emergence of the united Federal Republic of Germany, there appeared a number of different opinions concerning future relations between the two countries. Two potential aspects were considered: opportunities (chances) and dangers (risks). New opportunities were seen first of all to derive from Poland's location on the border of the West, i.e. the European Union. In a sense, with the opening of

borders Poland came closer to Western Europe which had always been important to the country. Poland counted mainly but not solely on bigger opportunities in economic cooperation. There was also the potential for easier access to necessary capital and technologies, the two factors on which contemporary, efficient and modern economic development of the world is based.

The dangers, or risks, were mostly seen in the possibility that the Polish economy might become dependent on the economic power of the Federal Republic of Germany. Besides, after the reunification, Poland had lost an important economic partner — the German Democratic Republic. A number of economic agreements had to be renegotiated or initiated from the very beginning. It has been estimated that the implied losses for Poland reached the sum of one billion DM. There were also fears that Poland might become a pool of cheap labour for unified Germany while the Oder and Neisse rivers might turn into frontier rivers like the Rio Grande which separates wealthy United States from poor Mexico. Thus, Poland might become a poor region of wealthy Western Europe, potentially dominated by the united Germany, with Poland wanting to escape its role as a source of raw material, agricultural products and cheap labour. Later those fears of a powerful neighbour weakened, although they did not disappear completely.

For Poland in the process of transformation, the opening of western markets to Poland's main export goods is a very important issue. These export goods are mainly agricultural products, steel, coal, and textiles, all products which in Western Europe are treated as "sensitive" goods requiring special trade protection. Very effective in this respect (as protective measures) are the antidumping procedures applied by the European Union. Another important issue for Poland is the access to credits and modern technology.

Just after reunification, the Federal Republic of Germany treated the problems accompanying the transition period in Poland with a certain reserve. Obviously, that country had to solve its own problems resulting from the unification and from general development difficulties — difficulties which appeared in all the EU countries at the beginning of the nineties. The Federal Republic was forced at that time to spend significant amounts of money to help the new federal states (Länder) to adapt themselves to the new market situation. This weakened the role of the German Mark as a stabilizing factor in the West European monetary system. Therefore, in the EU countries there appeared some currency perturbations which were, in a sense, the result of the German unification.

Poland, however, cannot overcome on its own the economic problems resulting from transformation. To speed up economic development Poland needs foreign aid. The processes of economic development in less developed countries support this view.

3 The basis for Polish-German economic relations in the nineties

The legal basis for the development of comprehensive cooperation between Poland and the Federal Republic of Germany after reunification are found in a set of Polish agreements, negotiated and signed between June 1989 and June 1991. The treaty between the Polish Republic and the Federal Republic of Germany from November 14, 1990, concerning the borders which became effective on January 16, 1992 — that is, on the day of the exchange of the ratification documents¹ in Bonn — closed that chapter of recent history which dealt with the problem of the acceptance of the Oder and Neisse border.² At the same time it opened the way for signing the treaty on good neighbourhood and friendly cooperation between the Polish Republic and the Federal Republic of Germany which took place in Bonn on June 17, 1991.

This treaty, called also “a big treaty” is, as far as the Polish-German relations after the second World War — or even throughout their whole history — are concerned, a document without any precedent.³ It is the basis for shaping the relations between the two countries in the near future and in the longer term. This treaty also provides the framework and main elements for neighbourly cooperation, based on a broadly understood principle of mutual benefit to the two partners.

The treaty of June 17, 1991 regulates the problems of political and economic relations, scientific and technical cooperation, and also the problems of direct contacts between the citizens of the two countries, including youth exchange programs, exchange of views and experiences between political parties, trade unions, churches, sports organizations, foundations, and other political and social institutions. In some cases, the regulations of the treaty go beyond the framework of bilateral relations. For example, article 8 stresses “the highest significance” of European unity and states that the association agreement between Poland and the European Communities will form the basis for the political and economic union of Poland and the European Union. The Federal Republic of Germany took upon itself the task of supporting all the efforts in that direction — naturally, in proportion to its possibilities — and has a very positive attitude to the idea of Poland joining the EU.

The article mentioned above includes also a number of issues of economic character: it regulates the relations of Poland with the unified Germany in the field of trade exchange and economic cooperation. It could be said that these regulations have a temporary character since they will remain in force until Poland joins the European Union. According to the regulations included in the treaty of June 17, 1991, both Poland and the Federal Republic of Germany will act so as to broaden and enrich mutual economic relations in all areas, giving

however priority to their own legislative systems and honouring the obligations resulting from the signed treaty. The two sides obligated themselves to act so as to create the most helpful economic, legal and organizational conditions for the economic activities of individual people and companies. Cooperation of Polish and German enterprises and the cooperation in the education and perfection of managing personnel will play a significant role in those relations. Articles 9 and 11 stress that the Federal Republic of Germany should support, bilaterally and multilaterally, the development of the market economy in Poland.⁴ It should be also added here that the FRG has recorded significant achievements in the functioning of the social market economy, which is now being introduced in new, federal states (Länder).⁵

Cooperation will also include the normalization of financial and credit relations, especially those within the framework of the European Bank of Reconstruction and Development, the International Monetary Fund, the World Bank, and other financial institutions. The problem of Polish debts (about 50 billion dollars), the biggest part of which is owed to Paris Club members and therefore Germany, has also been taken into account.

Regional and trans-border cooperation, developed within the European Union, plays an important role in partnership cooperation. An intergovernmental commission for regional and trans-border cooperation is to be responsible for promoting this kind of cooperation. The economic agreements, found in the treaty, include also the decisions concerning the development of financial cooperation, together with export credit guarantees (art.10) and the improvements in the area of travel, tourism, air traffic, land traffic, sailing and telecommunication. It should be also noted that both sides expressed the will to cooperate in the case of natural disasters, dangerous accidents, and — equally important for both countries — problems of environmental protection and prevention. This is especially important for Poland, where environmental problems need speedy and energetic actions in order to improve the present state of affairs — a state which is the result of long-time neglect. Obviously, this kind of action requires both money and modern technology. Therefore, help from a more developed country is of importance.

The treaty speaks also about scientific and technical cooperation, which play an increasing role in contemporary economic development. Just as one cannot imagine fast economic development without the necessary capital, it is equally difficult to think of such development without modern science and technology.⁶ Therefore, the treaty expresses the will of the two countries to support initiatives in scientific and technological areas and in the field of information and scientific-technological documentation exchange.

4 Changes in the structure of trade exchange

As early as 1989 — that is before formal reunification, but after the Berlin Wall had come down⁷ — along with the political and economic changes toward democracy and market economy there appeared changes in the structure of trade exchange between Poland and the two German states (*Table 1*).

Table 1: Participation of GDR, FRG and unified Germany in Polish foreign trade and participation of Poland in German trade in selected years (in %)

	1950	1960	1970	1980	1985	1988	1989	1990	1991	1994
Participation of GDR, FRG and Germany in Polish foreign trade										
Polish imports (in %)										
GDR	11.5	12.5	11.1	5.9	6.1	5.0	4.5	x	x	x
FRG ^a	2.6	4.8	4.1	7.4	9.1	13.3	16.1	x	x	x
Germany	x	x	x	x	x	x	x	17.2	26.5	27.5
Polish exports (in %)										
GDR	13.9	9.4	9.4	5.8	5.0	4.4	4.2	x	x	x
FRG ^a	2.4	5.7	5.8	10.3	9.3	12.8	15.0	x	x	x
Germany	x	x	x	x	x	x	x	23.9	29.4	35.7
Participation of Poland in the foreign trade of GDR, FRG and Germany										
Imports (in %)										
GDR	9.7	6.5	6.1	5.9	5.3	4.3	4.4	x	x	x
FRG ^a	0.7	0.8	0.6	0.7	0.7	0.7	0.7	x	x	x
Germany	x	x	x	x	x	x	x	1.0	1.1	•
Exports (in %)										
GDR	14.3	8.5	8.7	7.0	5.6	4.6	4.5	x	x	x
FRG ^a	0.8	0.6	0.6	0.8	0.5	0.5	0.7	x	x	x
Germany	x	x	x	x	x	x	x	1.2	1.3	•
^a West-Berlin included										

Reference sources: J. Misala, Niemcy jako partner gospodarczy Polski ("Germany as an economic partner of Poland"), in: „Sprawy Międzynarodowe“ ("International Affairs"), 1993, no. 2, p. 43; Główny Urząd Statystyczny, 1995.

At that time the new tendencies in the economic development of Poland and the will to strengthen the economic ties with the countries of Western Europe were the decisive factors causing these changes. In 1989 the imports from FRG increased to 16.1 %, that is by 2.8 percentage points when compared with the year 1988 (13.3 %). The imports from the former GDR, in the same period, decreased to 4.5 %, that is by a 0.5 percentage point. A similar change could be observed in the Polish exports to both German states. In 1989 the exports from

Poland to the FRG increased to 15.0 %, that is by 2.2 percentage points compared with the year 1988 (12.8 %) while the exports to the GDR decreased by a 0.2 percentage point to 4.2 % (*Table 1*).

After the reunification of Germany and the beginning of economic changes in Poland which, after the collapse of the CMEA, brought about the geographic reorientation in the structure of Polish foreign trade, trade between Poland and Germany changed significantly. In 1990 Polish imports from the unified Germany increased to 17.2 %, in 1991 to 26.5 % and in 1994 to 27.5 %. Even bigger changes could be noticed in Polish exports to the unified the Federal Republic of Germany. In 1990 they reached 23.9 %, in 1991 29.4 % and in 1994 35.7 % (*Table 1*). Thus, between 1989 and 1994 imports increased by 6.9 percentage points (adding up imports from the former GDR and FRG) while exports increased by 16.5 percentage points.

These figures show a significant change in Polish foreign trade. It should be noted, however, that while the share of unified Germany in total Polish foreign trade was increasing rapidly, the share of Poland in Germany's total trade although growing was still much lower than before unification (*Table 1*). In 1989 total imports from Poland to both GDR and FRG reached 5.1 %, but in 1991 only 1.1 %. This meant a decrease in the Polish share of imports in the FRG by 4.0 percentage points, although in 1991 an increase of a 0.1 percentage point relative to 1990 was noted. Similar developments took place in the case of German exports to Poland. In 1989 total German exports to Poland reached 5.2 %, while in 1991 they dropped to 1.3 %. Thus, the share of Poland in total German exports decreased by 3.9 percentage points, although — as in the case of imports — it grew by 0.1 percentage points in 1991. This means that the loss of the East German market had a negative effect and reduced the Polish share in total foreign trade of unified Germany. Although there are tendencies towards growth, but the share is still rather small. This lack of symmetry — between the share of the Federal Republic of Germany in Polish foreign trade and that of Poland in the foreign trade of unified Germany — indicates a significant dependence of Poland on the German market. A change in this situation will depend on the rate at which the participation of Poland in the trade exchange of FRG will grow. In 1993 1/3 of total Polish trade exchange with foreign countries was directed at FRG, while in 1992 a little over 1/4. In 1993 Poland exported to the Federal Republic of Germany goods worth 8.5 billion DM, while its imports were worth 10 billion DM. The participation of Poland in total German trade exchange reached a mere 1.5 %.⁸

Table 2: Structure of goods in trade exchange between Poland and unified Germany in 1990 and 1991, based on Integrated Nomenclature (private trade excluded^a, in %)

No.	Items	Polish imports		Polish exports	
		1990	1991	1990	1991
I	Live animals and animal products	1.1	2.9	9.7	6.4
II	Plant products	1.4	1.6	4.0	3.8
III	Oil and natural fats	1.3	1.7	0.3	0.2
IV	Processed food articles, alcohol, tobacco	4.4	4.8	3.2	3.1
V	Mineral products	5.1	5.9	12.5	15.7
VI	Chemical products	11.7	18.7	8.2	8.5
VII	Plastic and rubber products	4.4	4.5	2.4	2.7
VIII	Leather and leather products	0.2	0.4	0.4	0.7
IX	Wood and wood products	0.0	0.2	2.6	2.8
X	Pulpwood, paper and paper products	1.1	2.2	1.3	1.8
XI	Textiles	2.7	3.5	2.7	2.4
XII	Footwear, headwear artificial flowers	0.7	0.7	1.0	1.4
XIII	Cement, asbestos, etc. products	1.3	0.6	2.3	0.5
XIV	Pearls, precious metals and articles made of them	0.1	0.0	0.7	0.8
XV	Base metals and products made of them	10.5	7.6	32.6	26.6
XVI	Machine industry products and their parts	46.2	35.7	9.7	12.9
XVII	Vehicles and aircraft equipment	3.2	4.5	1.5	4.0
XVIII	Optical and photo industry products	3.9	3.9	0.5	0.7
XIX	Military equipment (ammunition, etc.)	0.0	0.0	0.0	0.0
XX	Other industrial products	0.9	0.8	4.3	4.9
XXI	Objects of arts, antiques	0.0	0.0	0.0	0.0
XXII	Unidentified products	0.0	0.0	0.1	0.1
	Total	100.0	100.0	100.0	100.0

^a In 1990 the so-called private sector was responsible for about 18.1 % of the value of Polish imports from Germany and 15 % of the value of the Polish exports to that country. In 1991 the respective percentage reached the figures of 67.2 % and 25.6 %.

Reference source: J. Misala, *Handel polsko-niemiecki w okresie międzywojennym /1919-1939/ i po 1989 roku*, ("Polish-German trade in pre-war period 1919-1939 and after 1989") in: *Problemy współpracy gospodarczej Polski z Niemcami /Materiały z konferencji naukowej, grudzień 1992/, Instytut Konjunktury i Cen Handlu Zagranicznego, Warszawa, 1993, p. 61.*

This quantitative asymmetry — seen in the Polish foreign trade with Germany — was accompanied by asymmetry in the goods structure. Polish imports from unified Germany were largely industrial products and highly processed

consumer goods, while Polish exports consisted mainly of raw materials, agricultural products and partly processed goods (*Table 2*). This structure of Polish-German trade exchange had its roots in the differences between the levels of economic development, but it was also the result of different conditions and different rates of speed at which the technical and organizational innovations were implemented in the production processes.

At the beginning of the nineties Poland had a comparative advantage over Germany in the area of wood products (especially simple ones) and the products which demanded large amounts of raw materials and capital. However, there was no similar advantage in the area of products requiring highly qualified labour and in the area of so-called technologically intensive products, that is, those which are very difficult to imitate.⁹

At the beginning of the nineties the structure of Polish-German trade exchange was closer to the structure of the trade exchange that once existed between Poland and West Germany than between Poland and the former GDR. Also the direction of its evolution was similar. The structure of trade exchange became more and more like the one that Poland had had with West Germany. This situation was the result of price liberalization in Poland and the introduction of so-called "interior exchangeability" of the Polish currency (zloty), which meant that, to some extent, the comparative advantages were determined by market rules.¹⁰

Directly after German unification Poland had a credit trade balance with that country. The decisive factor was a high credit trade balance with West Germany. After July 2, 1990, that is, after the introduction of monetary, economic and social union between the two still existing German countries, the credit trade balance with the former GDR changed very quickly into a debit balance.¹¹

The structure of Polish trade balance with Germany in 1990 and 1991 was very far from the structure of the same trade balance with the former GDR and FRG. The value of Polish exports to Germany exceeded the value of Polish imports not only in the case of such goods as fuel and energy, food products or construction services, but also in the case of metal products, and in 1990 even in chemical products. However, with time the relative significance of those surpluses became weaker and weaker, which shows that the expansion of Polish exports was to a certain degree transitory. 1991 brought a weakening in the Polish trade surplus in fuel and energy and in agricultural-food products, while the surplus in chemical products changed into a trade deficit. This situation showed that the structure of the Polish trade balance with unified Germany was becoming much closer to the one that had existed in the trade between Poland and the Federal Republic of Germany.¹²

5 Trans-border trade

Opening the borders for free (not requiring visas) traffic was an important factor in the growth of trans-border trade. Abolition of visas did not mean, however, that labour, goods, services and capital could move freely across the border, as it was the case — by the end of 1992 — in the unified market of the European Union. Visa agreements between Poland and the Federal Republic of Germany speak only about travelling for business or tourist purposes, which means short periods of staying in the other country without the right to work. Besides, reducing the limits on the movement of Polish goods, services, capital and labour does not depend on the FRG alone. The other member countries of the European Union would have to agree as well, just as in the case of visas. In the EU the decisions in these matters are made by the European Commission.

Individual trans-border trade is growing significantly in volume. Every day thousands of German customers cross the Polish border. They come to Slubice, Cedynia, Zgorzelec or Leczyca for daily shopping. Specialized tourist offices organise transport and special cheap shopping tours. It has been estimated that Germans spend in Poland about 2.5 billion DM a year.¹³ This is a significant amount of money since during the last few years it balances the official deficit of the Polish trade exchange with the Federal Republic of Germany.

Trans-border trade has also a very important psychological and sociological aspect. It may be a factor in improving Polish-German relations and in overcoming still existing prejudices and stereotypes. Trade activities near the borders may help to reach close and friendly relations between the two nations and therefore make the implementation of government programmes on near border cooperation much easier.

The work done by the Polish-German government commission on regional and near border cooperation is also worth noticing. In March 1994 the agreement on founding the Polish-German Society for Supporting the Economy was signed. Since 1990, in Warsaw, there exists the Office of the German Economy, and on September 15, 1994, 196 Polish and German banks and companies founded the Polish-German industry and Commerce Chamber. There are also less official and less formalized initiatives. One of the best known — and one of the most controversial — is the idea of the Prime Minister of Brandenburg, Manfred Stolpe, concerning the creation of a special economic zone along both sides of the Oder river.¹⁴ Similar concept of a Euroregion along German-Polish-Czech borders was presented by the Prime Minister of Saxony — Kurt Biedenkopf —, while the Prime Minister of Mecklenburg-Vorpommern, Alfred Gomolka, was planning a comprehensive cooperation with Gorzów and Szczecin voivodships to result in a special near border zone in the future.

The idea of forming Polish-German Euroregions was conceived mostly on the German side, although one should note some interest in this kind of cooperation also on the Polish side. At the roots of the concept lay the idea of using the funds from the European Union budget to improve the economic situation in less developed regions of eastern Germany. Together with Polish regions lying on the same border, they would form an area of relatively high self-government with great possibilities of fast economic development.

Multinational companies are supposed to play an important role in the development of such regions. Their importance has a special meaning at the time when production processes become more and more multinational. There is a general question however: how should a given region be used by industry, and how should the economic space be organized? At this point one could quote B. Ohlin who stated that "localization theory is more extensive than the theory of foreign trade. A major part of international trade can be used as a minor part of the localization theory, where some of its aspects are more useful than the others".¹⁵

There may, however, appear the opposite effect, with such regions attracting multinational firms. There is an obvious influence of industrial areas on localization of multinational firms and on the organization of their flow into the economic space.¹⁶ Urban centres are usually accompanied by trading enterprises and companies doing research and development work (R&D). Among them one can easily notice international firms. The attraction of Euroregions lies in the high degree of innovations observed there. Planned Polish-German near border regions may also come under such a generally noticed rule.

Multinational companies help to increase the level of employment of the local population in the areas where they localize their branches, and they are carriers of new technologies. In Europe, this role is played mainly by American and Japanese companies. One should note, however, that the localization of branch companies is determined by objective conditions resulting from the "globalization" of production processes. The companies are looking for low production costs, transport savings, low tariff and extra-tariff barriers, regular supplies of spare parts and elements from which the final product is obtained. It is becoming evident that the interior organizational logic of a given area or economic space is being changed by external conditions. One can observe a growing tendency in which the economic space related to a given place is being replaced by the space related to the flow of materials, or in short, to trading.¹⁷

The benefits drawn in a relatively short time by multinational enterprises are the result of the polarization of industry in a given nation. Its flow ignores, in a sense, the existence of borders and is almost independent of their restrictive character. The striking result of a new international economy of cities and regions lies in rejecting, to a certain degree, their autonomy and in joining the

world economy, where the activity of people and institutions is controlled globally and control by the local communities is not required.¹⁸

Territorial industrial facilities — although a segment of the world industrial system — live in a kind of symbiosis with the national socio-economic system.¹⁹ Therefore, one can draw a conclusion that each such segment may be subject to double fragmentation — by the isolation from the rest of the world industrial system, or by not benefiting from the dynamics of the socio-economic system of a given country.²⁰ The size and character of a region allow us to read that fragmentation correctly.

The global approach to the regions — including the ones near borders — is possible in the situation where the levels of economic development are comparable, and especially where — as is the case in a well developed market economy — there exists proper legislation which allows the regional economic areas to retain their independence, particularly in the case of trans-border cooperation. If in an emerging market economy, controlling institutions, such as auditing, for example, are not well developed, there is always a danger of speculation and getting illegal profits and the danger of foreign capital — jointly with local speculative capital — taking over control in the field of production. This would result in social unrest and in the fear that the sovereignty over newly formed Euroregions may be lost.

How big should be the autonomy of a given region from central authorities of a given country? The authorities themselves have to answer that question. Any cooperation in Polish-German near border regions implies the loss of a certain amount of sovereignty. Nobody can say, however, that Poland and Germany surrender their sovereignty over the regions in which they cooperate. Polish-German trans-border cooperation is still in the first stages of development. Very often it is limited only to tourism and local trading. There are still few examples of that cooperation in the field of joint production enterprises. There are many fears in Poland related to the future fate of the areas where such a trans-border cooperation is being planned. Bigger opportunities for this kind of cooperation may appear after Poland becomes a full member of the European Union. Then, the problem of the sovereignty of the areas belonging to two countries — both members of the European Union — may be viewed in a different light.

6 German investment capital in Poland at the beginning of the nineties

Since there are new conditions, and especially economic difficulties in Poland associated with the transition from a centrally controlled towards a market economy and from the implementation of the principles of German-German currency, economic and social union, the Polish-German investment-capital

cooperation also found itself in a transition phase. In 1990, the previously existing dynamics of German investment in Poland slowed down significantly. Germans still dominated in this area, from the point of view of the number of permits given to those starting enterprises with foreign capital, but their share in the total number of those permits (33.3 %) was much lower than in the previous year, when it reached 40 %. At the same time, the participation of West German partners in joint ventures created in Poland dropped from 32.0 % in 1989 to 27.3 % in 1990. It should also be pointed out that the initial capital invested in Poland by German partners in joint ventures fell from 133.4 thousand US\$ in 1989 to 99.3 thousand US\$ in 1990.²¹

Investment-capital cooperation underwent some changes in the following years. According to the list of foreign investors, prepared by the Polish Agency for Foreign Investments (PAFI), out of 140 foreign companies that invested in Poland in 1993 27 were German.²² That means 19.3 % of all foreign investors were German. This year the figure is close to the level in 1989.

A major German company — Henkel — which invested the equivalent of 32 million US\$, can be found, however, as low as the 24th place on the list. The other 26 firms invested between 500 thousand US\$ (AMS Anlagen, breweries — 138th place on the list of the biggest investors) and 16.1 million US\$ (Linde AG, which also promised 33.2 million for technical gas production and for the acquisition of 70 % of shares in “Polgaz” from Mielec and Pszczyna), see *Table 3*.

Major and renowned firms such as Volkswagen, Mercedes-Benz, Siemens, Bahlsen, Schroeder Bonn, Benckiser, Schider, Tchibo and Schoeller also invested in Poland.²³ Some of them (six firms) invested in the food processing industry, others in construction, furniture production, the clothing industry and the chemical industry, mainly cosmetics.

The largest number of enterprises invested initial capital close to the obligatory minimum (until July 1, 1991 the limit was 50 thousand US\$) or not more than 300 thousand US\$.²⁴ The reason for such low capital in most joint venture type enterprises is that at the time Germans invested their capital in the eastern part of their own country. One should notice, however, that they invested more in the Czech Republic and in Hungary than in Poland.²⁵

In the middle of 1994, there were 16 thousand companies with foreign capital in Poland, a number three times bigger than the number of state-owned enterprises. Out of those 16 thousand, 3 thousand were firms with German capital. Most of the companies with foreign capital were situated in the western part of Poland. Their biggest number, however, 5,700 of them, are located in Warsaw. The second place belongs to Poznan voivodship — 1,126 companies, followed by

Gdansk and Katowice voivodships with over 1,000 companies, Szczecin voivodship with 897 companies, and Wroclaw voivodship with 829.²⁶

Table 3: *Biggest German investors in Poland (data from September 1, 1993)*

Name of company	Invested (in mlns of US\$)	Promised (in mlns of US\$)	Field of activity	Polish partner
Henkel KG	31	0	detergents, cosmetics, construction materials	Pollena Racibórz (72.5 %) Helenówek, Staporków
Linde AG	16.1	33.2	technical gases	Polgaz Mielec i Pszczyna (70 %)
Siemens	12	24	electrotechnics	ZWUT Warszawa
Bahlsen	11.8	16	food industry	Koncentraty Spozywczce Skawina SA, "Rex- Pol", Olawa
Schoeller	10	25	food industry	ice-cream factory Namysłów
Benckiser	8	8.7	cosmetics sanitary articles	Pollena, Nowy Dwór Maz.
Volkswagen	6.2	0	vans	FSR Antoninek n. Poznan

Reference source: "Rzeczpospolita", September 23, 1993.

While planning investments in Poland, foreign partners take also the distance from the western border into consideration. In Gorzów voivodship — close to that border — 353 companies were registered in the first half of 1994 and in a similarly situated Zielona Góra voivodship 340. One can compare that with 21 joint venture companies in Chelm voivodship and 12 companies (the smallest number in Poland) in Zamosc voivodship, both regions that are situated in the eastern part of the country.²⁷

The German company Siemens, which invested 38.5 million US\$ and bought 80 % of shares in Wroclaw Elwro, belonged to the group of major investors in the western part of Poland. Only Swiss Nestlé, which invested 50 million US\$ in the Poznan company Goplana SA and bought 49 % of shares in that firm, was bigger. Other western firms, such as Austrian Iban GmbH — 33 million US\$ (Polish partner: PZM Szczecin in Szczecin voivodship); Swedish Ikea — 29 million US\$ and shares in furniture factories in Babimost and Zbaszyn in Zielona Góra voivodship, or Dutch Imeko Holding NV — 8 million US\$ (Dairy plant in Rzepin, Gorzów voivodship), investing less than the German Siemens did.²⁸

If we take into account the economic character of a voivodship, technical and social infrastructure, the situation in the labour market, the condition of natural environment and "the climate for investors" created by the authorities, then Warsaw, Katowice, Gdansk, Poznan and Wroclaw voivodships are the ones which are most attractive for foreign investors. The last places on such a list would be taken by Wloclawek, Ostroleka, Tainów, Przemysl, Sieradz and Zamosc voivodships. Most of the regions with less attraction for investors and little capital invested so far are situated in eastern and central Poland. This means that long-time neglect — having also historical reasons — now restricts the flow of foreign investments, including German, into these areas.

The German companies investing in Poland have the benefit of exporting their products to Germany. 69 % of companies with German capital export 2/3 of their production, and these exports go mainly to the German market. This is especially true in the case of bigger companies with a larger workforce.

Poland, on the other hand, through such companies with mixed capital, receives not only the needed capital but also has easier access to modern technology. Besides, the country may make the proper use of convenient visa, customs and tax regulations. Geographical closeness to the FRG and a favourable atmosphere for cooperation with Poland play an important role in the development of economic relations between the two countries.

The government of the Federal Republic of Germany undertakes a number of initiatives in order to increase the size of investments in Poland and the volume of trade exchange. Even before the unification of Germany, at the very beginning of transformations in Poland, in November of 1989, Chancellor Helmut Kohl signed an agreement concerning the creation of guarantees for trade with Poland by the state insurance company Hermes. At the same time, the Polish government signed an agreement protecting German investments. The German government, on the other hand, took upon itself the task of insuring those investments against political risks. However, none of the guarantees will be sufficiently encouraging as long as independent institutions consider Poland to be a country of high investment risk.

Those institutions point to the unclear political situation in Poland: the obsolete banking system, limited effects of privatization, long-lasting economic recession, bureaucracy, indolence of decision makers, bad telecommunication system. High inflation, lack of experience in cooperation with Polish firms, unfavourable customs and tax regulations are also discouraging factors. One of the reasons for high investment risk was the problem of Polish foreign debts, with Germany being one of the biggest creditors.

Poland owed the German financial institutions about 6.7 billion US\$: 4.4 billion to state owned and 2.3 billion to private institutions.²⁹ As a result of debt

reduction procedures the situation of Poland has changed significantly. First, an agreement with the Paris Club concerning the debts guaranteed by governments was signed, and on September 14, 1994, in Warsaw, Poland signed an agreement with the London Club concerning the debts to private banks. Dresdner Bank, presiding over the group of several hundred commercial banks that are Poland's creditors, played a very important role in negotiating that agreement.

According to the agreement with the London Club, Polish debts to western commercial banks have been reduced from 14 to 6.6 billion US\$, that is by 49.5%.³⁰ The debt — almost totally a legacy of Edward Gierek and his team — is to be repaid by Poland over a period of 30 years. As early as 1995 the banks will receive 368 million US\$, and then 400 million annually until the year 2000.³¹ The two sides agreed that Poland will have the right to buy (directly from creditor banks) one dollar worth of debt and interest for 40 cents. Poland can in this way buy back one fourth of its debts. The rest may be exchanged by the creditors for one of two kinds of 30-year bonds issued by Poland. An additional insurance for creditors is in the form of US government bonds of 1 billion US\$ worth which Poland will buy and deposit in the Federal Reserve Bank in New York.

In 1995, Poland will spend 1.9 billion US\$ for the acquisition of debts and for the insurance of bonds. For that purpose Poland will receive 1.3 billion US\$ in the form of convenient credits from the World Bank and the International Monetary Fund. The remaining 600 million US\$ will come from the reserves of Narodowy Bank Polski (NBP).³² It is generally felt that the agreement with the London Club is more favourable than similar agreements signed by, for example, Bulgaria, Argentina, or Brazil. Thanks to that agreement there will be better chances of a growing foreign capital flow into Poland, and it also will make access to the western financial markets much easier.

The agreement with the western banks may increase significantly the activities of German investors in Poland. One view is that one of the main reasons for a limited involvement of German capital in Poland is the absence of German bank branches in the country. So far, Dresdner Bank and Deutsche Bank have not received an answer to their applications for the licence allowing them to operate in Poland. At the end of 1994, only seven German banks had offices in Poland and, since they could not offer the whole range of pure banking services, they mainly acted as advisers to the German firms involved in business in Poland.

German investors also point to the Polish regulations on land ownership, which restrict land acquisition by foreigners, as yet another obstacle. A company will not invest in a plant, if it does not possess the right to the land on which that plant is built. Besides, in Poland there is often the fear that the Germans will buy out the western parts of the country. One should note, however, that in spite of

encouragement and the will of some Poles to act as intermediaries in buying the land³³ German investors maintain a certain reserve in this respect.

On the other hand, a number of German investors decide to invest in Poland. According to the investigations carried out by Fachhochschule in Aachen almost half (45 %) of those investors who decided to cooperate with Poland did not even consider investing their capital in any other country. The factors which appeal to the foreign investors in Poland include cheap labour — which lowers production costs significantly — and a law concerning the transfer of profits abroad which is quite clear and favourable for the investor. German investors also take into consideration the association of Poland with the European Union and its full membership in that club in the future.

The development of joint venture firms is very important because through them the most modern technology, new methods of production organization and all kind of innovations are being transferred to Poland. Modern technology — like capital — in contemporary conditions becomes a significant factor of economic growth. Access to western know-how and the improvement of qualifications of people employed in such firms create a chance to produce goods that are competitive on world markets. Besides, new jobs will be created, which is especially important in the situation of increasing social problems accompanying the changes that take place during the period of transition from a centrally controlled economy to a market economy. As a result of increased competitiveness new export opportunities will appear, providing the country with the much desired foreign currency and helping to speed up economic growth.

7 Final remarks

The above discussion of the Polish-German economic relations during the period of transition have shown that there are many reasons why both sides should be interested in the future development of different forms of cooperation; geographical closeness and comparative advantages in transport are examples. Polish-German cooperation supports the economic reform process in Poland. Growth, easier access to the German market, the possibility of developing near-the-border cooperation, and the increase of German capital invested in Poland reflect this. German banks helped to reduce the Polish debts owed to western commercial banks, which may influence in a positive way the growth of German investments in Poland.

Polish reforms, the basis for privatization, will in turn lead to the increased demand for imported German goods and, at the same time, to the increased supply of export goods. Restructuring of the Polish economy will bring along more flexibility on the demand and supply sides and, as a consequence,

increased comparative benefits from trade exchange between the two countries. Cooperation between Poland and the Federal Republic of Germany — and other industrial countries — will help to change the former structure of production and exports. This is being predicted by the neo-technological theories of international exchange.³⁴

The implementation of technical and technological innovations, according to the theory of J. Schumpeter, will cause the rise of new production combinations.³⁵ These new combinations, due to their superiority in relation to old production solutions, will secure extra profit for their creators, since individual production costs will be lower than the social costs of production, or they may come close to the level of quasi-monopolistic prices. In this way the proper conditions for the development of highly processed goods will be in place. The necessary condition for the growth of such products in Polish exports is the further opening of western markets to these goods — including the FRG market. Poland, on the other hand, should undertake more energetic marketing activities. These marketing activities, however, should not be limited to the home market alone but should also be present in the international markets.

Production cooperation is a broader form of cooperation. The long-term goal in the development of Polish-German relations is seen in the move from trade exchange to production cooperation. There exists already a number of examples of capital cooperation in the form of joint venture companies. However, there should be more attempts at joint marketing, consulting and exchange of patents and licences. Foreign investments should be located in those areas which are the carriers of technical and technological progress and which produce goods of special importance for the economy. It is necessary to introduce organizational changes and new methods of management based on state-of-the-art computer technology. That would allow a fast information flow which is so important in the process of decision making.

Polish-German cooperation should also include the creation of different forms of auditing in Poland. A weak auditing system is the reason for the existence of a number of speculative economic activities which are very harmful, especially in their social aspect. Negative economic phenomena which are getting out of control, although they are results of transformation, in reality make the transition to the market economy much more difficult. They lower the level of productivity and cause social dissatisfaction.

Poland — in spite of the difficulties accompanying the process of transition — since 1992 has been recording symptoms of steady economic growth. Therefore, Poland is becoming more attractive for foreign investors not only as a buying market but also as a place where parts of their production may be located. This is also understood by German businessmen who know very well that production costs in their own country are higher than in Poland. So far, they are attracted

primarily by cheap labour. With time, however, Poland may become a relatively important market for German goods.

The development of Polish-German cooperation may help Poland to become a member of the European Union. Since February 1, 1994, Poland is formally associated with the European Union. The official negotiations concerning full membership are supposed to take place in 1996. Even now, the Federal Republic of Germany supports Polish efforts to become a member of the European Union, seeing the rapprochement of Poland to the Union as one of the priorities of German foreign policy.³⁶ The attitude of the FRG government indicates their intention to further develop Polish-German economic relations. There are many reasons to believe that these relations will develop and benefit both sides.

8 Notes

¹ Dz. U. no. 14 from 1992, pos. 55.

² More in: L. Janicki, *Podstawy prawne stosunków Polski ze zjednoczonymi Niemcami* ("Legal basis for the relations between Poland and the unified Germany"), in: *Wokół traktatów Polska-Niemcy* (On the Polish-German treaties), Poznań, 1992, pp. 31-35.

³ See *ibidem*, p. 36.

⁴ Cf. *ibidem*, pp. 42-43.

⁵ More on the subject in: Z.W. Puslecki, *Proces ekonomicznego jednoczenia Niemiec na tle integracji krajów wspólnoty Europejskiej* ("Economic unification of Germany against the background of the European Union"), Poznań, 1990, p. 140, and Z.W. Puslecki, *Nowe kraje związkowe Republiki Federalnej Niemiec na drodze do gospodarki rynkowej* ("New federal countries of the Federal Republic of Germany on their way to market economy"), in: "Przeгляд Zachodni", 1994, no. 4, pp. 36-40.

⁶ More in: M. Humbert, *The globalization of technology as a challenge for industry and society*, Centre d'Etudes de Recherches sur l'Entreprise, la Technologie, les Institutions et la Mondialisation (CERETIM), Université de Rennes 1, Working Papers 1992, no. 2, p. 11.

⁷ Facing growing social unrest, on November 9th, 1989, the government of the GDR made a historical decision to open the border between GDR and FRG. Consequently, the Berlin Wall, the symbol of the division of Europe and the symbol of post-Yalta order, ceased to exist. More on the subject in: Z.W. Puslecki, *Proces ekonomicznego jednoczenia Niemiec ...* ("The process of economic unification of Germany ..."), *op. cit.*, p. 132.

⁸ See J.A. Majcherek, *Interesy Dawida z Goliatem* ("Business between David and Goliath"), in: "Tygodnik Powszechny", *Apokryf*, 1994 (September), no. 5, p. 11.

⁹ See J. Misala, *Handel polsko-niemiecki w okresie międzywojennym /1919-1939/ i po 1989* (Polsko-niemieckie powiązania gospodarcze in: *Problemy współpracy gospodarczej Polski z Niemcami /Materiały z konferencji naukowej, grudzień 1992/* ("The problems of Polish-German economic cooperation (Proceedings from the scientific conference, December, 1992)"), Instytut Konjunktury i Cen Handlu Zagranicznego, Warszawa, 1993, pp. 59-64.

¹⁰ Cf. J. Misala, *Polsko-niemieckie powiązania gospodarcze w XX wieku* ("Polish-German economic ties in the XXth century"), Warszawa, 1992, p. 226.

¹¹ The treaty between the FRG and the GDR on the monetary, economic and social union was signed on May 18, 1990 in Bonn. See *Vertrag über die Schaffung einer Währungs-, Wirtschafts- und Sozialunion zwischen der Bundesrepublik Deutschland und der Deutschen Demokratischen Republik*, in: "Bulletin des Presse- und Informationsdienstes der Bundesregierung", no. 63/5.517, Bonn, 18. Mai 1990.

¹² Cf. J. Misala, *Polsko-niemieckie powiązania gospodarcze ...* ("Polish-German economic ties ..."), *op. cit.*, p. 208.

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- ¹³ See J. Majcherek, *op. cit.*, p. 11.
- ¹⁴ *Ibidem*.
- ¹⁵ B. Ohlin, *Interregional and International Trade*, Harvard Business Press, Cambridge, MA, 1993 (corrected edition from 1967).
- ¹⁶ See J.L. Perrault, *Polarisation des firmes multinationales et attraction regionales au sein de l'Europe: le cas de l'électronique*, in: J.L. Mucchielli, F. Célémène, *Mondialisation et regionalisation. Un défi pour l'Europe. Avant propos de H. Bourguinant*, Collection «Approfondissement de la connaissance Economique», Economica, Paris, 1993, p. 483.
- ¹⁷ M. Castells, ed., *High Technology, Space and Society*, Sage Publ., London, 1986, p. 14.
- ¹⁸ *Ibidem*, p. 31.
- ¹⁹ M. Humbert, *Strategie nationaux d'entrée dans une industrie mondiale: le cas de l'électronique*, in: "Revue Tier-Monde", vol. 29, no. 115 (juil.-sept.), pp. 669-714.
- ²⁰ See J.L. Perrault ..., *op. cit.*, p. 502.
- ²¹ See J. Misala, *Polsko-niemieckie powiazania gospodarcze ...*, *op. cit.*, p. 213.
- ²² "Rzeczpospolita", September 23, 1993.
- ²³ The total value of German investments in Poland may increase when the roasting room for Tchibo coffee is built in Marki near Warsaw (60 million US\$ — promised) and when Schoeller's ice-cream plant near Namysłów reaches full production capacity (10 million US\$ already invested and 15 million US\$ promised).
- ²⁴ "Rzeczpospolita", *op. cit.*
- ²⁵ *Ibidem*.
- ²⁶ See A. Brykner, *Wschód malo atrakcyjny* ("East not especially attractive"), in: "Gazeta Pogranicze" (local issue of "Gazeta Wyborcza"), September 8, 1994, p. 4.
- ²⁷ *Ibidem*, p. 4.
- ²⁸ The capital invested by the Austrian Firm *Arlberger Bergbahnen* was even lower: 2 million US\$ (Sudety L.T.) in Jelenia Góra voivodship.
- ²⁹ See J.A. Majcherek, *op. cit.*, p. 11.
- ³⁰ "Gazeta Wyborcza", August 30, 1994.
- ³¹ *Ibidem*.
- ³² *Ibidem*.
- ³³ Polish ambassador in Bonn, Janusz Reiter, declared many times that those German businessmen who want to invest in Poland and have difficulties buying land should contact him and he will act as intermediary. Till August 1994 none of them contacted the ambassador.
- ³⁴ H. Klodt, *Comparative advantage and Perspective Structural Adjustment in Eastern Europe*, Kiel Working Papers, no. 447, 1991.
- ³⁵ See J. Schumpeter, *Teoria rozwoju gospodarczego* ("Theory of economic development"), Warszawa, 1960, p. 477.
- ³⁶ This was the opinion expressed in the Bundestag by the Minister of Foreign Affairs of the Federal Republic of Germany when that country was taking over the rotary chairmanship of the European Union in 1994.

Hans Leister:

**Deutsche Bahn zwischen Ost und
West — Kooperation im
Eisenbahnverkehr**

1	Einführung	306
2	Kooperation im Eisenbahnverkehr	306
3	Bahnreform in Deutschland	307
4	Leistungsangebote im Nah-, Fern- und Ladungsverkehr	309
5	Schlußbetrachtung	310

1 Einführung

Unter Beachtung des übergreifenden Themas der Veranstaltung „Transformation“ gestatten Sie mir eine Bestandsaufnahme der Situation zwischen Ost und West sowie einige Bemerkungen, welche Veränderungen im Sinne von Umwandlungen bei der Deutschen Bahn AG erfolgten und in welche Richtung unsere Unternehmensstrategie zielt.

2 Kooperation im Eisenbahnverkehr

Durch die Überwindung der Spaltung zwischen Ost und West 1989/90 wurde eine bessere Zusammenarbeit und der Ausbau des internationalen Verkehrs zwischen den west-, mittel- und osteuropäischen Bahnen möglich. Das Ende der politischen Teilung in Europa führte auch zu grundlegenden Veränderungen in der Struktur der Güter- und Personenverkehrsströme. Tendenziell zeichnet sich im Gesamtmaßstab Europas ein ständig wachsender Verkehr ab. Damit sind die Bedingungen gegeben, ein gesamteuropäisches Verkehrskonzept zu gestalten. Dazu ist es unerlässlich, die Zusammenarbeit der Bahnen — im Rahmen des wettbewerbsrechtlich Zulässigen — zu verstärken und insbesondere die technische Kompatibilität zu gewährleisten.

Zwischen den Bahnen in West und Ost gab es — auch in Zeiten unterschiedlicher gesellschaftlicher Systeme — schon immer traditionell eine gute Zusammenarbeit, denn für einen gut funktionierenden internationalen Eisenbahnverkehr war es unerlässlich, daß die Bahnen in vielen Bereichen zusammenarbeiteten. Enge Kooperationsbeziehungen bestanden beispielsweise im Rahmen des „Ost-West-Tarifes“ zur Gewährleistung der durchgehenden Abfertigung von Reisenden im internationalen Personenverkehr oder bei Fragen, die den unmittelbaren wechselseitigen Verkehr sowie den Transitverkehr, aber auch die technische Kooperation betrafen.

Gegenwärtig sind noch unterschiedliche Situationen und Besonderheiten der Bahnen in Ost und West gegeben. Die mittel- und osteuropäischen Bahnen sind noch vorwiegend staatliche Unternehmen, die von der wirtschaftlichen Lage und Gesamtsituation in ihren Ländern abhängig sind. Diese Bahnen hatten bisher einen politisch gewollten hohen Marktanteil am Verkehr; Quantität der Leistungen hatte Vorrang vor Qualität.

Durch das Wegbrechen eines Großteils der Wirtschaftsbeziehungen zwischen den Staaten Mittel- und Osteuropas sind auch hier die Marktanteile der Bahnen zurückgegangen. Ungenügende Investitionen, Mängel bei Qualität und Sicherheit im Eisenbahntransport und noch nicht ausgeprägtes marktwirtschaftliches Denken, fehlende Erfahrungen auf den Gebieten Marketing und

Kostenrechnung haben sich auf den Prozeß des Leistungsabfalls ebenfalls negativ ausgewirkt.

Mit Beginn der 90er Jahre hat sich aber auch in der OSShD¹, in der bis dahin ausschließlich die sozialistischen Bahnen zusammenarbeiteten, ein Wandel in Richtung Öffnung für die westeuropäischen Bahnen vollzogen. Die russischen, weißrussischen und polnischen Eisenbahnen sowie die Deutsche Bahn AG haben im Frühjahr 1995 eine von den Verkehrsministern voll unterstützte „Vereinbarung über die Zusammenarbeit bei der Modernisierung, Rekonstruktion und Entwicklung des Eisenbahnkorridors Berlin–Warschau–Minsk–Moskau“ unterzeichnet. Zielstellung der am Eisenbahnkorridor beteiligten vier Bahnen ist es, durch ein marktfähiges Leistungsangebot im Personen- und Güterverkehr ihre Situation im Vergleich zu den anderen Verkehrsträgern, insbesondere zur Straße, zu verbessern.

Die westeuropäischen Bahnen haben im vergangenen Jahrzehnten gravierende Marktanteilsverluste erlitten, die zu einem wesentlichen Teil auf die ungleichen Wettbewerbsbedingungen des Verkehrsmarktes zurückzuführen sind. Das Kernproblem dieser Bahnen besteht darin, daß für sie aufgrund ihres Status als öffentliche Unternehmen kein direkter Zwang und auch nicht die Möglichkeit bestand, im unternehmerischen Sinne flexibel zu agieren. Die westeuropäischen Bahnen sind zwar jetzt noch weitgehend in staatlicher Hand, befinden sich jedoch auf dem Wege des Übergangs zu leistungsstarken, den Erfordernissen des Marktes angepaßten Strukturen. Sie versuchen, mit innovativen Produkten, mit neuen Leistungsangeboten und durch Qualität am Markt zu gewinnen.

Grundlegende Veränderungen für die Bahnen brachte die im Jahre 1991 verabschiedete EU-Richtlinie 440, die eine regelrechte Revolution im Bahnsektor auslöste. Sie zielt u. a. auf eine Eigenständigkeit der Bahnen gegenüber dem Staat und auf eine zumindest rechnerische Trennung der Unternehmensbereiche Fahrweg und Betrieb sowie die Einführung des Wettbewerbs innerhalb des Bahnsektors. Den Staaten wurde auferlegt, die Bahnen finanziell zu sanieren, sie insbesondere von ihren Schulden zu befreien. In Deutschland wurde die EU-Richtlinie mit der Bahnreform weitestgehend umgesetzt.

3 Bahnreform in Deutschland

Deutsche Bundesbahn und Deutsche Reichsbahn beendeten das Jahr 1993, als das letzte Jahr ihrer Existenz, mit einem Schuldenstand von rund 66 Milliarden DM. Die Ursache für diese Verschuldung war, daß der Bund als Eigentümer der

¹ Organisation für die Zusammenarbeit der Eisenbahnen: Organizacija sotrudnitschestwa schelesnych dorog (Originalbezeichnung). Vor 1990 eine zwischenstaatliche Organisation sozialistischer Länder auf dem Gebiet des Eisenbahnwesens (seit 1958 auch des Kraftverkehrs und des Straßenwesens).

beiden Unternehmen Leistungen gefordert hatte, die nur unzureichend bezahlt wurden.

Die damalige Führungsstruktur der Bahn — eine Behörde — war für eine kaufmännische Führung ungeeignet, da sie nur die für jede Verwaltung geltenden Grundsätze einer sparsamen Wirtschaftsführung beachten konnte. Problemfelder waren das rationalisierungsfeindliche öffentliche Dienstrecht und die Tatsache, daß in einer Behördenstruktur im Zweifelsfall ein Bundesminister entscheidet, der auch unternehmensfremde Aspekte berücksichtigen muß. Entscheidungen orientierten sich somit nicht am Markt, sondern ordneten sich einem kameralistischen Haushaltsrecht unter.

Eine klare Trennung zwischen klassischen Staatsaufgaben einerseits, wie etwa der Wahrnehmung hoheitlicher Aufgaben oder der Aufsicht über den Fahrweg als Eigentum des Bundes, und wirtschaftlicher Betätigung andererseits, wie dem Erbringen von Verkehrsleistungen, wurde als Lösung für diese Problematik angesehen.

Ab 01.01.1994 wurde die Bahnreform umgesetzt: Die Deutsche Bahn AG wurde durch Entschuldung bzw. Bilanzbereinigung von finanziellen Altlasten und überhöhten Personalverbindlichkeiten befreit. Eine organisatorische und rechnerische Trennung von Fahrweg und Transport wurde vorgenommen, wodurch der Fahrweg gleichzeitig für Dritte geöffnet wurde. Zusätzlich wurde die Deutsche Bahn AG von den Gemeinwohlaufgaben befreit und der Bund behält weiterhin die Verantwortung für das Schienennetz. Investitionen des Bundes in den Fahrweg werden über zinslose Darlehen bzw. verlorenen Baukostenzuschüsse finanziert.

Mit dem Aufbau privatwirtschaftlicher Unternehmens- und Organisationsstrukturen in der Deutschen Bahn AG — Aktiengesellschaft mit insgesamt 10 Geschäftsbereichen mit dem Ziel einer weitestgehend zweistufigen Organisation — soll das Ziel verfolgt werden, mehr Verkehr auf die Schiene zu bringen.

Ab 1996 wurde die Aufgaben- und Ausgabenverantwortung für den Schienen-Personennahverkehr (SPNV) auf die Länder im Sinne einer sog. „Regionalisierung“ übertragen. Die Bundesländer sind nunmehr „Aufgabenträger“ des SPNV bei der Deutschen Bahn AG. Sie erhalten aus Steuereinnahmen die Zuwendungen, sog. Regionalisierungsmittel, die für den Öffentlichen Personennahverkehr (ÖPNV) zweckgebunden sind. D. h., daß die Länder ab 1996 den Umfang und die Struktur des Regionalverkehrs durch ihre Bestellungen selbst bestimmen.

Die Deutsche Bahn AG ist nach der Bahnreform in der Lage, mit attraktiven Angeboten den Markterfordernissen gerecht zu werden. Bereits zum Fahrplanwechsel 1994/95 wurde mit der schrittweisen Realisierung des künftigen

„Zielnetzes 2000“ begonnen: modernes Wagenmaterial, kurze Fahrzeiten, exakter Stundentakt und verbesserter Service bewirkten Fahrgastzuwächse von ca. 3.900 Fahrgäste pro Tag in 1992/93 auf ca. 9.500 Fahrgäste pro Tag in 1995/96; das bedeutet eine Steigerung um ca. 140 %.

Die größte Umstellung seit über dreißig Jahren erfolgte zum Fahrplanwechsel 95/96: Es verkehren nur noch RegionalExpress- und RegionalBahn-Züge und das Netz wurde auf vier RegionalExpress-Linien erweitert. Dadurch wurden attraktive Angebote beispielsweise in Richtung Frankfurt/Oder, Brandenburg, Eberswalde oder Cottbus geschaffen. Die absolute Fahrgastentwicklung von 61.000 Personen pro Tag in 1993/94 auf 80.000 Personen pro Tag in 1995/96 bedeutet eine Steigerung um ca. 30 %. Diese Entwicklung wäre ohne die Bahnreform nicht möglich gewesen. Die seit 1994 umgesetzte Strukturreform hat die Deutsche Bahn AG dem Ziel einer verbesserten Wettbewerbsfähigkeit gegenüber den anderen Verkehrsträgern ein gutes Stück näher gebracht.

4 Leistungsangebote im Nah-, Fern- und Ladungsverkehr

Die folgenden Beispiele aus der Zusammenarbeit der Deutschen Bahn AG mit ihren östlichen Nachbarn verdeutlichen die Leistungsangebote im Nah-, Fern- und Ladungsverkehr:

- gemeinsame Einrichtung attraktiver EuroCity-Verbindungen zwischen den Hauptstädten von Deutschland, Polen, Tschechien, der Slowakei und Ungarn, einschließlich der Bereitstellung moderner Reisezugwagen;
- Leistungsangebot in Richtung Osteuropa 1996/97: insgesamt verkehren 15 Zugpaare;
- mittelfristig ein EuroCity im 2-Stunden-Takt zwischen Berlin-Warschau — langfristig ist dafür sogar ein 1-Stunden-Takt vorgesehen;
- Fahrzeitentwicklung siehe Folie (in diesem Reader nicht vorhanden, der Hrsg.)
- Angebote im Regionalverkehr ab 02.06.96:
 - neu: direkte Bahnverbindung von Berlin-Hauptbahnhof nach Wrocław (Breslau) über Cottbus und Forst, jeden Samstag als Tagesverbindung;
 - neu: RegionalBahn Berlin–Swinoujscie (Swinemünde), nunmehr am Samstag und Sonntag;
 - fünf Zugpaare zwischen Angermünde und Szczecin;

- neun Zugpaare verkehren auf der Ostbahn zwischen Berlin und Kostrzyn (Küstrin), diese werden ergänzt durch ...
- zwei Zugpaare nach Gorzow (Landsberg), eines davon verlängert bis nach Pila (Schneidemühl);
- neu: zwei Zugpaare von Frankfurt/Oder nach Poznan (Posen) sowie
- drei Zugpaare von Guben in Richtung Zielona Gora (Grünberg).

Damit ist an fünf Übergängen ein Ausflug von Brandenburg ins Nachbarland Polen — und natürlich auch umgekehrt — möglich.

- Weitere Initiativen der Kooperation wurden unter anderem im kombinierten Ladungsverkehr, z. B. bei der Einrichtung eines Containeranzuges Berlin–Moskau, sowie zur Schaffung von Güterverkehrszentren ergriffen.
- Im Personenverkehr konzentrieren sich die Aktivitäten auf den Ausbau der InterCity- und EuroCity-Verbindungen Richtung Osteuropa sowie die Vorbereitung zukünftiger Hochgeschwindigkeits-Projekte.

5 Schlußbetrachtung

Im Osten besteht ein erhebliches wirtschaftliches Entwicklungspotential, das hohe Zuwachsraten im Personen- und Güterverkehr mit den dortigen Ländern erwarten läßt. Trotz des erheblichen Rückgangs des Bahnanteils im Osten nehmen die Bahnen dort noch eine relativ starke Position ein. Diesen Vorteil will die Deutsche Bahn AG bei der Kooperation zwischen West und Ost ausnutzen. Er bietet zugleich die Chance, eine umweltfreundliche Verkehrspolitik zu verwirklichen.

Hans Gerhard Strohe*:

**Zur Statistik der
wirtschaftlichen Entwicklung
in Ostdeutschland am Beispiel
des Landes Brandenburg**

1	Die Statistik in den neuen Ländern nach der Wiedervereinigung	312
2	Die wirtschaftliche Ausgangslage	314
3	Statistische Darstellung und Analyse ausgewählter Entwicklungen und Strukturen	318
	3.1 Analyse des Bruttoinlandsprodukts	318
	3.2 Arbeitsmarkt	314
4	Schlußfolgerungen	329
5	Literaturverzeichnis	330

* Für die Erschließung von Quellen sowie für die Zusammenstellung von Daten und Graphiken bin ich meiner Mitarbeiterin Laurence Rambert zu großem Dank verpflichtet.

Der folgende Beitrag gibt eine vorwiegend graphisch unterlegte Übersicht über die wirtschaftliche Entwicklung in Brandenburg und den anderen neuen Bundesländern während der Transformationsperiode von 1990 bis 1995. Dabei wird gleichermaßen auf die wichtigsten wirtschaftlichen Veränderungen wie auch auf die statistische Problematik ihrer adäquaten Messung eingegangen.

Im ersten Teil werden kurz die speziellen Probleme der Statistik in dieser Übergangsphase gezeigt. Dies ist einmal die totale Umgestaltung des statistischen Erhebungs- und Aufbereitungssystems in Ostdeutschland mit ihren abrupten theoretischen Neudefinitionen und Neusystematisierungen einerseits und andererseits die nur sehr langsam realisierbare Umstellung der tatsächlich praktizierten Datenerhebung und -bearbeitung, wodurch generell während der interessanten Transformationszeit, also 1989 bis 1991, ein einschneidendes Defizit an vergleichbaren Daten herrschte.

Im zweiten Teil werden die wichtigsten wirtschaftlichen Probleme der Transformation angesprochen. Dazu gehört vor allem die einmalige Schärfe, Tiefe und Schnelligkeit des wirtschaftlichen Strukturbruchs. Insbesondere wird das unerwartete Zusammenbrechen der Industrie in Ostdeutschland, das mit einem Verschwinden großer Teile vormals für den Osten Deutschlands lebenswichtiger Industriezweige verbunden war, betrachtet. Dabei soll die Frage geprüft werden, inwieweit dieses Desaster eine zwangsläufige Folge der Unfähigkeit der ostdeutschen Industrie zum Wettbewerb war.

Der dritte Teil analysiert die wirtschaftliche Entwicklung in Ostdeutschland, insbesondere in Brandenburg, anhand von graphischen statistischen Darstellungen. Den Rahmen stellen dabei so entscheidende Bereiche wie die Entwicklung der Wertschöpfung sowie ihre Strukturveränderung dar. Eingeschlossen von diesen werden die für die Bürger unmittelbar spürbare Arbeitsmarkt- und die Preisentwicklung.

1 Die Statistik in den neuen Ländern nach der Wiedervereinigung

In der statistischen Darstellung der Wirtschaftsstruktur und -entwicklung in Ostdeutschland sind wir mit speziellen Problemen der Statistik in einer Übergangsphase konfrontiert. Das statistische System der DDR wurde 1990/91 abrupt auf das der Bundesrepublik Deutschland umgestellt. Das betrifft das System der Definitionen und Systematiken sowie das statistische Erhebungssystem.

Die statistische Analyse unterstellt, über vergleichbare Daten zu verfügen. Zu diesem Zweck muß man wiederum die Struktur der analysierten Wirtschaft

kennen, das heißt z. B. die Beziehung zwischen Preisen und Mengen, die dieser Struktur zugrunde liegen.

Ein System von Indizes ist ein Instrument, das die Struktur und Entwicklung einer Wirtschaft beschreibt. Indexreihen geben die notwendigen vergleichbaren Daten. In der Übergangsphase wurde diese Aufgabe sehr erschwert, weil die Struktur der DDR zum einen durch ein sozialistisches Staatsplansystem reguliert worden war, zum anderen weil die Strukturumwandlungen noch nicht abgeschlossen waren.

Durch die Umstellung der Wirtschaft in den neuen Bundesländern auf die Marktwirtschaft war der alte, planwirtschaftlich geprägte Apparat der Statistik nicht mehr in der Lage, die neuen wirtschaftlichen Verhältnisse adäquat widerzuspiegeln. Er war eingestellt auf das einheitliche System von Rechnungsführung und Statistik, das mit seiner Vermengung von Planabrechnung und Statistik die Statistik einem unnötig verzerrenden Kontroll- oder Rechtfertigungsdruck aussetzte. Dieser statistische Apparat mit seinen Menschen, Strukturen und Apparaturen konnte sich nur viel langsamer wandeln als das theoretische statistische System einerseits und die praktische, wirtschaftliche Datengenerierung andererseits.

Das Statistisches Bundesamt hat sich verständlicherweise unter den neuen Umständen und dem Zeitdruck des Transformations- und Vereinigungsprozesses zunächst für die erforderliche schnelle Umsetzung entschieden. Nach einer vorübergehenden Verwendung des Jahres 1989 als Preisbasis in den neuen Bundesländern (zunächst mit Gewichtung auf der Grundlage der „Erzeugnis- und Leistungsnomenklatur der DDR“) wurde schon das Jahr 1991 als gemeinsames Basisjahr für Ost- und Westdeutschland genommen. Die Preisindizes (für die gesamte Wirtschaft wie für die einzelnen Sektoren) wurden für beide Gebiete auf 100 normiert, allerdings noch mit unterschiedlicher Basisgewichtung. Auch in den neuen Bundesländern wurde zu dem „Systematischen Güterverzeichnis für Produktionsstatistiken, Ausgabe 1989“ (GP 1989) übergegangen (Minding 1994, S. 789 ff.). Die noch fortdauernden Einbrüche der Produktion führten zum schnellen Veralten der 91er Gewichtsstruktur für Ostdeutschland. Es ist anzunehmen, daß auch im Jahr 1995 die Anpassung in vielen Bereichen (Dienstleistungen, Wohnungsmieten, Lohnniveau des öffentlichen Dienstes) noch nicht vollzogen war. Der genannten abrupten Umgestaltung des statistischen Erhebungs- und Aufbereitungssystems in den neuen Ländern steht eine viel langsamere Anpassung der Praxis an die neuen Definitionen in den betrachteten Zeitreihen gegenüber. Die tatsächlichen praktischen statistischen Erhebungsvorgänge ließen sich nur mühsam an das politisch verordnete und auch durch das Wirtschaftssystem durchaus gerechtfertigte neue statistische System angleichen. Dadurch wurden zwangsläufig gerade aus der Zeit der schnellsten Veränderungen, über die der größte und eiligste Informationsbedarf bestand, die

Daten mit der größten Verzögerung oder gar nicht geliefert. Aus der eigentlichen Umbruchszeit, also dem Jahr 1990, fehlen kurzfristige, vergleichbare Datenreihen fast vollständig.

Zu den genannten systembedingten Problemen kommen weitere Schwierigkeiten, die zur alltäglichen Arbeit der Statistiker in Europa gehören. Aber in einer Region, die gerade einen statistischen Systemwechsel hinter sich hat, fallen sie besonders schwer ins Gewicht. Beispielsweise führt die Harmonisierung der statistischen Systeme in der Europäischen Union schon wieder zu neuen Systematiken.

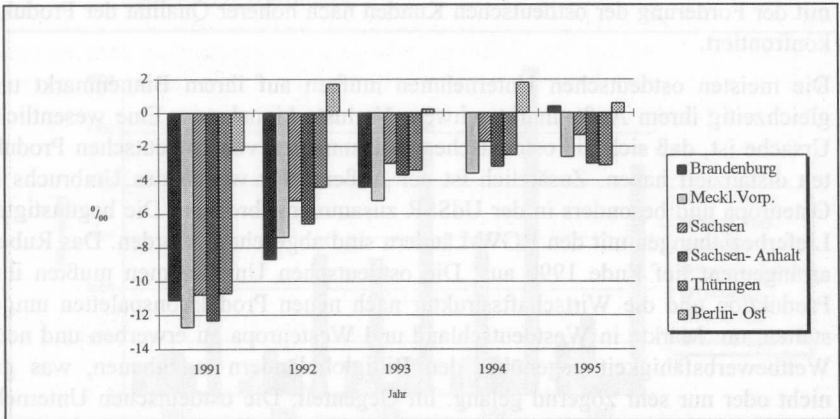
Auch die Interpretation statistischer Daten bereitet Probleme. Betrachten wir z. B. Definition und Wirklichkeit der Arbeitslosigkeit. Politische Maßnahmen auf dem Arbeitsmarkt verändern die Realisierung und die Auslegung der Definitionen und diese müssen so neu interpretiert werden. Alle diese Schwierigkeiten führten zu einem einschneidenden Defizit an vergleichbaren Daten.

Wir sind bei der Analyse mit zwei alternativen Hindernissen konfrontiert: Entweder es liegt Datenmangel vor und zweifelhafte Schätzungen sind erforderlich, oder wir verfügen dank einer Übernahme und Umberechnung der Daten der Statistischen Zentralverwaltung der DDR durch das Statistische Bundesamt über präzise Informationen, deren Bewertung dann aber sehr kompliziert und nicht minder zweifelhaft ist, wie z. B. der Daten über die Anlagevermögen der DDR (Gornig/Schmidt-Faber 1995, S. 487 ff.). Ein grundlegendes Problem bei der Beurteilung des Umbruches ist, daß es keine gesicherten Daten der Produktionsentwicklung über die Wirtschafts- und Währungsunion (1. Juli 1990) hinweg gibt. Es lassen sich gesondert die Entwicklungen vor und nach der Union darstellen, die aber in unterschiedlichen statistischen Systemen und sich daraus ergebenden Daten und deshalb mit schwer vergleichbaren Maßstäben erfolgt.

2 Die wirtschaftliche Ausgangslage

Der Umbruch für die ehemalige DDR war durch seine Schärfe und Tiefe sowie die Schnelligkeit der Veränderungen sehr überraschend. 1989 zählte die DDR zu den wichtigsten Industrieländern. Zwar war schon vor der Wende bekannt, daß die DDR-Wirtschaft hauptsächlich auf einer veralteten Infrastruktur und einem verschlissenen Produktionsapparat sowie auf einer wenig effizienten Verwaltung und einer zunehmenden Belastung der Umwelt aufbaut. Das begründet aber noch nicht, warum die ehemalige DDR von der zehntstärksten Industrialisation zu einem der am wenigsten industrialisierten Gebiete in Europa degradiert werden konnte.

Abbildung 1: Innerdeutsche Wanderungen nach Ländern, Wanderungssaldo gegenüber dem früheren Bundesgebiet zwischen 1991 und 1995 (Je 1000 der mittleren Bevölkerung)



Quellen: Statistisches Bundesamt (1996b); Durchschnittszahlen aus den volkswirtschaftlichen Gesamtrechnungen, Stand: August 1996.

Die Produktion in der Industrie zeigte schon im Jahr 1990 vor der Währungsunion einen starken Rückgang. Der Index der DDR-Produktion zur Basis 1985, der im ersten Halbjahr 1989 über 110 liegt, sank schon ab September/Oktober bis Januar 1990, lag aber immer noch über 100. Die Auswanderung stieg zu dieser Zeit sprunghaft an: mehr als 300 000 Personen 1989 und während der drei ersten Monate 1990 ungefähr halb so viel (Hoffmann 1996, S. 45). Nach dem dadurch verursachten ersten Aderlaß erholte sich die industrielle Produktion noch einmal mit einem Index leicht unter 110. Aber ab April 1990 sank sie sehr stark. Im August liegt der Index mit weniger als 55 unter der Hälfte der Wertes für das erste Halbjahr 1990. Die Metallurgie und die Lebensmittelindustrie erlitten einen Rückgang von einem Drittel gegenüber dem Vorjahr. Die Bedeutung der innerdeutschen „Auswanderung“ für den Rückgang der Produktion nimmt nach der deutschen Einheit mehr und mehr ab (s. *Abbildung 1*).

Die Lebensmittelindustrie hat nach einem starken Rückgang in der ersten Zeit nach der Wende später bessere Entwicklungen gezeigt. Dies folgte vor allem aus einer gewissen Rückkehr der Bevölkerung zu ostdeutschen Produkten. Das boomende Baugewerbe wurde durch die hohen Transportkosten vor der westdeutschen Konkurrenz teilweise geschützt.

Große Schwierigkeiten hat die Investitionsgüterindustrie erlebt, vor allem der Maschinenbau und in geringerem Maße die Elektroindustrie. Ihre starke Arbeitsteilung und die frühere Orientierung dieser Zweige auf den RGW-Markt mit Tauschhandel und Rubelverrechnung trugen zur Erklärung der Schwierigkeiten

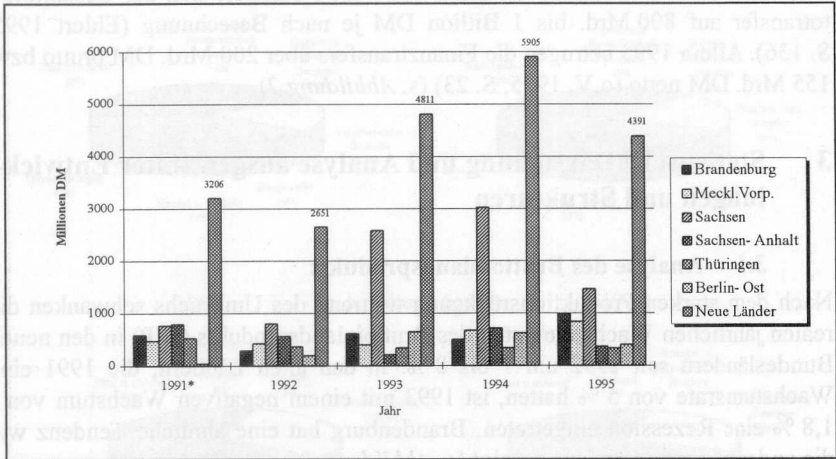
bei. In der Eisen- und Stahlindustrie gab es ebenfalls einen beträchtlichen Rückgang, und es ist hier keine gute Perspektive zu erwarten. Die Textilindustrie wurde zusätzlich zur Konkurrenz der Billiglohnländer aus Osteuropa und Asien mit der Forderung der ostdeutschen Kunden nach höherer Qualität der Produkte konfrontiert.

Die meisten ostdeutschen Unternehmen mußten auf ihrem Binnenmarkt und gleichzeitig ihrem Außenmarkt schwere Verluste hinnehmen. Eine wesentliche Ursache ist, daß sich die ostdeutschen Konsumenten von ostdeutschen Produkten distanzieren haben. Zusätzlich ist der Außenmarkt wegen des Umbruchs in Osteuropa und besonders in der UdSSR zusammengebrochen. Die begünstigten Lieferbeziehungen mit den RGW-Ländern sind abgeschafft worden. Das Rubelarrangement lief Ende 1990 aus. Die ostdeutschen Unternehmen mußten ihre Produktion und die Wirtschaftsstruktur nach neuen Produktionspaletten umgestalten, um Märkte in Westdeutschland und Westeuropa zu erwerben und neue Wettbewerbsfähigkeit gegenüber den Billiglohnländern aufzubauen, was gar nicht oder nur sehr zögernd gelang. Im Gegenteil: Die ostdeutschen Unternehmen verloren ihre Wettbewerbsfähigkeit wegen der Konsequenzen der Währungsunion für das Lohnniveau und wegen der starken D-Mark.

Im Vergleich zu den Ostblockländern konnte Ostdeutschland keinen Vorteil aus einer Abwertung der Währung nutzen, um seine Wettbewerbsfähigkeit zu verbessern. Die ostdeutschen Unternehmen hatten ihre Wettbewerbsfähigkeit — wenn überhaupt — dann auf einer arbeitsintensiven Produktion aufgebaut, wobei die DDR, gemessen an der DM, ein Billiglohnland war.

Neben diesen teilweise ungewollten oder unerwarteten Markttransformationen erlebten die Unternehmen eine totale innere Umstrukturierung: Die Treuhandanstalt (THA), die schon unter der Modrow-Regierung gegründet worden war, hatte den Auftrag (Treuhandgesetz, 17. Juni 1990) bekommen, die ehemaligen Volkseigenen Betriebe (VEB) zu privatisieren (Rambert 1994). Am Anfang waren 8.500 Treuhandunternehmen mit mehr als 350.000 Produktionsorten unter dem Dach der THA zusammengefaßt. Nach Entflechtung der ehemaligen Kombinate sind daraus 12.500 Unternehmen entstanden. So war die Beschäftigtenzahl in den Treuhandunternehmen im Frühling 1990 4,1 Millionen, was der Hälfte der Arbeitsplätze in der DDR entsprach. Mit 62 000 km² betrug der Grundbesitz 60 % der Ex-DDR-Fläche. Während der ersten Phase ihrer Tätigkeit hat die Treuhandanstalt nach ihrem Motto „Privatisierung ist die beste Sanierung“ keine Rücksicht auf die strukturelle Dimension ihrer Aufgabe genommen. Ab Ende Mai 1991, als die Arbeitslosigkeit weiter stieg, hat sie eine Umorientierung in Richtung „Sanierung vor Privatisierung“ vorgenommen.

Abbildung 2: Investitionsförderung im Rahmen der Gemeinschaftsaufgabe „Verbesserung der regionalen Wirtschaftsstruktur“ und des Europäischen Regionalfonds in den neuen Ländern und Berlin-Ost, Wirtschaftsnah Infrastruktur nach Ländern (Fördermittel)



Quellen: Statistisches Bundesamt (1995a); Durchschnittszahlen aus den volkswirtschaftlichen Gesamtrechnungen, Stand: Sept. 1995.

Der politische Druck ist in verschiedene Maßnahmen umgesetzt worden: Investitionsförderungen, Kreditprogramme für den Mittelstand, Infrastrukturprogramme, aktive Politik auf dem Arbeitsmarkt, Erhöhung der Hermes Kredite für die Förderung des Exportes in die GUS-Staaten, Investitionshemmnisbeseitigung durch die Regel „Investition vor Rückgabe“ im Rahmen des Vermögensgesetzes (März 1991), Gemeinschaftswerk Aufschwung Ost, das private und öffentliche Investitionsförderung in Höhe von 24 Mrd. DM zur Verfügung stellte, und der Verabschiedung der „Grundsätze der Zusammenarbeit von Bund, neuen Ländern und Treuhandanstalt für den Aufschwung Ost“ im Rahmen des Gespräches der Ministerpräsidenten beim Bundeskanzler am 14. März 1991.

Für die Regional- und Strukturförderung gab es den Europäischen Regionalfonds und die Investitionsförderung im Rahmen der Gemeinschaftsaufgabe „Verbesserung der regionalen Wirtschaftsstruktur“. Zuerst wurde der „Fonds Deutsche Einheit“ am 16. Mai 1990 beschlossen. Er war auf vier Jahre befristet und wurde mit einem Gesamtfinanzvolumen von 115 Mrd. DM ausgestattet. Im März 1991 wurde zusätzlich das Sieben-Punkte-Programm „Gemeinschaft Aufschwung Ost“ ins Leben gerufen. Das Programm umfaßte Mittel in der Höhe von 24 Mrd. DM.

Neben dieser Strukturförderung gab es auch die gezielte Unternehmensförderung. Aufgrund der Steuerersparnis durch die 12%ige Investitionszulage, der

Sonderabschreibung und des Investitionszuschüsse konnten bis zu 53 % der Investitionen staatlich subventioniert werden (Ehlert 1995, S. 133).

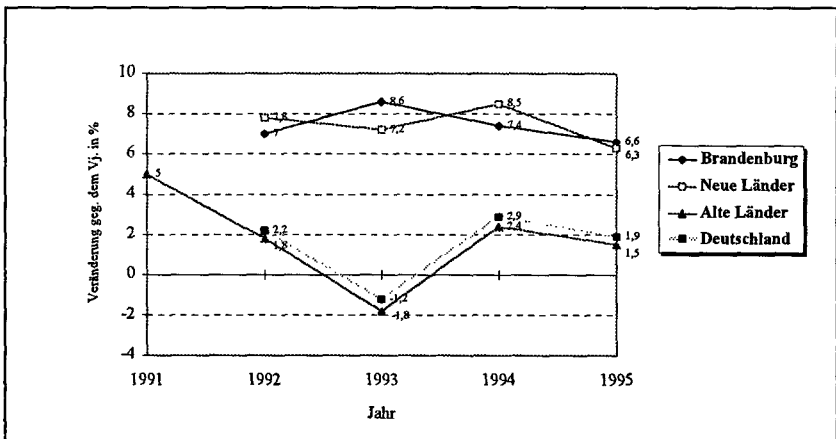
Schon 1991 überschritten die Bruttotransfers mit 175 Mrd. DM das Gesamtvolumen des „Fonds Deutsche Einheit“. Ende 1994 beziffert sich der Gesamtbruttotransfer auf 800 Mrd. bis 1 Billion DM je nach Berechnung (Ehlert 1995, S. 136). Allein 1995 betragen die Finanztransfers über 200 Mrd. DM brutto bzw. 155 Mrd. DM netto (o.V. 1995, S. 23) (s. *Abbildung 2*).

3 Statistische Darstellung und Analyse ausgewählter Entwicklungen und Strukturen

3.1 Analyse des Bruttoinlandsprodukts

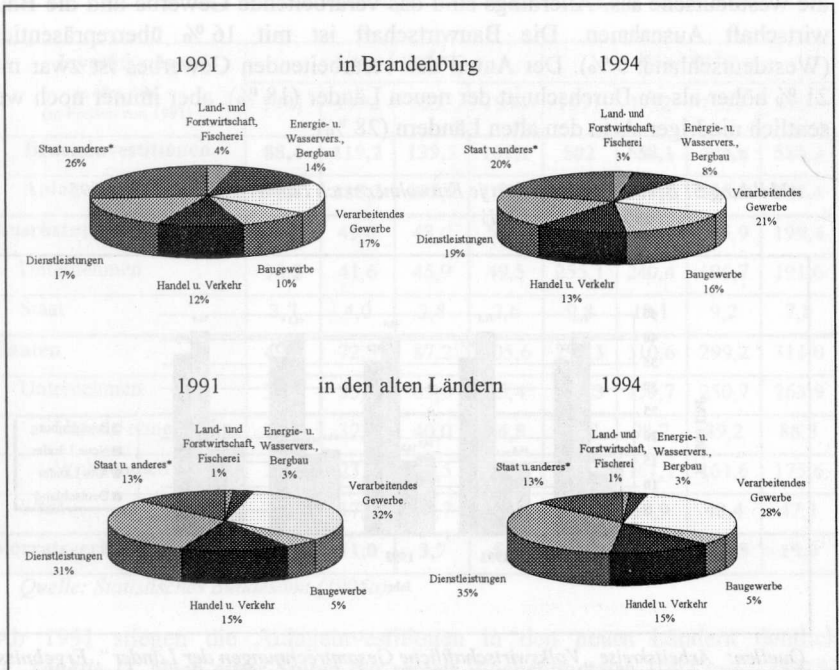
Nach dem starken Produktionsrückgang während des Umbruchs schwanken die realen jährlichen Wachstumsraten des Bruttoinlandsprodukts (BIP) in den neuen Bundesländern seit 1992 um 7 bis 8 %. In den alten Ländern, die 1991 eine Wachstumsrate von 5 % hatten, ist 1993 mit einem negativen Wachstum von -1,8 % eine Rezession eingetreten. Brandenburg hat eine ähnliche Tendenz wie die anderen neuen Ländern gezeigt (s. *Abbildung 3*).

Abbildung 3: Wachstum des BIP nach Ländern zwischen 1991 und 1995 (in Preisen von 1991)



Quellen: Ergebnisse der Berechnungen des BIP nach Bundesländern für 1991 bis 1994; Daten für 1995: LDS Brandenburg Pressemitteilungen (15.02.96).

Abbildung 4: Bruttowertschöpfungen nach Wirtschaftsbereichen



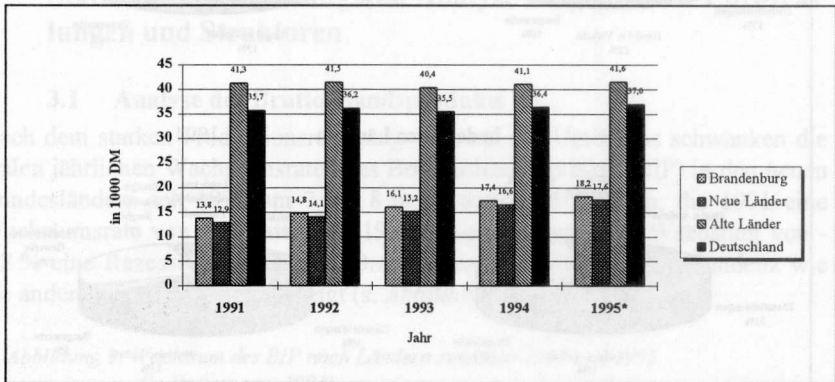
* Staat, private Haushalte und Organisationen ohne Erwerbszweck

Quellen: Arbeitskreise „Volkswirtschaftliche Gesamtrechnungen der Länder“, Berechnungen des Bruttoinlandsprodukts für die Jahre 1991 bis 1994.

Zunächst soll die Entwicklung der Bruttowertschöpfungsanteile nach Bereichen am gesamten Bruttoinlandsprodukt (BIP = Summe der Bruttowertschöpfungen nach Wirtschaftsbereichen plus Mehrwertsteuer plus Zoll) untersucht werden (s. *Abbildung 4*). 1991 sind in den neuen Ländern das verarbeitende Gewerbe mit einem Anteil von 17 % und die privaten Dienstleistungen mit 22 % im Vergleich mit den alten Bundesländern unterrepräsentiert (Daten, für die keine Quelle spezifiziert ist, entstammen Veröffentlichungen des Statistischen Bundesamtes 1995a, 1995b, 1996a, 1996b oder des Arbeitskreises „Volkswirtschaftliche Gesamtrechnung der Länder“ 1995). In den alten Ländern hat jedes einen Anteil von über 30 %. Die Land- und Forstwirtschaft wie Energie und Bergbau und das Baugewerbe zeigen dagegen in den neuen Ländern einen mindestens doppelt so hohen Produktionsanteil wie in Westdeutschland. Der Anteil des Staates und der privaten Organisationen ohne Erwerbszweck ist mit 24% viel höher als in Westdeutschland (13 %).

Im Jahr 1994 weist die Produktionsstruktur in Brandenburg eine Annäherung an die westdeutsche aus. Allerdings sind das verarbeitende Gewerbe und die Bauwirtschaft Ausnahmen. Die Bauwirtschaft ist mit 16 % überrepräsentiert (Westdeutschland: 5 %). Der Anteil des verarbeitenden Gewerbes ist zwar mit 21 % höher als im Durchschnitt der neuen Länder (18 %), aber immer noch wesentlich niedriger als in den alten Ländern (28 %).

Abbildung 5: Bruttoinlandsprodukt je Einwohner nach Ländern für 1991 bis 1995 (in Preisen von 1991)



Quellen: Arbeitskreise „Volkswirtschaftliche Gesamtrechnungen der Länder“, Ergebnisse der Berechnungen des Bruttoinlandsprodukts nach Bundesländern für die Jahre 1991 bis 1994, Stand: Herbst 1995. *Daten für 1995: LDS Brandenburg (1996).

Im Jahr 1991 lag das Bruttoinlandsprodukt (BIP) pro Kopf in Brandenburg mit 13.800 DM höher als der Durchschnitt in den neuen Ländern (12.900 DM) aber viel niedriger als in den alten Ländern (41.300 DM) (s. *Abbildung 5*). 1994 liegt es mit 17.400 DM noch immer leicht über dem Niveau der neuen Länder insgesamt (16.600 DM) aber noch sehr weit unter dem westdeutschen Niveau (41.100 DM).

Tabelle 1: Investitionen im Zeitraum 1991 bis 1994

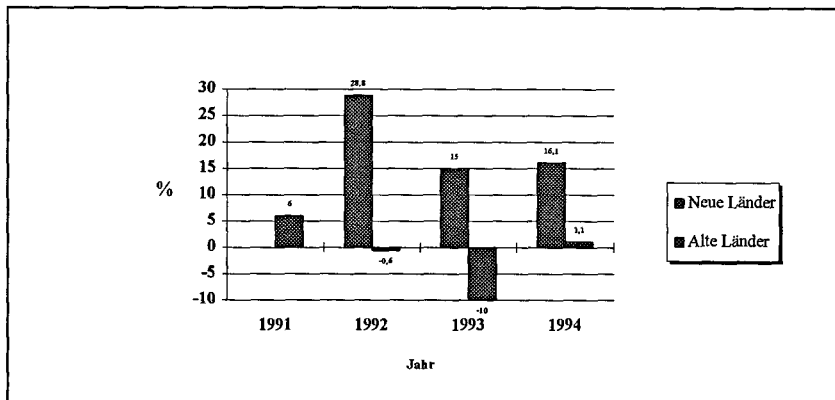
Investitionen in Mrd. DM (in Preisen von 1991)	Neue Länder				Alte Länder			
	1991	1992	1993	1994	1991	1992	1993	1994
Bruttoinvestitionen	88,4	119,2	139,5	162,1	582	558,1	494,6	530,3
Anlageinvestitionen	91,8	118,2	135,9	157,8	564,3	561,1	505,0	510,4
Ausrüstungen	41,8	45,6	48,6	52,2	264,9	250,5	205,9	199,4
Unternehmen	38,2	41,6	45,9	49,5	255,1	240,4	196,7	191,6
Staat	3,7	4,0	2,8	2,6	9,8	10,1	9,2	7,8
Bauten	49,9	72,5	87,2	105,6	299,3	310,6	299,2	311,0
Unternehmen	38,5	55,0	69,6	85,4	249,3	259,7	250,7	263,9
-Untern. ohne Wohn.	21,7	32,1	40,0	44,8	97,8	98,7	89,2	88,3
-Wohnbauten	16,7	23,0	29,5	40,6	151,4	161,1	161,6	175,6
Staat	11,5	17,5	17,7	20,2	50,1	50,9	48,4	47,1
Vorratsveränderung	-3,4	11,0	3,7	5,1	17,8	-3,1	-10,5	19,9

Quelle: Statistisches Bundesamt (1995a).

Ab 1991 stiegen die Anlageinvestitionen in den neuen Ländern deutlich (s. Tabelle 1). Nach einer Spitze der realen Wachstumsraten 1992 mit +28,8 % gegenüber 1991 halbierte sich das Tempo 1993 und 1994. In den alten Ländern ist nach einer Wachstumsrate von 6 % 1991 in den Jahren 1992 und 1993 ein Rückgang der Investitionen eingetreten. 1994 ist eine leichte Zunahme von 1,1 % festzustellen (s. Abbildung 6).

Mit einer zweistelligen jährlichen Wachstumsrate 1991-1994 zeigen die Unternehmensinvestitionen in den neuen Ländern einen sehr dynamischen Prozeß. Ab 1993 überschreiten sogar die Anlageinvestitionen pro Einwohner das westdeutsche Niveau (s. Tabelle 2). Natürlich lag 1993 auch die Wirtschaft in den alten Ländern in Rezession, aber noch 1994 vergrößert sich der Abstand. Nach einem Rückgang 1990 und 1991 wegen des niedrigen Mietenniveaus, ungeklärter Eigentumsverhältnisse und ungelöster Altschuldenprobleme der kommunalen und genossenschaftlichen Wohnungswirtschaft in Ostdeutschland weisen Wohnungsbauunternehmen ab 1992 eine Erholung aus. Allerdings liegt der Anteil der Investitionen der Wohnungsbauunternehmen an den gesamten Investitionen immer noch unter dem westdeutschen Niveau (s. Tabelle 1).

Abbildung 6: Veränderung der Bruttoanlageinvestitionen gegenüber dem Vorjahr in %
(in Preisen von 1991)



Quellen: Statistisches Bundesamt (1995a); Durchschnittszahlen aus den volkswirtschaftlichen Gesamtrechnungen, Stand: Sept. 1995.

Tabelle 2: Investitionen pro Kopf im Zeitraum 1991 bis 1994

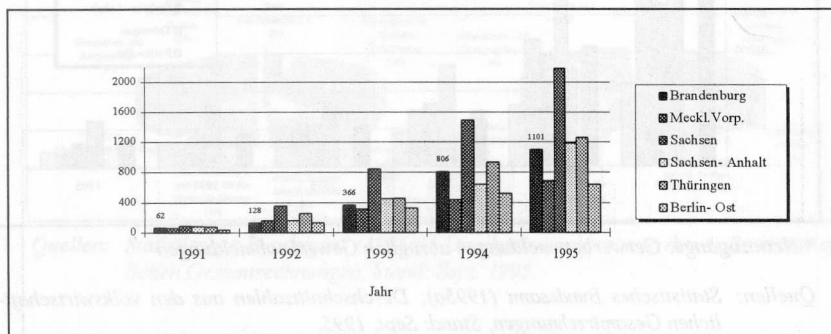
Investitionen pro Kopf im Vergleich zum westd. Niveau	Neue Länder (Alte Länder = 100%)			
	1991	1992	1993	1994
Bruttoinvestitionen	62,0	88,9	118,9	129,9
Anlageinvestitionen	66,4	87,7	113,4	131,4
Ausrüstungen	64,4	75,8	99,5	111,3
- Unternehmen	61,2	72,0	98,3	109,8
- Staat	154,2	164,8	128,3	141,7
Bauten	68,1	97,2	122,8	144,3
- Unternehmen	63,1	88,2	117,0	137,5
Untern. ohne Wohn.	90,6	135,4	189,0	215,6
Wohnbauten	45,0	59,4	76,9	98,3
- Staat	93,7	143,1	154,1	182,3

Quelle: Eigene Berechnungen aus Statistisches Bundesamt, (1995a).

Die Staatsinvestitionen pro Kopf waren schon 1991 in den neuen Ländern nahe dem westdeutschen Niveau. Sie steigen sehr schnell und sind 1994 fast doppelt so hoch wie in den alten Ländern.

Ein sehr alarmierendes Zeichen ist die Entwicklung der Insolvenzen in den neuen Ländern. So zeigt sich für Brandenburg eine Verdopplung der Gesamtvollstreckungsverfahren jedes Jahr von 1991 bis 1994. Das Jahr 1995 verzeichnet eine Verlangsamung auf immerhin noch 33 % mehr Gesamtvollstreckungsverfahren als 1994 (s. *Abbildung 7*).

Abbildung 7: Insolvenzen in den neuen Ländern, Gesamtvollstreckungsverfahren nach Ländern zwischen 1991 und 1995



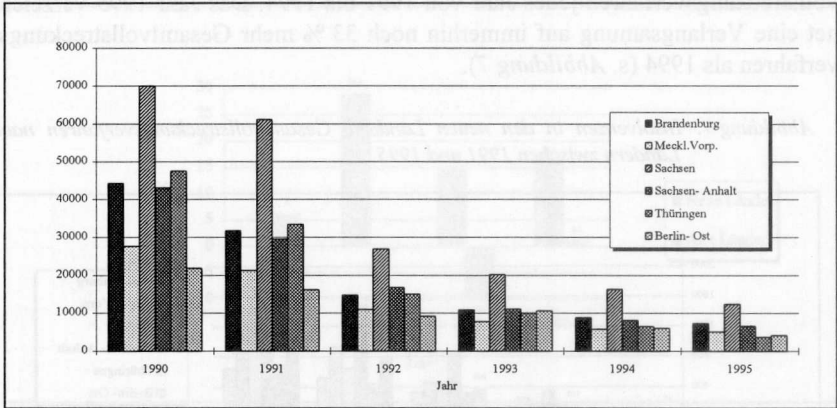
Quellen: Statistisches Bundesamt (1996a); Durchschnittszahlen aus den volkswirtschaftlichen Gesamtrechnungen.

Eine deutlich rückläufige Entwicklung erkennt man in den Gewerbe-Nettozuwängen (Gewerbebeanmeldungen abzüglich Gewerbeabmeldungen) zwischen 1990 und 1995 in den neuen Ländern (s. *Abbildung 8*).

In den neuen Ländern ist die Wachstumsrate des realen privaten Verbrauches von 1991 bis 1994 ständig positiv gewesen. Der private Verbrauch je Einwohner betrug 1990 etwa 50 % des westdeutschen Niveaus und 1994 65 %.

Die Preisentwicklung in den neuen Bundesländern paßt sich allmählich an die in den alten Bundesländern an. Diese Anpassung zeigt sich auch in der Entwicklung des Gesamtpreisindex, die jetzt in den neuen Bundesländern nach einigen Sprüngen wegen der Mieterhöhungen einen ähnlichen Verlauf wie in den alten Bundesländern zeigt (s. *Abbildung 9*).

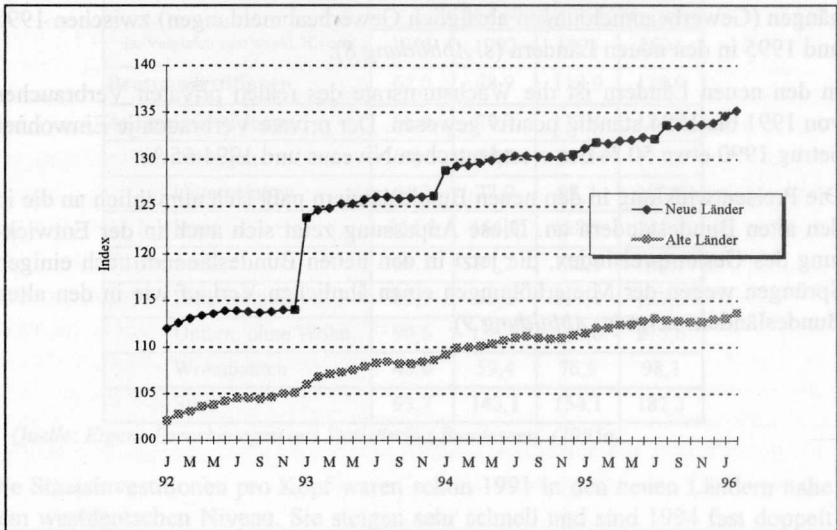
Abbildung 8: Gewerbeanzeigen in den neuen Ländern und Berlin-Ost (Nettozugänge* nach Ländern)



* Nettozugänge: Gerwerbeanmeldungen abzüglich Gerwerbeabmeldungen

Quellen: Statistisches Bundesamt (1995a); Durchschnittszahlen aus den volkswirtschaftlichen Gesamtrechnungen, Stand: Sept. 1995.

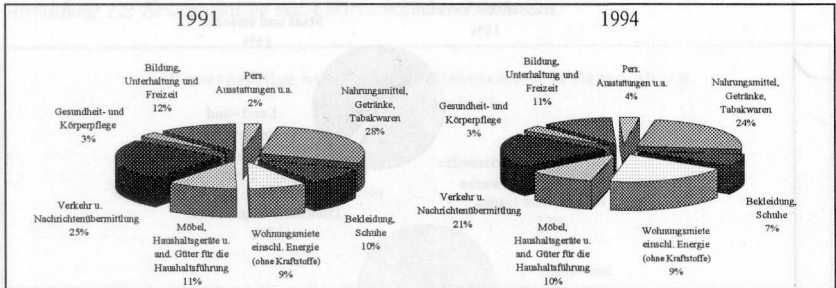
Abbildung 9: Preisindex für die Lebenshaltung aller privaten Haushalte in Deutschland zwischen 1992 und Februar 1996 (1991=100)



Quellen: Statistisches Bundesamt (1996a); Durchschnittszahlen aus den volkswirtschaftlichen Gesamtrechnungen.

Auch in der Veränderung der Verbrauchsstruktur (s. *Abbildung 10*) bestätigt sich die Anpassung an westdeutsche Verhältnisse, z. B. in dem 1994 wesentlich höheren Anteil der Wohnungsmieten.

Abbildung 10: Konsumverteilung in den neuen Ländern



Quellen: Statistisches Bundesamt (1995a); Durchschnittszahlen aus den volkswirtschaftlichen Gesamtrechnungen, Stand: Sept. 1995.

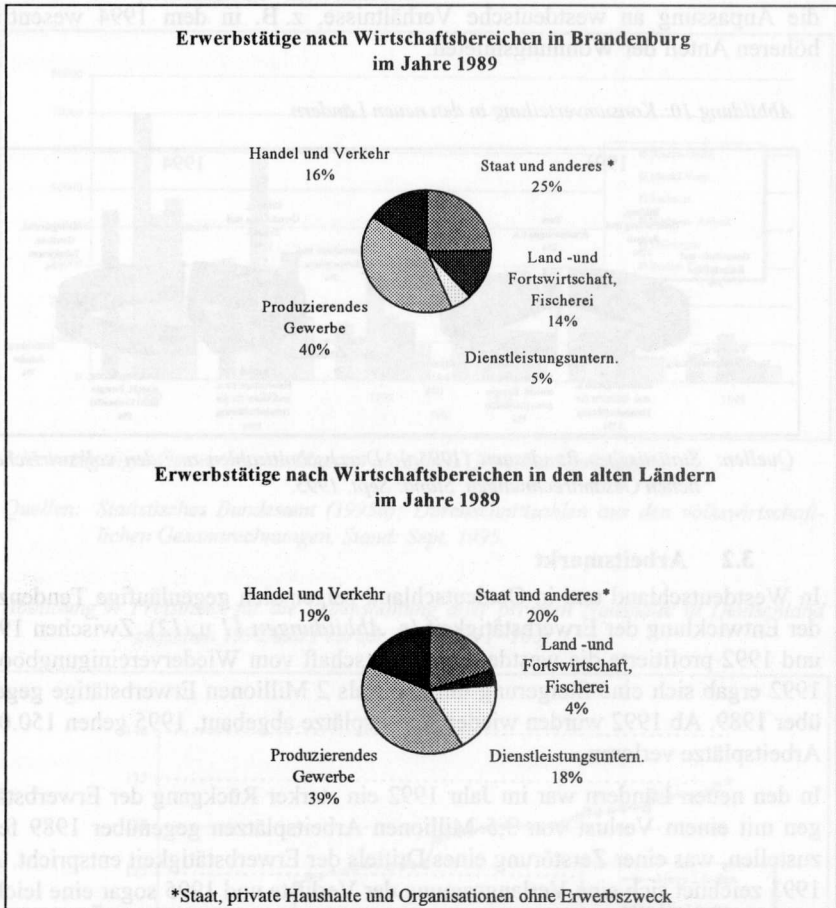
3.2 Arbeitsmarkt

In Westdeutschland und in Ostdeutschland zeigen sich gegenläufige Tendenzen der Entwicklung der Erwerbstätigkeit (s. *Abbildungen 11 u. 12*). Zwischen 1989 und 1992 profitierte die westdeutsche Wirtschaft vom Wiedervereinigungsboom. 1992 ergab sich eine Steigerung um mehr als 2 Millionen Erwerbstätige gegenüber 1989. Ab 1992 wurden wieder Arbeitsplätze abgebaut. 1995 gehen 150.000 Arbeitsplätze verloren.

In den neuen Ländern war im Jahr 1992 ein starker Rückgang der Erwerbstätigen mit einem Verlust von 3,5 Millionen Arbeitsplätzen gegenüber 1989 festzustellen, was einer Zerstörung eines Drittels der Erwerbstätigkeit entspricht. Ab 1993 zeichnet sich eine Verlangsamung der Verluste und 1995 sogar eine leichte Steigerung der Erwerbstätigkeit um 200.000 gegenüber 1994 ab.

Einige Bereiche in Ostdeutschland weisen vergleichbare Entwicklungen wie die allgemeine Tendenz aus: sehr starke Verluste 1989-1993 und Stabilisierung ab 1993. Dies sind das produzierende Gewerbe und die Land- und Forstwirtschaft. Das produzierende Gewerbe hat bis 1993 schwere Verluste gezeigt, die 50 % gegenüber dem Niveau von 1989 betragen. Die Landwirtschaft hat eine noch schlimmere Entwicklung erlitten. 1993 waren schon 3/4 der Arbeitsplätze gegenüber 1989 verloren gegangen.

Abbildung 11: Erwerbstätige nach Wirtschaftsbereichen 1989

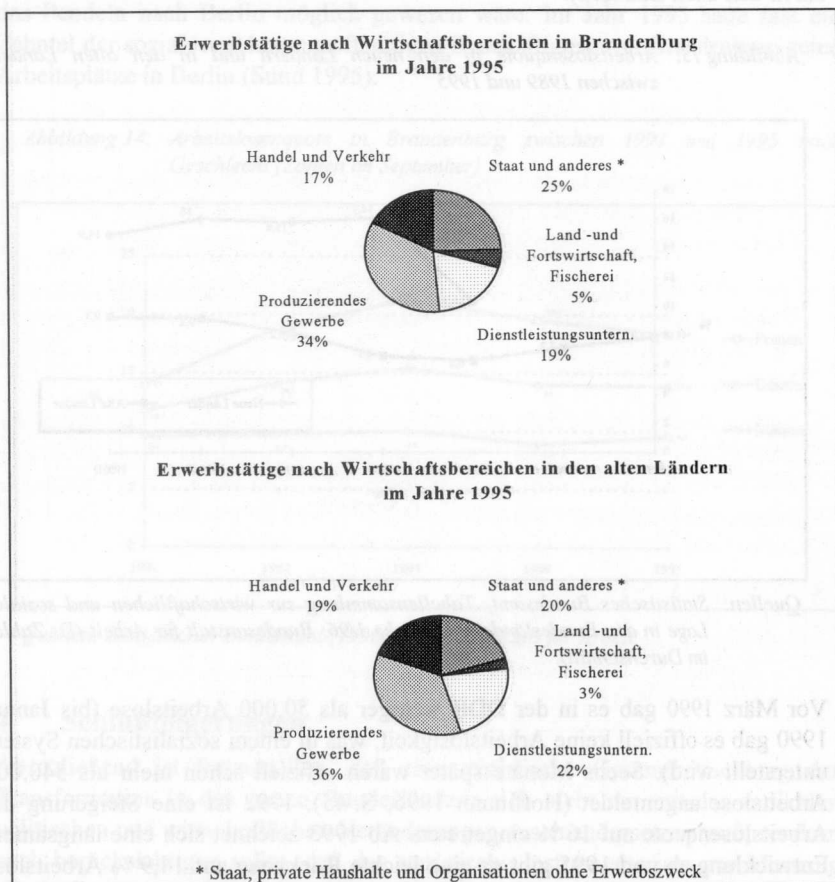


Quellen: Statistisches Bundesamt (1996a); Durchschnittszahlen aus den volkswirtschaftlichen Gesamtrechnungen.

Der Dienstleistungsbereich in den neuen Ländern hat in der Erwerbstätigkeit eine eindeutige und rapide Entwicklungsrate (durchschnittlich +10 Prozentpunkte jedes Jahr) zwischen 1990 und 1995 gegenüber 1989, wobei er für 1991 einen extrem hohen Sprung von mehr als 40 Prozentpunkten Steigerung gegenüber dem Vorjahr gezeigt hat. So ergibt sich für 1995 mehr als eine Verdoppelung der Erwerbstätigkeit im Dienstleistungsbereich der neuen Länder gegenüber 1989. Diese Entwicklung erklärt sich unter anderem aus dem sehr rückständigen Niveau dieses Sektors in der DDR und kann den Verlust im verarbeitenden Gewerbe und in der Landwirtschaft nicht kompensieren.

In Brandenburg ist die Entwicklung dieses Sektors noch deutlicher zu beobachten. Mit 248,5 % im Jahr 1995 gegenüber 1989 hat Brandenburg fast den zweieinhalbfachen Erwerbstätigkeitstand im Dienstleistungssektor gegenüber 1989. Gründe sind u. a. die Nähe zu Berlin und der größere Rückstand während der DDR-Zeit im Vergleich zu den anderen neuen Ländern.

Abbildung 12: Erwerbstätige nach Wirtschaftsbereichen 1995



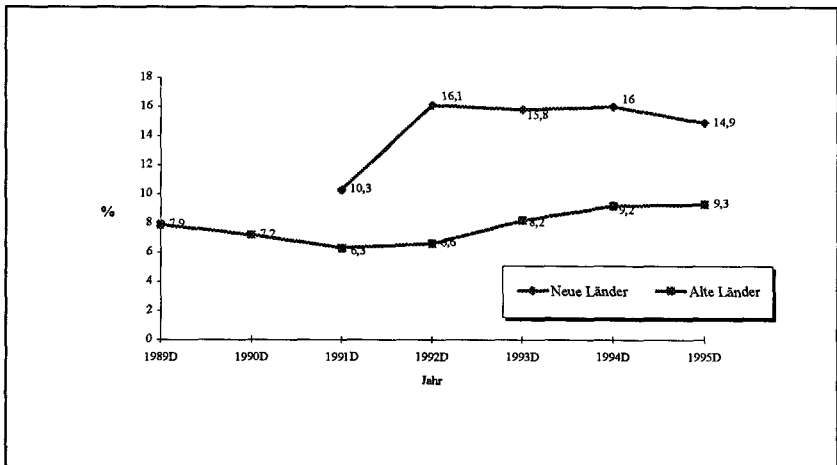
Quellen: Statistisches Bundesamt (1996a); Durchschnittzahlen aus den volkswirtschaftlichen Gesamtrechnungen.

Infolge der unterschiedlichen Entwicklungen der Wirtschaftsbereiche haben sich die Anteile der Bereiche an der gesamten Erwerbstätigkeit zwischen 1989 und 1995 geändert (s. Abbildungen 11 u. 12). Der Anteil der Landwirtschaft in Brandenburg ist fast auf ein Drittel gesunken und hat 1995 5 % gegenüber 14 % im

Jahr 1989. Der Anteil des verarbeitenden Gewerbes an den Arbeitskräften ist um ein Viertel gegenüber 1989 gesunken. Der Anteil des Dienstleistungsbereichs hat sich vervierfacht.

Es resultiert eine Annäherung der Beschäftigungsstruktur nach Bereichen in den neuen Ländern an die in den alten Ländern. Allerdings bleiben noch beträchtliche Unterschiede im Anteil des Staates (5 Prozentpunkte mehr in Brandenburg als in den alten Ländern).

Abbildung 13: Arbeitslosenquote in den neuen Ländern und in den alten Ländern zwischen 1989 und 1995



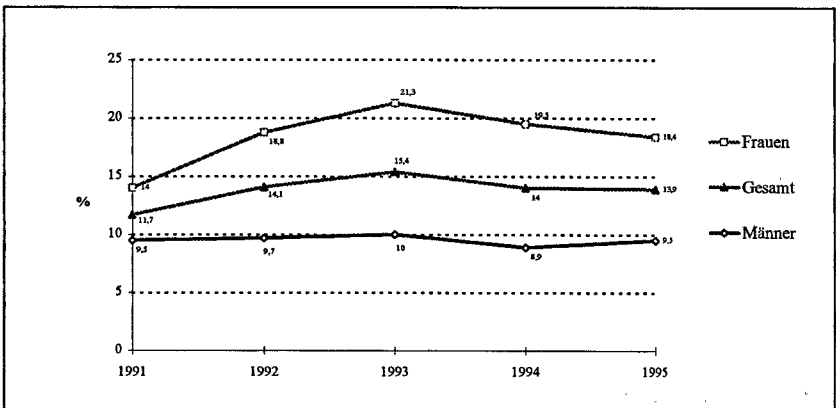
Quellen: Statistisches Bundesamt, Tabellensammlung zur wirtschaftlichen und sozialen Lage in den Bundesländern, Ausgabe 1/96; Bundesanstalt für Arbeit (D: Zahlen im Durchschnitt).

Vor März 1990 gab es in der DDR weniger als 50.000 Arbeitslose (bis Januar 1990 gab es offiziell keine Arbeitslosigkeit, was in einem sozialistischen System unterstellt wird). Sechs Monate später waren offiziell schon mehr als 540.000 Arbeitslose angemeldet (Hoffmann 1996, S. 45). 1992 ist eine Steigerung der Arbeitslosenquote auf 16 % eingetreten. Ab 1993 zeichnet sich eine langsamere Entwicklung ab und 1995 gibt es eine leichte Rückgang auf 14,9 % Arbeitslose (s. *Abbildung 13*).

In Ostdeutschland sind die Frauen von der Arbeitslosigkeit besonders betroffen worden (s. *Abbildung 14*), 1993 erreichte die Arbeitslosenquote in Brandenburg für die Frauen eine Spitze von 21,3 %, mehr als doppelt so hoch wie für die Männer (10 %). Ab 1994 sinkt sie wieder, aber der Abstand zwischen der Arbeitslosenquote für Frauen und Männer ist weiter sehr groß.

Die offiziellen Arbeitslosenzahlen wären noch viel größer gewesen, wenn die Regierung nicht mit einer Reihe von Programmen und Unterstützungen den Arbeitsmarkt entlastet hätte. Das waren vor allem Arbeitsbeschaffungsmaßnahmen (ABM), die Vorrenten- und Ausbildungsförderungsprogramme sowie Kurzarbeit (Schmid 1996, S. 9). Auch Auswanderer und Pendler haben die potentielle Arbeitslosigkeit in den neuen Ländern beträchtlich verringert. So hätte die Arbeitslosenquote in Brandenburg in 1993 um 5 % höher gelegen, wenn nicht das Pendeln nach Berlin möglich gewesen wäre. Im Jahr 1993 hatte fast ein Zehntel der sozialversicherungspflichtigen Beschäftigten von Brandenburg seine Arbeitsplätze in Berlin (Sund 1995).

Abbildung 14: Arbeitslosenquote in Brandenburg zwischen 1991 und 1995 nach Geschlecht (Zahlen im September)



Quellen: Statistisches Bundesamt (1996a); Bundesanstalt für Arbeit.

4 Schlußfolgerungen

Abschließend ist festzustellen, daß eine statistische Gesamtbetrachtung der Transformation in den neuen Bundesländern sich nicht nur mit den radikalen politischen und wirtschaftlichen Veränderungen auseinandersetzen muß, sondern auch berücksichtigen sollte, daß das statistische Instrumentarium zur Messung dieses Prozesses gleichzeitig einem fundamentalen Umbruch unterlag. 1990 wurde zwar das statistische System der alten Bundesrepublik auch in den neuen Bundesländern eingeführt, aber der Erhebungs- und Aufbereitungsapparat war noch für lange Zeit der der DDR.

Auch die Wirtschafts- und Produktionsstruktur unterschied und unterscheidet sich noch längere Zeit wesentlich von der in den alten Bundesländern. Gerade die Messung des Anpassungsprozesses erfordert aber z. B. vergleichbare Preise.

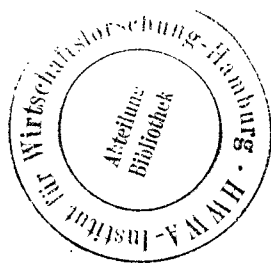
Die Einführung einer gemeinsamen Preisbasis 1991 löste dieses Problem noch nicht, da 1991 das Preis- und Verbrauchsgefüge in den neuen Bundesländern noch wesentlich durch DDR-Nachwirkungen bestimmt war. Vergleichbare Preise sind aber auch die Grundlage für die Messung der Produktionsentwicklung und des Index der Arbeitsproduktivität bis hin zur vergleichbaren Bestimmung des Bruttoinlandsproduktes, die damit von der gewählten Gewichtung abhängen. Verzerrungen in Zeiten der Strukturbrüche sind damit unvermeidlich. Ungeachtet dieser grundsätzlichen methodologisch-statistischen Meßprobleme konnten bestimmte Entwicklungen in den neuen Bundesländern festgestellt werden:

- Die Industrie ist nach der Währungsunion auf Grund mangelnder Wettbewerbsfähigkeit unter den neuen Bedingungen weitgehend zusammengebrochen. Ein hohes Wachstum zeigen dennoch die Investitionen. Es besteht weiterhin die Notwendigkeit umfangreicher Kapitaltransfers. Der Eigenkapitalanteil der ostdeutschen Unternehmen ist unzureichend.
- Das Bruttoinlandsprodukt wächst beständig stärker als in den alten Bundesländern, erreicht aber bis jetzt kaum die Hälfte von deren Pro-Kopf-Niveau. Begleitet ist dies allerdings auch von einer Zunahme der Zahl der Insolvenzen.
- In Brandenburg ist die Zahl der im Dienstleistungsbereich Beschäftigten überproportional stark gestiegen. Aber die Gesamtlage auf den ostdeutschen Arbeitsmarkt ist trotz einer Stabilisierung des Niveaus der Arbeitslosigkeit äußerst beunruhigend.

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Arbeit, Organisation und Personal im Transformationsprozeß

herausgegeben von Rainhart Lang, Christof Baitsch, Peter Pawlowsky

Ramona Alt: Einführung von Informationssystemen in Umbruchsituationen. Eine mikropolitische und kulturorientierte Prozeßanalyse in ostdeutschen Industrieunternehmen

Band 1, ISBN 3-87988-160-X, Rainer Hampp Verlag, München und Mering 1996, 403 S., DM 66.80

Die Einführung neuer Technologien stößt in ostdeutschen Unternehmen - abgesehen von der enormen Umweltdynamik - auf spezielle Erfahrungshintergründe. Die Vermutung liegt nahe, daß dieser Tatsache eine erhebliche Bedeutung für die Art und Weise der Einführung von Informationssystemen zukommt. In der vorliegenden Arbeit wird daher eine Analyseperspektive eingenommen, die vor allem auf die beteiligten Akteure und ihre Interaktionen in ihrer Wirkung auf den Prozeßverlauf abstellt. Im Vordergrund steht der Versuch, praktische Handlungszusammenhänge bei der Einführung von Informationssystemen auf Grundlage der gewonnenen Erkenntnisse über konkrete Situationen, Orientierungen und Sichtweisen beteiligter Akteure zu erklären. Es wird der Frage nachgegangen, wie und warum sich bei der Einführung von Informationssystemen aus mehreren Optionen ganz bestimmte Wege durchgesetzt haben.

Die Analyse beruht auf elf betrieblichen Fallstudien in ostdeutschen Industrieunternehmen unterschiedlicher Branchen. Auf dieser Basis werden typische Handlungsmuster und den Einführungsprozeß strukturierende Faktoren herausgearbeitet. Vor dem Hintergrund der sich vollziehenden Transformationsprozesse gibt die Arbeit Einblicke in die konkreten Entwicklungen und sich abzeichnenden Tendenzen bei der Einführung von Informationssystemen.

Frank Lettke: Habitus und Strategien ostdeutscher Unternehmer. Eine qualitativ-empirische Analyse unternehmerischen Handelns

Band 2, ISBN 3-87988-202-9, Rainer Hampp Verlag, München und Mering 1996, 297 S., DM 56.80

Für ostdeutsche Akteure ist wegen ihrer weitgehend unter den Bedingungen der sozialistischen Wirtschaft geprägten Biographie die Aufnahme einer unternehmerischen Betätigung nicht ohne weiteres zu erwarten. Die „Wende“ und der in ihrer Folge ablaufende Transformationsprozeß werden als gravierende kulturelle Brüche aufgefaßt, die bis dahin geltende alltägliche Selbstverständlichkeiten in Frage stellen. Sozial erworbene Denk-, Wahrnehmungs- und Handlungsgewohnheiten, die sich mit Bourdieu als Habitus bezeichnen lassen, werden unter drastisch veränderten Umweltbedingungen zum Problem. Wenn betriebswirtschaftliche Entscheidungen an überkommenen Denkmustern ausgerichtet werden, offenbaren sich Beharrungstendenzen von Habitus, die eine marktgerechte Handlungsweise behindern oder Gewinnchancen zumindest mindern. Wirtschaften erscheint in dieser Theorie als ein Handeln, das in den sozio-kulturellen Strukturen einer Gesellschaft wurzelt und sich in den jeweiligen Kontextbedingungen aktualisiert.

Journal for East European Management Studies (JEEMS)

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Die Wirtschaftswissenschaften sehen sich beim derzeitigen Erkenntnisstand der Transformationsforschung weiterhin explanatorischen Defiziten gegenüber: Es fehlt sowohl an umfassenden betriebs-, wie auch an volkswirtschaftlichen Theorien und Ansätzen um gravierende und dynamische Umbruchsituationen zu erklären. Der Weg dahin kann über die Verbindung von einzelnen – evtl. aus unterschiedlichen Disziplinen stammenden – Erklärungen ermöglicht werden. Die interdisziplinäre Kommunikation ist dabei für die Entwicklung einer gedanklich und begrifflich umfassenden, wirtschaftswissenschaftlichen Transformationstheorie von Vorteil.

Ende Juni 1996 fand an der Universität Potsdam die erste "Potsdam Summer School in Management and Economics" statt. Diese einwöchige, öffentliche Vortragsreihe stand unter dem Leitgedanken "East and West in Transition – Approaches to Success" und versuchte die interdisziplinäre Kommunikation innerhalb der internationalen Transformationsforschung zu unterstützen. Die sechsundzwanzig Beiträge von Vortragenden in diesem Band geben einen guten Einblick in das breite Forschungs- und Meinungsspektrum zum gewählten Thema.

Herausgeber:

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