

The politics of consumption

The market economy during and after state socialism is the subject of the multinational research project *Shopping Tourism and Travelling Objects in Postwar Central Europe*.

by **Jochen Becker**

The traffick in people, undocumented labour, the shadow economy and marketeering, smuggling and illegal assistance to refugees have been booming in Central and Eastern Europe since the end of state socialism and the take-over by Western market regimes. Those exploited in this way are faced with an antisocial market economy in the post-communist states, which is looking for niches in what the Western tradition would call an early, rather than a late capitalist economy.

At an event in Munich entitled *Über die Grenze* [Across the border], a Berlin researcher from the group *Forschungsgemeinschaft Flucht und Migration* [FFM – Research Association for Refugees and Migration] spoke of a ‘Russian market’ in Warsaw. Alongside the usual goods, people are traded here as a workforce drafted from the Ukraine, Belorussia or the Baltic states, as well as textiles manufactured in Polish sweatshops, where the labour is provided by people from the ‘low-wage countries’ beyond the eastern borders of Poland.

Instead of putting an end to this anti-

who operate in the border regions next to ‘Fortress Europe’. This unbridled capitalism supports and demands the formation of clandestine groups and entrepreneurial self-help consortia, which are at the same time devalued as ‘organised criminals’, Mafia, smugglers or crooks. According to findings by the *Deutsches Institut für Wirtschaftsforschung* [DIW – German Economic Research Institute] the shadow economy in the Ukraine equals the official gross domestic product. Electricity consumption or the amount of cash in circulation lead to the conclusion that half of the Ukrainian net product bypasses tax, social or state pension schemes. According to findings of the DIW, the authorities estimate up to 25% of the turnover for licences or customs protection —therefore still evading tax liability, social security and state pension schemes.

But is ‘the West’ a useful standard to adopt at all? In the other states emerging from the Warsaw Pact, the percentage figure for the shadow economy is also high. At the invitation of the Viennese *Internationales Forschungszentrum Kulturwissenschaften*

[IFK – International Cultural Research Centre], at the congress *Shopping Tourism and Travelling Objects in Postwar Central Europe*, Julia Zhdanova spoke of so-called ‘Shuttle traders’ (*chelnoki*) who account for more than 15% of the total figure for Russian imports through their professional tourism by train. Approximately 5 to 10 million

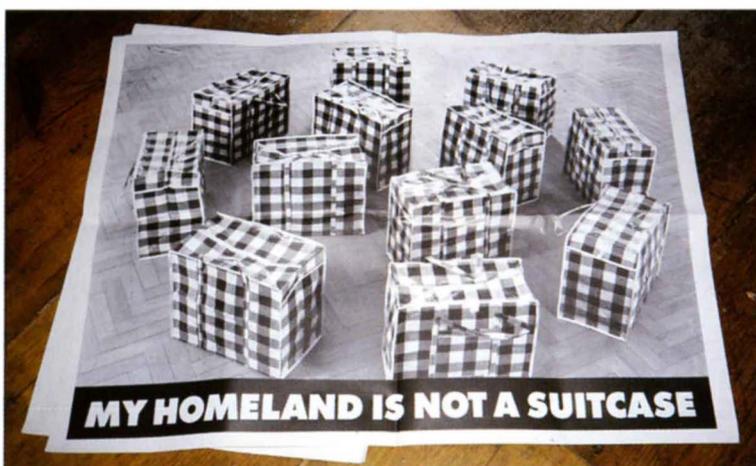
shuttle traders with their enormous hand luggage secured the provision of goods and food when state socialism collapsed. Only recently did the statisticians become aware of them which is why the transfer profits are being siphoned off. According to the esti-

mates of Julia Zhdanova, the mostly female shuttle traders, who journey alongside ‘normal’ travelling salesmen and business people, will constitute a significant proportion of the Russian middle class of the future.

“The black market became the real market ... Needs were clear, the queues died... A nation who apparently understood nothing of economics, learned in an instant how to trade ... The town became a bazaar. Step by step, everything necessary for a functioning market emerged: banks, stock exchanges, estate agents, shops, solicitors, hotels, international connections, fluid exchange rates, the emblems and the aesthetics of international trade, the free movement of people, goods, ideas.” Karl Schlögel in the 60th city forum *Stadtmitte* in Berlin.

The notion of the ‘end of the city as a state organisation and the rebirth of the bourgeois city’, as devised by the historian in the spirit of the Cold War, transfigures the obligations of a population expelled from work and social security. It is not ‘intuitive reason’ but frequently blind necessity which compels the abandoned to sell everything they can spare in order to secure their survival. Schlögel’s perspective naturalises Western capitalism with the insignia of bank and stock exchange, and furthermore overlooks the fact that the black market had existed before 1989 and will probably continue to exist alongside a simulation of Western European standards in the future. The capacity to achieve the Western standard varies from state to state according to the ethnic mix, geostrategic exploitation and economic potentials. Hungary prior to 1989 already had ‘small capitalists’ who could be found in small businesses, private farms or street markets; however, it was only post 1989 that the central Eastern European states adopted aggressive marketing, a Protestant work ethic, excessive competition and strict cost-benefit analysis along the lines of Western capitalism. Up until then, ‘cheap’ was not a swearword either; it was an important shopping incentive.

Politics and the economy, but also Western academic life have developed a colonialist interest in the states of the Warsaw pact. The end of the policy on state subsidies for conferences meant that scientists from the East soon latched onto international conference tourism and the funds associated with it. In the area of social science, priority was given to elite research and market analyses whose sole purpose was to reflect the interest of Western manufacturers and states in Eastern markets and power. Indeed, the Austrian Government have funded a two-year research project, launched with a congress in Vienna, to investigate ‘Shopping Tourism’, which clearly con-



ART IN RUINS, *My homeland is not a suitcase*, doublepage in the yearly newspaper *A.N.Y.P.* # 4 (Berlin/Munich, 1992), edited by minimal club.

social market economy, which is also starting to have an increasingly negative effect on conditions in the workplace in Western Europe, there is military persecution of the duty-free cigarette-sellers, economic migrants or small-scale dealers of all kinds

trasts with previous colonialist academic practice. Co-ordinated by Anne Wessely and Tibor Dessewffy, the project sees itself as a research network of cultural and social scientists from Romania, Slovenia, Russia, the Czech Republic, Austria and Hungary¹, connected via e-mail, who develop their own emphasis within the thematic framework of shopping tourism and who continually refine this in collaboration with the other participants. Furthermore, this project involves the new generation of academics, who for once are not just used for collecting data or doing the groundwork.

Social and cultural developments, and not so much the economic aspects of the traffic of goods across the borders of former state socialist countries, are the primary concern of this academic study. In the 'classless society' of state-regulated consumerism, access to Western or forbidden products plays an important role in social distinction: having at least one Kundera novel is considered *de rigueur* in some circles.

Differentiation came about through cultural status (leisure pursuits, cultural activities, education) rather than through material position (income, professional position). Books, records, ideas, travel opportunities and luxury consumer goods as well as their material value also had primarily (sub)cultural significance: in 1960 the stylish intellectual from Budapest went to Prague for the jazz records or to see Beatles films, and to Breslau or Cracow for experimental theatre. After the invasion by Soviet troops in 1968, the Czechs came to see films in Budapest, whereas the Austrians increasingly enjoyed cheap holidays and services (dentists, spectacles, health resorts) in the Eastern countries.² Banned literature in Polish translation or the Havel essays in a Samizdat pirate copy could be found on the Warsaw flea market. Others found ways to shift Russian champagne to Vienna, porno magazines from Yugoslavia or contraceptive pills in the direction of Romania. Further-

more, the Central European East-West crossroads situated in a comparatively liberal Hungary regularly played host to German-German family reunions, without supervision from the GDR-authorities, and became the focus for informal markets as a result.

Whilst ethnic or cultural peculiarities were negated in the formal economy of state socialism, establishing an identity and representing national differences³ played a major role for the ethnic minorities situated close to the borders as far as shopping tourism was concerned. According to the

sides of the frontier were bribed with alcohol.

'Ethnicity', 'class', 'difference' and extremes of wealth and poverty have had a different significance in state-socialist Central and Eastern Europe than they have in the Birmingham Centre for Contemporary Cultural Studies in the United Kingdom, for instance. "We find it necessary to develop our own culturally sensitive theories, paying attention to the peculiarities of our own time and our own place," says the introduction to the current research



Market by Group Material, poster for an exhibition at Kunstverein München, May/June 1995.

supply, the significance of the shopping tours varied quite considerably: whilst Hungarians wanted principally to buy banned goods or to finance their travelling freedom with the sale of products, the cross-border trade and the reaching into new terrain is an existential necessity for those such as the Romanian Roma. Units of blood, dismantled factory plant or manufactured goods were shifted across the border, not however before the customs officials on both

project. The "politics of consumption" seem to provide proper parameters for the "history of the present" (Wessely), in order to compare socio-political changes, national erosions and cultural re-evaluations "on the way to Europe" (Miklos Voros). The 'reality check' comes when one has experienced for real the supposedly Golden West, and not just its brand goods.

1. The "main emphasis lies in the current Central European successor states to the former Austro-Hungarian empire", which includes Austria ("Vienna was a shop window for Western goods, the first state on the other side of the 'Iron Curtain'").
2. It would surely be interesting to compare something like the alcohol tourism between Scandinavia and Europe or between North and South Carolina as a further form of cross-border shopping tourism.
3. Exchange rates and purchasing power play a major role in this: whilst in the 1970s the Hungarians could buy their jeans more cheaply in Yugoslavia, you can now buy four pairs of jeans in Budapest for the price of one in the previously Yugoslavian Slovenia.

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