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1 Alternative Globalization? Spaces of Economic Interaction between the “Socialist Camp” and the “Global South”

Spaces of Interaction

On a Wednesday morning in April 1962, Viktor Karamyshev had to get up early. He was summoned to a meeting at the Ghanaian State Committee for Economic Cooperation with the Soviet Union, China, and Eastern European Countries (CECEC) in Accra. Karamyshev was the head of a Soviet delegation of agricultural experts and, due to delays and complications in the negotiations of agricultural projects, had already spent more than six months in Ghana instead of the six weeks he had planned initially. On that day, Karamyshev was scheduled to meet the committee's chairman and Ghanaian minister for industry, Krobo Edusei, to discuss the implementation of a state farm project in collaboration with the Ghanaian Ministry of Agriculture. As usual, Karamyshev and his Soviet colleagues had to wait in front of the office, in a line with experts and officials from other socialist countries, who had to discuss the issues of technical and economic cooperation and the projects of their respective countries – on this day there were comrades from Bulgaria and Yugoslavia.¹ Many projects were planned or were underway, and given the numerous overlaps and misunderstandings, some groups had to wait for quite a while; the Soviet experts were not necessarily first in line.

The office of the Ghanaian CECEC was founded to deal with problems and challenges arising from the intensifying economic relations with socialist countries in the early 1960s. Here, many of the basic questions of economic interaction between the socialist camp and the recently decolonized, non-industrialized countries in what today's spatial terminology defines as Global South emerged. Within this framework, significant and broad economic cooperation can be seen between the socialist camp and the Ghanaian state apparatus striving for economic development. At the same time, this story on Ghana's cooperation with the East on special and mutually advantageous terms exhibits Third World agency. The socialist

¹ “Minutes of the 14th Meeting of the Committee for Economic Cooperation with Eastern Countries and Israel”, 4 April 1962, Ghana Public Records and Archives Administration Department (PRAAD), RG 7/1/1672, p. 88.

project of Kwame Nkrumah clearly demonstrates that the ideas about an economy shaped by socialist principles went well beyond the assumed primacy of the Soviets and their model of development, allowing the Ghanaian administration to consider other potential options and possibilities. This short story of Viktor Karamyshev and Krobo Edusei can act as a reflection of the positioning of socialist and developing countries as active agents of the global expansion of the economy after World War II and as actors that reshaped globalization processes within the geopolitical context of the Cold War.

This volume investigates the contribution of socialist states to post-World War II globalization by posing three central questions. First, what kind of spaces of interaction were produced, maintained, or used in East-South relations, and how did these spaces shape cultural, social, political, and economic entanglements between East and South and within the Council for Mutual Economic Assistance (CMEA)? Second, what rationales and motives guided the protagonists from socialist countries – experts, managers, traders, doctors, or scholars and institutions – to engage in the various East-South entanglements? Third, to what extent did the spaces of East-South interaction blur or reproduce Cold War bipolarity and the spatial format of the “bloc”?²

In order to address these questions, this volume proposes to take specific spaces of interaction between socialist Eastern Europe and the Global South into examination. These spaces offer a starting point to tell the story of the Cold War, the socialist bloc, and post-war globalization anew.³ Starting from these spaces allows us to identify actors of such “East-South” exchanges as well as their

² Research following the spatial turn has increasingly been drawing attention to the importance of understanding spatial dynamics of global history. Therefore, the significance of spatial considerations that can offer valuable insights concerning the relations between the socialist camp and the Global South are central to this volume. Moreover, we believe that the spatial dimension will help us to reread the history of the global Cold War order and post-war globalization processes alike. The larger endeavour at the Collaborative Research Centre (SFB) 1199 – one of the initiators of this volume – aiming at developing a typology of spatial formats as well as a historical narrative about the change of spatial orders under the global condition are thus in many ways applicable to our volume. For an introduction applying spatial semantics in Cold War history, see, e. g., A. Hartmetz, B. Kocsev, and J. Zofka, “East-South Relations during the Global Cold War: Economic Activities and Area Studies Interests of East Central European CMEA Countries in Africa”, Working Paper 11 of the Collaborative Research Centre (SFB) 1199 (2018), Leipzig: Leipziger Universitätsverlag.

³ For general reflections on a spatial approach to globalization, see, e.g., M. Middell and K. Naumann, “Global history and the spatial turn: From the impact of area studies to the study of critical junctures of globalization”, *Journal of Global History* 5 (2010), pp. 149–170; U. Engel and M. Middell, “Bruchzonen der Globalisierung, globale Krisen und Territorialitätsregimes: Kategorien einer Globalgeschichtsschreibung”, *Comparativ* 15 (2005) 2, pp. 5–38; N. Brenner,

rationales and divergent positions. We seek to investigate how these spaces became platforms of competition and of negotiation of interests. This allows us to consider how power was allocated and shared among the interested parties, what kind of hierarchies were produced in the ever-changing international division of labour, and to what extent these spaces and the corresponding activities challenged the dominant spatial formats (i.e. the bloc and the nation-state). At the sites of interaction we find actors from the “two worlds” sitting together and negotiating in commissions for economic cooperation; exchanging knowledge in planning institutions; working together on the construction sites of technical assistance projects; building up and running farms, mines, joint enterprises and hospitals together; and jointly planning the post-independence future.

Through these spaces of interaction, we want to address a variety of processes, practices, and projects of socialist globalization. Furthermore, through these spaces we can examine a broad range of actors, like state commissions and institutions, experts, international institutions, and companies responsible for the acceleration of economic interconnectedness between the socialist bloc and the Third World. Although aware of the significance of decolonization processes in East-South relations from a cultural or political point of view, this volume attempts to shed light on the economic aspects of such relations.⁴

“Beyond state-centrism? Space, territoriality and geographical scale in globalization studies”, *Theory and Society* 28 (1999), pp. 39–78.

⁴ Socialist global entanglements in the context of decolonization constitute an open field of research, which brings together a variety of studies investigating East-South political, economic, and cultural interactions. For example, a rapidly expanding field of studies is dedicating its attention to student programmes and cultural exchanges between the Soviet bloc and the Third World. For more, see K. Katsakioris, “Creating a Socialist Intelligentsia: Soviet Educational Aid and its Impact on Africa (1960–1991)”, *Cahiers d’études africaines* 57 (2017) 2, pp. 259–287; Idem, “The Soviet Union, Eastern Europe, and Africa in the Cold War: The Educational Ties”, Working Paper 16 of the Collaborative Research Centre (SFB) 1199 (2019); J. Hessler, “Death of an African Student in Moscow: Race, Politics, and the Cold War”, *Cahiers du monde russe* 47 (2006) 1–2, pp. 33–63; D. Hannova, “Arab Students inside the Soviet Bloc: A Case Study on Czechoslovakia During the 1950s and 60s”, *European Scientific Journal*, Special edition 2 (2014), pp. 371–379; M. Matusevich, “Testing the Limits of Soviet Internationalism: African Students in the Soviet Union”, in: P.E. Muehlenbeck (ed.), *Race, Ethnicity and the Cold War*, Nashville: Vanderbilt University Press, 2012, pp. 155–159; A.J. Kret, “‘We Unite with Knowledge’: The Peoples’ Friendship University and Soviet Education for the Third World”, *Comparative Studies of South Asia, Africa and the Middle East* 33 (2013) 2, p. 248; T.R. Müller, “The imaginary of socialist citizenship in Mozambique: The School of Friendship as an affective community”, *Twentieth Century Communism* 15 (2018), pp. 134–157; S. Guillory, “Culture Clash in the Socialist Paradise: Soviet Patronage and African Students’ Urbanity in the Soviet Union, 1960–1965”, *Diplomatic History* 38 (2014), pp. 271–281.

The contributions in this volume highlight that trade and economic relations were at times instruments of soft power and at other times constituted the crux of bilateral or multilateral relations between East and South.

By using terms such as Global South, Third World, socialist camp, or developing countries, we face a substantial methodological problem that needs an introductory reflection: how to avoid that terminology used by contemporaries impacts in an undiscussed way the analytical language with which we try to describe historical configurations? Spatial orders and spatial formats do not exist per se but they can be perceived only through a language that describes them for the purposes of certain actors. Introducing the term Third World was an important reaction to the new constellations that emerged at the moment of the widespread decolonization in the 1950s and 1960s.⁵ Yet, this was not an undisputed term. It became contested by authors from Eastern Europe, who saw themselves delegated to a suboptimal position of a Second World while being aware that some of the characteristics of the supposed Third World appropriately describe parts of their own world, especially in Central Asia. In their knowledge order, they preferred the term developing countries. The Sino-Soviet split posed a further challenge, as China aspired to a potential leadership position vis-à-vis these regions, by placing the Soviet Union in the same grouping as the imperialist powers of the West.

What becomes evident from these few examples, which may suffice here, is the fact that none of these terms was meant to describe a physical space proper but rather to raise a powerful spatial imagination related to specific world views.⁶ When speaking of East and of South, of Second and Third World, of developed and developing (or underdeveloped) countries we have to consequently be aware of the ideological load of these terms that stems from the period under investigation. If a country belongs to the First, Second, or Third World or to the group of so-called developing countries is not so much dependent on its geographical location but on the institution or person that speaks. We try to distance ourselves as much as possible from this context

5 C. Kalter, *Die Entdeckung der Dritten Welt: Dekolonisierung und neue radikale Linke in Frankreich*, Frankfurt: Campus, 2011. For more about the history and the usability of the term, see B.R. Tomlinson, "What Was the Third World?" *Journal of Contemporary History* 38 (2003) 2, pp. 307–321; D.C. Engerman, "The Second World's Third World", *Kritika: Explorations in Russian and Eurasian History* 12 (2011) 1, p. 183; P.E. Muehlenbeck and N. Telepneva, "Introduction", in: P.E. Muehlenbeck and N. Telepneva (eds.), *Warsaw Pact Intervention in the Third World*, London: I.B. Tauris, p. 2.

6 S. Marung, U. Müller, and S. Troebst, "Monolith or experiment? The Bloc as a spatial format", in: S. Marung and M. Middell (eds.), *Spatial Formats under the Global Condition*, Berlin and Boston: de Gruyter, 2019.

by qualifying wherever possible which parts of the world are meant when using such terms. But since this volume addresses the perspectives of the contemporaries on these East-South relations, it is almost unavoidable that we refer to the language used at the time. To make use of numbers (like in First, Second, and Third World) or from geographical directions (like East and West or North and South) to signify a political orientation or a socioeconomic system became a characteristic of Cold War language. With growing interaction of the various ideological camps during the Cold War, these terms became increasingly blurred, and the process continued after 1989/1991 at a growing pace. Thus, terms that provided sufficient orientation in former historical periods no longer have wide currency and therefore invite for clarification by applying a more analytical language to the situation. The contributions collected here-forth describe the various specific dimensions of such East-South encounters, and open the door for further debate of this epistemological question.

Central to the concept of spaces of interaction is the question how global entanglements can be traced on a local level. This volume thus contributes to the historiography of socialist globalization by shifting the focus of analysis to spaces of interaction as an indispensable dimension of social, political, and economic relations within the socialist camp and the developing worlds.⁷ Through close examination of these spaces, our contributors uncover the different and – at times – conflicting rationales that existed within the socialist bloc as it directed its gaze towards the Third World. They illustrate frictions and tensions within the CMEA which came to life in these spaces. The chapters hence show that the engagement with the Third World shaped, questioned, and redefined the equilibrium within the CMEA specifically and the socialist world in general.

Max Trecker's chapter on building the Syrian cement industry examines how multilateral cooperation was planned against the background of the so-called Complex Programme (1971) of the CMEA, aiming at further deepening the socialist economic integration, and of the increasing East-West competition in developing new markets in the Third World. The contribution asks how this cooperation was performed "on the spot" and uses the construction sites in Syria and the negotiations between different partners as specific spaces of interaction. By zooming in on the processes of economic decision-making and the coordination of the CMEA's economic policy, Jun Fujisawa also showcases

⁷ M. Middell, "Raumformate – Bausteine in Prozessen der Neuverräumlichung", Working Paper 14 of the Collaborative Research Centre (SFB) 1199 (2019), Leipzig: Leipziger Universitätsverlag, p. 2.

multilateral cooperation projects. Focusing on the nationalization of the Iraq Petroleum Company and the Soviet involvement in this process, he argues that the commission coordinating CMEA activities became a space of interaction between various actors from the Soviet Union, CMEA countries, and Iraq. In both chapters, we can find multilayered negotiations, processes, conflicts, and alliances that break with Cold War bloc logics.

Anne Dietrich's chapter deals with the global entanglements arising from the changing orientation of the German Democratic Republic (GDR) towards trade partners in the Third World to cope with the country's scarcity of tropical fruits and coffee through imports from Cuba and Ethiopia. Focusing on the engagement of foreign trade companies, the establishment of joint multinational enterprises, and the implementation of infrastructural projects, she argues that the GDR not only acted as a junior partner of the Soviet Union but also followed its own economic interests.

Analysing the Czechoslovak economic and political involvement in Angolan affairs after the country's independence from Portugal in 1975, Pavel Szobi similarly claims that Czechoslovakia had not just been a junior ally of the Soviet Union, but had more room to manoeuvre in foreign affairs, thereby exercising an active and independent foreign policy towards the African country. Further, the chapter illustrates how heightened engagement of Czechoslovakia in Angola depended on the domestic economic issues of other socialist countries, namely the GDR and Poland.

In Eric Burton's case study, the spaces of interaction are understood as a set of transforming or emerging government institutions of Zanzibar concerned with matters of banking, planning, and industrialization. His contribution investigates how East German advisers in Zanzibar during the 1960s entered the scene with little knowledge of the local economy and in turn used the Zanzibar experience to create a curriculum for the next generation of advisers at home.

Sometimes the spaces of interaction were primarily shaped and limited by events and developments in the South. In this regard, Chris Saunders's chapter demonstrates how East-South cooperation was performed apart from the usual state bilateralism by analysing interactions between the GDR and the Namibian liberation movement South West Africa People's Organization (SWAPO). Since Namibian independence was delayed and did not occur before 1990, the various transfers provided by the GDR turned out to be limited and only a few legacies survived.

In Bogdan Iacob and Iolanda Vasile's contribution discussing the Romanian conception of technical assistance in the context of bilateralism with an Afro-Marxist regime, we can see that the Mozambican Civil War (1977–1992) that

followed independence influenced cooperation and limited the room to manoeuvre for Romanian and other CMEA experts. By focusing on various spaces of interaction like oil refineries, hospitals, apartments, etc., the chapter investigates the translation of official discourses of solidarity into microhistories of encounter and exchange.

“Halbierte Globalisierung”? – Including Socialism into Concepts of Globalization

Globalization is a very popular buzzword for explaining today’s world, and both in conventional language and in scientific discussion, it is often identified with its neo-liberal form. Despite the vivid historiographical debates revolving around the question when global processes started to accelerate to the extent that they led to the emergence of the First World economy,⁸ most authors still consider the 1970s as the most formative moment in the global system, featured by events like the collapse of the Bretton Woods system, the political advance of the Chicago school of economics (and their monetarist conception of economic policy), China’s reorientations towards capitalism, or the oil price shock, to name but a few. Generally, analyses tend to view globalization as a Western-led phenomenon, excluding socialist states from their narrative and describing socialism and the Soviet bloc as being isolated from, or even juxtaposed to, these processes. They perceive Eastern Europe as a region that had “almost hermetically sealed off itself for many decades”, as even the left-leaning doyen of globalization studies in Germany, Elmar Altvater, wrote in 1996.⁹ In the classic Cold War view, the two superpowers split the world into two parts, in a “conflict between systems”, with little or only coincidental interconnections crossing the Iron Curtain. This

⁸ About the divergent positions, see, e.g., K.H. O’Rourke and J.G. Williamson, “When did globalization begin?” *European Review of Economic History* 6 (2002) 1, pp. 23–50, at 23–24. See also Y. H. Ferguson and R. W. Mansbach, *Globalization: The Return of Borders to a Borderless World?*, London: Routledge, 2012; A. G. Frank and B. K. Gills, “World System Economic Cycles and Hegemonial Shift to Europe 100 BC to 1500 AD”, *Journal of European Economic History* 22 (1993) 1, pp. 155–183; D. Held and A. McGrew, *Globalization Theory: Approaches and Controversies*, Cambridge: Polity Press, 2007; K. Moore and D. Lewis, *The Origins of Globalization*, London: Routledge, 2009; J. Osterhammel and N. P. Petersson, *Geschichte der Globalisierung: Dimensionen, Prozesse, Epochen*, München: C. H. Beck, 2003.

⁹ “Osteuropa, das sich viele Jahrzehnte nahezu hermetisch abgeschlossen hatte”, see E. Altvater and B. Mahnkopf, *Grenzen der Globalisierung: Ökonomie, Ökologie und Politik in der Weltgesellschaft*, Münster: Westfälisches Dampfboot, 1996, p. 423.

view suggests that globalization could only happen in one of these two parts. Jürgen Osterhammel's and Niels Petersson's claim that globalization in the decades after World War II was "split in two" likewise illustrates this assumption.¹⁰ What they try to capture with their notion of halved globalization ("halbierte Globalisierung") is not that globalization leaves losers behind, but that a dichotomy emerged between an ever more interconnecting capitalist world and a socialist bloc that cut itself off through autarkic policies.

This perspective presents Western modes and models of development as the universal norm and considers state-centred planned economy as deviation from the normal market economy and its globalization.¹¹ Communism or socialism is defined as a separate world, standing outside globalization and isolating itself from world markets. According to this narrative, only the end of the Cold War reduced the barriers that constrained direct interactions and let the Eastern European countries join the globalizing world.¹² Globalization appears to be a process of densification and acceleration of flows between the old centres of world capitalism and from the centres to the peripheries. Consequently, connections between East and South, or what world-systems theorists call semi-periphery and periphery, are often neglected and the literature that nevertheless researches East-South connections mostly focuses on Soviet political expansionism and hegemonic attempts towards the anti-colonial struggle.¹³

10 Osterhammel and Petersson, *Geschichte der Globalisierung*, pp. 86–93; 98–99. (For the English version, see J. Osterhammel and N. P. Petersson, *Globalization: A Short History*, Princeton: Princeton University Press, 2009.)

11 As an example see J. Sachs, Poland's *Jump to the Market Economy*, Cambridge: MIT Press, 1999, p. 3. See also O.A. Westad, *The Global Cold War: Third World Interventions and the Making of Our Times*, Cambridge: Cambridge University Press, 2005; V.M. Zubok, *A Failed Empire: The Soviet Union in the Cold War from Stalin to Gorbachev*, Chapel Hill: University of North Carolina Press, 2007; A. Steiner, "The Globalisation Process and the Eastern Bloc Countries in the 1970s and 1980s", *European Review of History* 2 (2014), pp. 165–181.

12 K. Fábíán (ed.), *Globalization: Perspectives from Central and Eastern Europe*, Bingley: Emerald, 2007; M. Middell, "1989 and the Collapse of Communism", in: S. Smith (ed.), *Oxford University Press Handbook of History of Communism*, Oxford: Oxford University Press, 2014, pp. 171–184; J. Mark and T. Rupprecht, "The Socialist Camp in Global History: From Absentee to Victim to Co-Producer", in: M. Middell (ed.), *The Practice of Global History – European Perspectives*, London: Bloomsbury, 2019, pp. 81–113.

13 With regard to Africa, see, e.g., S. Mazov, *A Distant Front in the Cold War: the USSR in West Africa and the Congo, 1956–1964*, Stanford: Stanford University Press, 2010; C. Stevens, *The Soviet Union and Black Africa*, London: Macmillan, 1976; G. Baines and P. Vale (eds.), *Beyond the Border War: New Perspectives on Southern Africa's Late-Cold War Conflicts*, Pretoria: Unisa Press, 2008; S. Onslow, *Cold War in Southern Africa: White Power, Black Liberation*, London: Routledge, 2009;

In recent years, however, the historiography on socialism has started to take on a global approach and view decolonization and globalization as two interconnected processes, which contributed to the internationalization of the Eastern bloc and to the building of important connections between East and South.¹⁴ These approaches undermine the Cold War bloc narrative in a fundamental way, insist on the significance of Third World agency and show that Eastern bloc international activity was not confined to Moscow-directed Cold War geopolitics. Johanna Bockman even argues that socialist states pursued a more radically globalizing project than the West.¹⁵ While neo-liberal globalization reinforced former connections and power relations between centres and peripheries and sought to maintain the economic status quo of the previous colonial system, East-South relations, in her view, were an attempt to establish new relations between (semi-)peripheries. These new flows, argues Bockman, made interconnections much more global than the old hierarchic metropole-colony relations, which the neo-liberal economic policies, often mistakenly labelled as globalization, reinforced.¹⁶ Thus, globalization is not only a respatialization that emanates from the centre but invites for a reassessment of (semi-)periphery–periphery relations as well.

In line with these recent approaches, this volume questions established narratives that ignore the forms of transnational economic connections and entanglements that emerged out of socialist and non-aligned contexts in the second half of the twentieth century. Therefore, in this volume we do not understand globalizations as unilateral and all-encompassing processes initiated, shaped, and disseminated by the capitalist North. Instead, we consider globalization as a set of multidirectional processes stemming from different world regions – including state socialist Eastern Europe – characterized at times by conflicting visions of economic progress and political development.

Three processes are often highlighted as intrinsic to post-World War II economic globalization and this volume shows that socialist states participated in

V. Shubin, *The Hot “Cold War”: The USSR in Southern Africa*, London: Pluto Press, 2008; R. Legvold, *Soviet Policy in West Africa*, Cambridge, MA: Harvard University Press, 1970.

¹⁴ Besides the already mentioned joint paper of James Mark and Tobias Rupprecht, see, e.g., Engerman, “The Second World’s Third World”; J. Mark and Q. Slobodian, “Eastern Europe”, in: M. Thomas and A. Thompson (eds.), *The Oxford Handbook of the Ends of Empire*, Oxford: Oxford University Press, 2018, pp. 351–372; J. Mark, A. Kalinovsky, and S. Marung (eds.), *Alternative Globalisations: Eastern Europe and the Postcolonial World*, Bloomington: Indiana University Press, forthcoming.

¹⁵ J. Bockman, “Socialist Globalization against Capitalist Neocolonialism: The Economic Ideas behind the New International Economic Order”, *Humanity* 6 (2015) 1, pp. 109–128.

¹⁶ *Ibid.*, pp. 125–127.

them as well: supranational institutionalization of economic exchanges, the re-spatialization of the international division of labour in production processes, and the increase of international trade.

Supranational Organizations

An omnipresent feature of economic globalization is the emerging comprehensive system of international regulatory institutions, particularly in the field of economic exchange. The most visible organizations were various United Nations (UN) commissions for economic development, the International Monetary Fund (IMF), the World Bank, as well as the General Agreement on Tariffs and Trade (GATT; later the World Trade Organization, WTO). Equally important were institutions that organized cross-border transport infrastructure, as well as branch-related standardization. From the start, socialist states actively engaged in UN institutions and commissions like the United Nations Conference on Trade and Development (UNCTAD), the United Nations Industrial Development Organization (UNIDO), or the various regional commissions within the UN Economic and Social Council. After some initial efforts to establish alternative institutions (most notably, through the idea of establishing an International Trade Organization (ITO) that would serve socialist interests),¹⁷ socialist states started to participate in the more partisan capitalist/Western institutions like GATT and the IMF as well.

Several countries of the socialist bloc joined the GATT, an organization working on lowering tariffs and trade barriers and promoting free trade: Czechoslovakia (as a founding member, 1947), Yugoslavia (1966), Poland (1967), Romania (1971), and Hungary (1973).¹⁸ These accessions were not coincidental, nor should they be seen as deviations from the socialist countries' general

¹⁷ Aiming at breaking the Western control of existing institutions like the GATT and the IMF on international trade, socialist countries proposed the establishment of the ITO that, on the one hand, would have coordinated every international institutions and bodies and, on the other hand, would have resulted in a new trade regime being more favourable for the Soviet bloc. R. M. Cutler, "East-South Relations at UNCTAD", *International Organization* 37 (1983) 1, pp. 123–125.

¹⁸ L. Haus, "The East European countries and GATT: The role of realism, mercantilism, and regime theory in explaining East-West trade negotiations", *International Organization* 45 (1991) 2, pp. 163–182; website of the WTO, list of GATT members, https://www.wto.org/english/thewto_e/gattmem_e.htm (accessed 31 July 2018).

course. In the wake of the neo-liberal world order in the late 1970s, the IMF and the World Bank increasingly managed to force both developing and socialist countries to accept their ground rules.¹⁹ Since the late 1970s, socialist states started to rely more heavily on IMF loans. Apart from Yugoslavia, which had been a founding member of the IMF and had maintained its membership until its dissolution, countries like Czechoslovakia and Poland had left the organization in 1950 and 1954 respectively, only to be effectively readmitted as borrowers during the very last years of the Cold War. This was a crucial moment as the IMF itself was undergoing a transformation from the Keynesian Bretton Woods system, aimed at currency stability control, to a neo-liberal structural adjustment promoter (which it was from the 1980s up until the 2000s). Socialist economic decision-makers had a global understanding of the market economy: although they tried to promote development and economic ties with the Third World, they also acknowledged a certain degree of dependence on the capitalist markets.²⁰

At the same time that socialist states actively participated in the international organizations that supported Western-led globalization, they went beyond these institutional frameworks by forming and extending their own web of contacts and coalitions. Thus, they shaped an alternative globalization project as well. The CMEA was in itself a supranational organization and functioned as an important space of interaction. As the contributions to this volume show, political and economic relations between East and South grew in number and complexity throughout the 1960s and 1970s, CMEA countries demonstrated individual agency in their own decision-making process and a growing independence from the Soviet Union. This shift was strongly tied to regime changes in the Third World and to the agency that these new regimes exercised in their relationship with their Eastern partners.

Respatialization of the International Division of Labour

Another crucial feature of globalization is the accelerated respatialization of the division of labour in the production process, which became solidified during the Cold War. As goods began crossing long distances, oceans, and state

¹⁹ M.G. de Vries, *The IMF in a Changing World 1945–1985*, Washington, DC: International Monetary Fund, 1986, pp. 152–156.

²⁰ Moreover, some authors argue that membership in these institutions was also a sign of independence or even rebellion of East Central European governments against the system that was imposed on them by the Soviets. See M. Lavigne, “Organized International Economic Cooperation after World War II”, *Soviet and Eastern European Foreign Trade* 26 (1990) 1, pp. 4–35.

borders more easily than in the decades of the Great Depression and World War II, industries started to shift geographically, in many cases from the old centres of production to developing countries. Production processes became divided into a growing number of steps with geographically dispersed production sites, leading to growing foreign direct investment in developing countries. At the base of this reorganization process of production chains during the decades following World War II was a global tendency towards trade liberalization, an internationalization of the means of financing and providing credit for trade transactions, and the standardization of container shipping.

Against this background, socialist states had their own project of restructuring the international division of labour inside the CMEA, and they – albeit to a lesser extent – participated in the respatialization of production chains in the global economy. For example, CMEA countries sold prefabricated components to capitalist enterprises, while at the same time supporting Third World countries to build up processing industries for raw materials. Similarly, Yugoslav enterprises engaged in economic cooperation and partnerships across the Iron Curtain and within the non-aligned world. For example, large construction and engineering companies, like Energoprojekt and Energoinvest, formed joint ventures across the Global South, with Libyan, Iraqi, Mexican, Pakistani, and Chinese partners. These companies planned and built large infrastructure projects (electrical and hydroelectric power plants) across the globe and would often be repaid in crude oil.²¹ At the same time, they also produced highly specific components for Soviet, American, and French heavy industries and power plants. The concentration of resources and of production sites in the framework of the “socialist division of labour” in the CMEA increased the possibilities for these industries to compete on world markets and sell their products outside the bloc, thus functioning as part of the outsourcing process ongoing in the globalizing capitalist world.

In fact, this global engagement incorporated the Eastern European countries into global capitalism as part of the semi-periphery.²² For example, these trends

21 L. Spaskovska, “Building a Better World? Construction, Labour and the Pursuit of Collective Self-Reliance in the ‘Global South’, 1950–1990”, *Labor History* 59 (2018) 3, pp. 1–21.

22 In the 1970s, socialist authors of comparative studies on the regions of Africa, Asia, or Latin America started to conceptualize these processes. They not just simply related themselves to the world-systems theory, but, in some cases, they actively contributed to the development of the concept. (While, for instance, the Polish School of African History and its most influential author, Marian Małowist in particular, inspired Immanuel Wallerstein, with his critical approach to the concept, the Hungarian development economist Tamás Szentes helped to nuance the theory. Later, in the 1980s, Szentes also co-edited a semi-samizdat series called *Fejlődés-tanulmányok* [Development Studies] to introduce world-systems and dependency theory to a number of

were apparent in low-level prefabrications of consumption goods, among others textiles and furniture. CMEA countries later took advantage of engaging in joint cooperation. Joint ventures in the car industry, for instance, between GAZ and Fiat, or the engagement of Volvo in Hungary,²³ were part of a global capital flow, accelerating and facilitating the exchange of components of manufactured goods. Entering the age of data processing and microelectronics, the CMEA integration enabled Bulgaria to become a producer of computers, robots and respective components, sold to markets in the rest of the world.²⁴ In addition, deliveries to the Third World happened in accordance with specialisations in the framework of CMEA division of labour.²⁵ For instance, a number of African countries purchased Ikarus buses from Hungary while Czechoslovak companies became an important supplier of rolling stock materials. Thus, the CMEA's international division of labour had ramifications beyond the bloc economy, and the process whereby Eastern Europe steadily became part of global outsourcing started long before 1989.²⁶ In this respect, the CMEA was a temporarily successful supranational integration project with globalizing effects. At the same time, however, the CMEA countries also confirmed their status as the Second World in this division of labour.

Under the framework of “technical assistance”, socialist states also supported the shift of parts of the industrial production chain to the developing countries. In this volume, we take a closer look at the sites of this respatialization of the chains of production. Anne Dietrich reports about a plant for processing citrus plants

readers.) The assumption, however, that the West represents the core, the East constitutes the semi-periphery and the South thus follows peripheral development trajectories had been widely accepted by socialist scholars.

23 For more, see, e.g., F. Levčík and J. Stankovský, *Industrial Cooperation between East and West*, London: Routledge, 2017. For a case study on the cooperation between Fiat and GAZ, see V. Fava, “Between Business Interests and Ideological Marketing: The USSR and the Cold War in Fiat Corporate Strategy, 1957–1972”, *Journal of Cold War Studies* 20 (2018) 4, pp. 26–64.

24 V. Petrov, “The Rose and the Lotus: Bulgaria’s Electronic Entanglements in India, 1967–1989”, *Journal of Contemporary History* 54 (2019) 3, pp. 666–687.

25 This, however, does not mean that conflicting interests in certain niches of this well-defined setup did not lead to clashes between the comrades. See Mark and Rupprecht, *The Socialist World in Global History*.

26 This argument has also been put forward recently by Besnik Pula: B. Pula, *Globalization Under and After Socialism: The Evolution of Transnational Capital in Central and Eastern Europe*, Stanford: Stanford University Press, 2018. See also J. Böröcz, “Dual Dependency and Property Vacuum: Social Change on the State Socialist Semiperiphery”, *Theory & Society* 21 (1992), pp. 77–104; Idem, “Dual Dependency and the Informalization of External Linkages: The Case of Hungary”, *Research in Social Movements, Conflicts and Change* 14 (1992), pp. 189–209.

built in Cuba with the support of GDR specialists and resources. Bogdan Iacob and Iolanda Vasile give an account of Romanian support for an oil refinery plant in Mozambique. These factories stood right at the beginning of the production chains – they were not producing ready-made consumers or investment goods but providing a basic material that would be sold for further processing. East German and Romanian economic decision-makers involved in these projects hoped to ensure the supply of their industries and consumers at home with raw material and exotic fruits through good relations with Cuba and Mozambique respectively. Instead of buying the raw materials themselves, these decision-makers decided to invest in a relocation – or outsourcing – of the first stages of processing in what they saw as developing countries.²⁷ Similarly, Yugoslavia's construction of aqueducts, power plants, and other industrial infrastructure also contributed to the industrial development across the non-aligned world, from Libya, Algeria, and Egypt to Zimbabwe, Cuba, and Malaysia. This marked a new geography of the international division of labour, where industries partly shifted from semi-peripheries to (former) peripheries and where newly independent former colonies not only served as suppliers of raw materials and labour but also as producers of processed goods – albeit at the initial stages of the production chains and without radically challenging the established overall hierarchy of the global economic system.

These projects were nonetheless conducive to the economic development in the Third World in a way that acted as an alternative to purchasing the industrial facilities on the capitalist world market. The socialist states reinstitutionalized and reshaped global interactions and economic flows with the Third World according to their vision of global economic development and a new international division of labour.

International Trade

A very basic indicator of globalization for economists is the amount of trade crossing borders, or more specifically the share of international trade in general economic performance,²⁸ that is to say the foreign trade quota. After the Great Depression, World War II, and the post-war economic crisis, international trade started to grow rapidly, consistent with the growth in gross domestic product

²⁷ For a detailed overview of the Soviet technical assistance projects aiming to improve the position of the recipient countries within the global economy, see C. Stevens, *The Soviet Union and Black Africa*, New York: Holmes and Meier, 1976, pp. 71–74.

²⁸ Measured in gross domestic product (GDP) by capitalist states and in net material production (NMP) by socialist states.

(GDP) and overall economic performance. The socialist countries were part of this global economic expansion, with growing GDP/net production and expanding international trade. According to the estimates of the Hungarian economist László Csaba, the share of CMEA countries in world exports and imports rose quickly in the early years, from 6 per cent in 1950 to more than 10 per cent in 1960 and 1965, before slightly decreasing to 8 per cent in the following two decades, and only remained at the same level due to high oil prices after the oil shock.²⁹

In the early Cold War years, the socialist states' foreign trade structure changed tremendously with a strongly growing share of CMEA partners,³⁰ but trade with countries outside the CMEA continued, and grew in absolute numbers, as well. According to conservative estimates, one-fifth to one-third of socialist countries' foreign trade was with capitalist countries, while up to one-tenth was with developing countries – depending on whether Vietnam and Cuba in the 1970s or China in the 1950s are included.³¹ In an overall world trade statistic, these trade turnovers were rather small, yet they were statistically significant in the trade of the participating countries, all of which did not have the commercial power of the US or later Japan or Western European states.³² In the overall economic statistics of socialist states the share of foreign trade was rather small as well, but it had nevertheless an important quality for both sides. The Third World partners saw trade with CMEA countries as an opportunity to diversify their economic relations after independence.³³

²⁹ L. Csaba, *Eastern Europe in the World Economy*, Cambridge: Cambridge University Press, 1990, p. 220.

³⁰ Iván T. Berend estimates that trade with the other CMEA partners in the foreign trade statistic of each CMEA country rose from a rough 10 to 20 per cent to a 60 to 75 per cent share. I. T. Berend, *Central and Eastern Europe, 1944–1993: Detour from the periphery to the periphery*, Cambridge: Cambridge University Press, 1996, p. 82.

³¹ Vneshnaya Torgovlya SSSR: Statisticheskyy sbornik (1918–1966) [Foreign Trade of the USSR: A Statistical Collection (1918–1966)], Moscow: Izdatel'stvo Mezhdunarodnye otnosheniya, 1967, pp. 62–63; R. Ahrens, "Gegenseitige Wirtschaftshilfe? Die DDR im RGW – Strukturen und handelspolitische Strategien 1963–1976 (Schriften des Hannah-Arendt-Instituts, 15), Cologne: Böhlau, 2000, pp. 56–66.

³² Furthermore, the value of these exchanges partially went beyond what the statistics could measure, for example in getting raw materials or technologies, which otherwise were not available for the trading partners. M. Lavigne, *The Economics of Transition: From Socialist Economy to Market Economy*, Basingstoke: MacMillan Press, 1995, p. 79–80.

³³ For a critical reflection on the dominance of qualitative aspects in the scientific debate about East-West-South economic relations during the Cold War, see P. Gutmann, "West-östliche Wirtschaftskooperationen in der Dritten Welt", in: B. Greiner et al. (eds.), *Ökonomie im Kalten Krieg*, Hamburg: Hamburger Edition, 2010, pp. 396–397.

In both the CMEA and Yugoslavia, the growth of East-West and East-South trade did not occur coincidentally but was instead the consequence of a political agenda formulated by the ruling leadership. At the CMEA meeting in 1954, within a debate about fundamentally reforming the organization, the Soviet representative Anastas Mikoyan (a Bolshevik from the first days of the Russian Revolution and a former close collaborator of Joseph Stalin) set the tone in demanding that all socialist states make great efforts in giving international trade a more important role in their overall economic performance. He explicitly mentioned not only socialist countries but also “developed” and “underdeveloped” capitalist countries as trading partners of growing importance.³⁴

Similarly, in 1972 Josip Broz Tito remarked that Yugoslavia’s economic future lay in investments and cooperation with Third World countries and their markets.³⁵ Furthermore, Yugoslavia had been amongst the strongest advocates, and founding members, of the UNCTAD, which aimed at fostering bilateral and multilateral trade across the globe, particularly between developing countries. Thus, in both the Soviet and the Yugoslav case, a general tendency is evident: international trade became increasingly important for these countries as their integration into the world market deepened.

As our contributors show throughout the volume, within the globalizing project of socialist countries, trade and aid relations often overlapped, as the line between solidarity and profitability became blurred; indeed, international trade was a diversification opportunity for both the Third World and Eastern European partners. Moreover, outsourcing went hand in hand with ownership of the new projects built in the Third World: partners in the periphery would become owners of what their Eastern counterparts were building on their territories. Herein lies the main distinctive feature of socialist globalization: while trade and outsourcing of economic projects were driven by questions of profitability, the way outsourcing and assistance were conducted was equally driven by principles of solidarity and mutual assistance.

In sum, socialist policies in answer to these crucial features of globalization were ambiguous – that is to say, there were specific socialist approaches to the internationalization of the economy, on the one hand, and an active integration into the capitalist world economy and its new institutions, on the other. To trace this ambiguity, not only flows crossing the Iron Curtain and East-South relations, but also international relations inside the socialist camp have to be

³⁴ Report of Georgi Chankov to the Politburo of the Bulgarian Communist Party on the 4th COMECON session. Sofia, 30 March 1954, CDA, f. 1244, op. 1, a. e. 4820, pp. 107–117.

³⁵ I. Obadic, “A troubled relationship: Yugoslavia and the European Economic Community in détente”, *European Review of History/Revue européenne d’histoire* 21 (2014) 2, p. 333.

considered. In the wave of the “end of history” turn of the 1990s, research saw the CMEA, the central institution of intra-socialist international exchange, as a complete failure.³⁶ Contrary to this conventional wisdom, transnational history uncovers a variety of contacts, interactions, and exchanges that were inspired and driven by the economic policy of socialist states.³⁷ Successful or not in terms of an overall economic strategy, the CMEA created a space of circulation of people, ideas, and (development) projects: within the institutionalized frameworks of “scientific-technical cooperation” and “technical assistance” experts were sent around, blueprints and technical knowledge were exchanged, and technologies were transferred.³⁸ Entire industry sectors were developed in the framework of this East-East cooperation and these exchanges – for example, Bulgarian steel, non-ferrous metal, and later computer industries, or Chinese steel, cement, sugar, and textile industries. This bilateral and multilat-

36 See, e.g., U. Müller: “Introduction: Failed and Forgotten? New Perspectives on the History of the Council for Mutual Economic Assistance”, in: U. Müller and D. Jajesiak-Quast (eds.), *Comecon Revisited: Integration in the Eastern Bloc and Entanglements with the Global Economy*, (special issue of *Comparativ: Zeitschrift für Globalgeschichte und Vergleichende Gesellschaftsforschung*) 5–6 (2017), pp. 7–26; M. Dangerfield, “Sozialistische Ökonomische Integration: Der Rat für gegenseitige Wirtschaftshilfe (RGW)”, in: B. Greiner (ed.), *Ökonomie im Kalten Krieg*, Hamburg: Hamburger Edition, 2010; M. Lavigne, *International Political Economy and Socialism*, Cambridge: Cambridge University Press, 1991; A. Steiner, “The Council of Mutual Economic Assistance: An Example of Failed Economic Integration?” *Geschichte und Gesellschaft* 39 (2013) 2, pp. 240–258.

37 P. Babiracki, “Interfacing the Soviet Bloc”, *Ab Imperio* 4 (2011), pp. 376–407; P. Babiracki and A. Jersild (eds.), *Socialist Internationalism in the Cold War: Exploring the Second World*, London: Palgrave Macmillan, 2016; P. Babiracki and K. Zimmer (eds.), *Cold War Crossings: International Travel and Exchange across the Soviet Bloc, 1940s–1960s*, Texas: A&M University Press, 2014; M. David-Fox, “The Implications of Transnationalism”, *Kritika: Explorations in Russian and Eurasian History* 12 (2011) 4, pp. 885–904; A.E. Gorsuch and D.P. Koenker (eds.), *The Socialist Sixties: Crossing Borders in the Second World*, Bloomington: Indiana University Press, 2013; A. Jersild, “The Soviet State as Imperial Scavenger: ‘Catch Up and Surpass’ in the Transnational Socialist Bloc, 1950–1960”, *The American Historical Review* 116 (2011) 1, pp. 109–134. For Soviet-Chinese exchanges, as the prominent examples for these interactions in the 1950s, see A. Jersild, *The Sino-Soviet Alliance: An International History*, Chapel Hill: University of North Carolina Press, 2014; D. Kaple, “Agents of Change: Soviet Advisers and High Stalinist Management in China, 1949–1960”, *Journal of Cold War Studies* 18 (2016) 1, pp. 5–30; W.C. Kirby, “China’s Internationalization in the Early People’s Republic: Dreams of a Socialist World Economy”, *The China Quarterly* 188 (2006), pp. 870–890; S. Zhihua, *Sulian zhuanjia zai Zhongguo* [Soviet Experts in China: 1948–1960], Beijing: Zhongguo guoji chubanshe, 2003; J. Zofka, P. Vámos, and S. Urbansky, “Beyond the Kremlin’s reach? Eastern Europe and China in the Cold War era”, *Cold War History* 18 (2018) 3, pp. 251–256.

38 Mark and Rupprecht, *The Socialist Camp in Global History*.

eral cooperation exceeded the borders of the CMEA. Large Yugoslav exporters produced components for nuclear power plants in the Soviet Union; similarly, the construction of the Adria oil pipeline project brought together Yugoslav, Hungarian, and Czechoslovak officials, scientists, and enterprises throughout the 1960s, 1970s, and 1980s.

Cooperation between CMEA and Third World countries gained significance from the early 1960s onwards. In fact, for an increasing number of Third World states, the CMEA countries had become a source of trade, credits and technical assistance, as well as political support.³⁹ From this perspective, the socialist camp appears as an entangled web of transnational exchanges – within the CMEA and beyond.

Many empirical examples point to the ambivalence of the socialist globalizing projects as both a contribution to capitalist globalization, as well as an effort towards an alternative project of globalization. Institutions of and experts from socialist countries – intentionally or unintentionally – became actors of capitalist globalization and helped with the development of the capitalist world market as we know it today. An outstanding case is the contribution of Soviet-owned banks in Europe and Iran to the eurodollar system.⁴⁰

39 For example, Curt F. Beck excellently describes Czechoslovakia's engagement with the newly decolonized states of Africa in his 1963 article entitled "Czechoslovakia's penetration of Africa, 1955–1962": "The water is safe to drink in Alexandria and Cairo, Egypt, thanks to a water filter station established by Czechoslovak engineers. A shoe factory in Addis Ababa, Ethiopia, is being built by Czech technicians. [...] Across the continent in Conakry, Guinea, airport inscriptions are in Czech as well as in French and English to accommodate the many Czechs arriving on the direct Prague-to-Conakry airline. In the smaller villages of Ghana special trucks are delivering Czech beer to the local inhabitants. In Mali journalists are being trained by Czechs in the establishment of their own press agency. And in Prague, the capital of Czechoslovakia, there are numerous Africans [have been] enrolled at Czech state expense in institutions of higher learning" (C. F. Beck, "Czechoslovakia's penetration of Africa, 1955–1962", 1963, quoted in: P. Muehlenbeck, *Czechoslovakia in Africa: 1945–1968*, Basingstoke: Palgrave, 2016, p. 1). A brief report concerning the Hungarian engagement, to cite another example, was published in the daily newspaper *Népszabadság* in 1962: "Great confidence is shown by Guinea's capital, Conakry. 'Ikarusz' buses only are used, the police is equipped with 'Pannonia' motorcycles. The full equipment of a mill is being delivered now. 'Mogurt' has mechanics stationed in Conakry. 'Modex' exports sports articles to Guinea" (*Népszabadság*, 20 January 1962, quoted in: Z. Ginelli, "Opening the Semi-Periphery: Hungary and Decolonisation", Research Report for the Vera and Donald Blinken Open Society Archive, Budapest, 2017, p. 9).

40 H-Diplo Roundtable Review, Volume XVI, No. 24 on *Red Globalization: The Political Economy of the Soviet Cold War from Stalin to Khrushchev*, Published to the H-Net Commons on 27 April 2015, <https://networks.h-net.org/node/28443/discussions/68413/h-diplo-roundtable-xvi-24-red-globalization-political-economy> (accessed 22 March 2019); S.W. Kim, "Beyond the

These banks administered a part of Soviet foreign trade earnings in hard currency, functioned as an integral part of the financial markets of their host countries, and acted as a sort of lender of last resort for indebted socialist countries.⁴¹ These banks contributed to the accumulation of dollars outside the US, that is to the process, which made the US dollar the ubiquitous convertible currency.

The erection of a network of international gas and oil pipelines (like the Soyuz and the Druzhba) connecting Central Europe with Western Siberia is another example of a socialist global project. The construction of these pipelines is often discussed by economists and economic historians as one of the most important energy infrastructure projects and in general terms as the most successful projects of the CMEA.⁴² Jun Fujisawa's contribution on the Soviet-East European-Iraqi triangular economic relations reveals that Gosplan (Soviet State Planning Commission) officials wanted to connect this network through the Druzhba pipeline with Iran, i. e. "into the global flow of oil" (p. 67). In the considerations of these officials, cost-efficiency clearly outweighed any rationale directed towards import substitution, as they argued that it was cheaper to supply the CMEA partners with Iranian oil instead of from the Soviets' own resources.

In addition, actors from socialist states themselves positioned their countries or institutions in a global system. Debates between Soviet and Hungarian scholars on the nature of the world market at several meetings demonstrate to what extent economists were well aware of the embeddedness of the centrally planned economies in the world economy. From the 1970s onwards, leading Hungarian reform economists advocated for a rather "globalist" approach – opposing the "bifurcated" approaches that interpreted world markets as either capitalist or socialist.⁴³ They argued that, in order to tackle increasing global competition, the foreign economic policies applied by the CMEA countries should be based on the

Iron Curtain: The Eurodollar market, the Moscow Narodny Bank, and the communist origin of global finance, 1957–1969", Paper presented at the "First World Congress of Business History", Bergen (Norway), 25–27 August 2016.

⁴¹ For the functioning of these banks, see R. Avramov, *Pări i de/stabilizaciya v Bălgarija, 1948–1989* [Money and De/Stabilization in Bulgaria, 1948–1989], Sofia: Ciela, 2008, pp. 164–187; N.I. Krotov, *Moskovskiy Narodnyy Bank: Sto let istorii*, Moscow: Mezhdunarodnoe Otnoshenie, 2011.

⁴² For background information regarding these pipelines, see J. Perović and D. Krempin, "The Key is in Our Hands': Soviet Energy Strategy during Détente and the Global Oil Crises of the 1970s", *Historical Social Research* 39 (2014) 4, Special Issue: The Energy Crises of the 1970s: Anticipations and Reactions in the Industrialized World, pp. 113–144.

⁴³ A.G. Frank, "Long Live Transideological Enterprise! The Socialist Economies in the Capitalist International Division of Labor", *Review* 1 (1977) 1, pp. 93–95; O. Hlaváček

fact that there is only one world market, hence a separate or distinct socialist one could not exist.⁴⁴ László Csaba, a leading Hungarian economist, convincingly argued:

The impacts of the external disturbances made it crystal clear that irrespective of their intentions, the individual centrally planned economies, as well as their regional grouping are integral parts of the world economy, and the CMEA does not in any way constitute a separate economic world socialist system functioning according to its own inherent laws.⁴⁵

Certain socialist experts – being recipients of Western scholarships or gaining experience in Western institutions – were thus very much aware of the embeddedness of their countries within what was now considered a world economy.⁴⁶

Although not as explicit as in these assumptions of Hungarian economists, basic economic decisions inside the CMEA made clear that socialist economic policy-makers eventually saw the economies they administered as part of a global system while being inferior to the leading capitalist powers, their technology, and market mechanisms. The implicit acceptance of being part of a world economy and of the inferiority became visible not only in East-West trade but also in East-East interactions. The most notable example of this was the debate about pricing in intra-socialist trade. During the years of its existence, the CMEA considered establishing its own independent price system. This question was certainly very political as it signified a socialist attempt at gaining more independence from world markets. The (official and explicit) reality, however, was that after the Bucharest summit, held in 1958, the intra-CMEA pricing system had accepted world market prices as the basis for CMEA trade.⁴⁷ Hence, negotiators of intra-socialist trade were expected to be aware of the world market price of the goods they wanted sell. The decision to accept world

and M. Sling, “The World Socialist Market”, *Soviet and Eastern European Foreign Trade* 11 (1975) 1, pp. 3–23.

⁴⁴ E.K. Valkenier, *The Soviet Union and the Third World: An Economic Bind*, New York: Praeger, 1983, pp. 37–73; for more about the above-mentioned reform economists, see J. Bockman, “Economists and social change: Science, professional power, and politics in Hungary, 1945–1995”, PhD dissertation, University of California, San Diego, 2000.

⁴⁵ L. Csaba, *Eastern Europe in the World Economy*, Cambridge: Cambridge University Press, 1990, p. 365.

⁴⁶ To understand the extent of their awareness, see, e.g., J. Bognár, *The Global Problems in an Interdependent World*, Budapest: Institute for World Economy of the Hungarian Academy of Sciences, 1984.

⁴⁷ L. Csaba, *Eastern Europe in the World Economy*, p. 70; A. Zwass, *The Council for Mutual Economic Assistance: The Thorny Path from Political to Economic Integration*, Armonk: M.E. Sharpe, 1989, p. 58; cf. B. Csikós-Nagy, “Some Theoretical Problems of the Price System in the

market prices implies the assumption of a superiority of price mechanisms based on competition over those based on central planning. In other words, the decision-makers of the semi-peripheral economies of the socialist East acknowledged that their economies were inferior vis-à-vis the economic power concentrated in the West.

East-South Relations: Socialist Foreign Economic Activities and Third World Agency

Processes of decolonization from the 1940s to the 1970s opened up opportunities of economic, political, and cultural interactions between East and South. From bi- or multilateral trade through political cooperation to cultural exchanges, state-socialist countries and post-colonial countries in the Third World became increasingly entangled in the common effort of creating socialist alternative modernities.⁴⁸ These efforts challenged established spatial formats – for example, the nation-state or the bloc – and sought to establish new ones, and thus reconfigured the existing spatial order shaped either by the Iron Curtain or by the North-South divide.

Contributors to this volume show that the Third World actors not only influenced how actors from the CMEA countries positioned themselves towards the South, but also challenged the power relations inside the CMEA as well. Pavel Szobi's contribution, for instance, highlights the competition among socialist countries for business projects in Angola. Jun Fujisawa shows that negotiations over oil trade with Iraq changed the power relations in the field of fuel allocation in the CMEA – although the primary initiative did not originate from East-Central European governments, aiming to lessen dependence on the Soviet supply, but from Soviet officials who aimed to ease the burden of providing oil and gas for their partner countries. Chris Saunders' chapter on the GDR and SWAPO, Bogdan Iacob's and Iolanda Vasile's contribution on Romanian cooperation with Mozambique, and Eric Burton's chapter on GDR consultants in Zanzibar demonstrate how domestic decision-making and changes in the

Trade between CMEA Countries", in: I. Vajda and M. Simai (eds.), *Foreign Trade in a Planned Economy*, Cambridge: Cambridge University Press, 1971, pp. 101–113.

⁴⁸ N.R. Karkov and Z. Valiavicharska, "Rethinking East-European Socialism: Notes Toward an Anti-Capitalist Decolonial Methodology", *Interventions: International Journal of Postcolonial Studies* 20 (2018) 6, pp. 785–813.

political sphere of the receiving regions limited the influence and shaped the form of cooperation the CMEA countries would be able to perform on the spot.

The Soviet Union, for its part, did not pursue a coherent strategy of expansion of its realm of power. Rather, various actors from state apparatuses, economic bureaucracies, party organs, enterprises, and professional unions took on diverging positions between (institutional or personal) economic interests, (state) political ambitions, and internationalist rhetoric.⁴⁹ This diversity of, or difference in, interests and voices inside the Soviet bureaucracies created opportunities for its CMEA countries to develop their own agendas towards partner countries in the Third World.⁵⁰ At the same time, this constellation allowed representatives from, e. g., Egypt, India, or Indonesia to negotiate and realise their interests.⁵¹

Typically, socialist practices of exchange were not confined to CMEA countries but directed towards countries of the Third World as well. The nearly free-of-charge transfer of technological knowledge, blueprints for industrial facilities, as well as of experts, trainees, and workforce in the framework of “technical assistance” and “scientific-technological cooperation” agreements were not only characteristic of East-East, but also of East-South relations. In order to supply industrial facilities, the socialist states offered conditions that were beneficial to their Third World partners: in most cases, a long-term credit with guaranteed low interest rates and favourable repayment conditions, for example in raw material deliveries. From the late 1960s onwards, however, there was a shift towards the monetarization and commercialization of these exchanges, with the socialist states increasingly requiring to be paid in hard currency.⁵²

49 D.E. Albright, “Soviet Economic Development and the Third World”, *Soviet Studies* 43 (1991) 1, pp. 27–59.

50 For case studies underlying the substantial latitude of the junior allies of the Soviet Union, see, e.g., Muehlenbeck and Telepneva, *Warsaw Pact Intervention in the Third World*.

51 R. Boden, *Die Grenzen der Weltmacht: Sowjetische Indonesienpolitik von Stalin bis Brežnev*, Stuttgart: Franz Steiner, 2006; T.G. Burgess, “A Socialist Diaspora: Ali Sultan Issa, the Soviet Union and the Zanzibari Revolution”, in: M. Matusevich (ed.), *Africa in Russia, Russia in Africa: Three Centuries of Encounters*, Trenton: Africa World Press, 2007, pp. 270–285; D.C. Engerman, *The Price of Aid: The Economic Cold War in India*, Cambridge: Cambridge University Press, 2018; Idem, “The Second World’s Third World”, *Kritika* 12 (2011) 1, pp. 183–211; A. Hilger, *Sowjetisch-indische Beziehungen 1941–1966: Imperiale Agenda und nationale Identität in der Ära von Dekolonisierung und Kaltem Krieg*, Cologne: Böhlau, 2018; R.J. McMahon, “Introduction”, in: R.J. McMahon (ed.), *The Cold War in the Third World*, Oxford: Oxford University Press, 2013, pp. 1–10; O. Sanchez-Sibony, *Red Globalization: The Political Economy of the Soviet Cold War from Stalin to Khrushchev*, Cambridge: Cambridge University Press, 2014.

52 L. Després, “Eastern Europe and the Third World: Economic interactions and policies”, in: R.E. Kanet (ed.), *The Soviet Union, Eastern Europe and the Third World*, Cambridge: Cambridge University Press, 1987, pp. 141–163.

Still, in 1989 much of the debts of Third World countries to Eastern European socialist countries had not been paid back yet. Not only the bloc countries, but also Yugoslav enterprises trading with the Middle East and African developing countries had been accumulating foreign credit and debt with many of these non-aligned trade partners. The Eastern European countries were thus greatly affected by the inability of their Third World partners to pay back what was commissioned.⁵³

Thus, at a first glance, these interactions do not seem to have been very beneficial to the socialist governments. Nevertheless, their motives to engage in the Third World were not exclusively political; they were economic as well. The political motivations ranged from socialist internationalism (claimed to be their main motive) to (geo)political interests, such as expanding the influence of the Soviet bloc, to other foreign policy goals like achieving a better position in UN institutions. The economic rationales behind the seemingly unprofitable relations consisted mostly of long-standing interests. The socialist officials hoped that projects, albeit not being profitable, could open up markets for future exports (be it to a specific country or to the world market). Some projects consisted of building infrastructure to facilitate future shipping of raw materials to Eastern Europe, and behind many projects there was an interest of socialist officials to utilize massive industrial capacities that they had built up in the industrialization drive in the 1950s and 1960s.⁵⁴ Some socialist economists and economic decision-makers went even further and hoped that the opening up towards developing countries would not just extricate them from their economic difficulties but would also substantially lessen their country's dependence on the Soviet Union's economic resources and thus relax the integration in the Soviet-dominated economic

53 J. Bockman, "Financial Globalization as a Socialist, Decolonial Project: UNCTAD, NIEO, and Non-Aligned Banking", Paper presented at the "Spaces of Interaction between the Socialist Camp and the Global South" conference, Leipzig, 26–27 October 2017; V. Unkovski-Korica, *The Economic Struggle for Power in Tito's Yugoslavia: From World War 2 to Non-Alignment*, London: IB Tauris, 2016, p. 230; M. Trecker, "Circle of debt: how the crisis of the Global South in the 1980s affected the socialist East", *Cold War History* (2019), DOI: 10.1080/14682745.2019.1621846, published online: 12 Jul 2019. See also the Afterword by James Mark to this volume.

54 We have taken the idea of projects as market openers from a presentation of Tanja Scheffler, where she argued that GDR officials saw the building of the Zeiss planet observatory in Tripoli as a project that could initiate a market expansion ("Markterschließungsprojekt") in Libya. T. Scheffler, "The Carl-Zeiss-Planetarium in Tripoli", Paper presented at the conference "Exporting Socialism, Making Business?", Leibniz Institute for Research on Society and Space, Erkner (Germany), 21–22 June 2018.

institutions.⁵⁵ As Jun Fujisawa demonstrates with regard to the oil industry, Soviets, on the other hand, also encouraged this process since they did not want to bear the burden of being the primary raw material producer of the CMEA.⁵⁶ Anne Dietrich shows that the interest in the supply of raw materials – in this case, goods for consumption such as Ethiopian coffee and Cuban citrus fruits – was economically motivated by GDR officials wanting to promote exchange and infrastructural projects in Cuba and Ethiopia. In the latter country, GDR engineers developed transport infrastructures (a freight port terminal in Assab) to facilitate the export of coffee in exchange for the assurance that their country would get a share in these exports. Similarly, citrus fruit processing plants in Cuba were built with the aim of substituting the import of fresh citrus fruit with processed and canned products. In addition, economic considerations, as depicted in Max Trecker's chapter, overrode intra-bloc solidarity while building a cement factory in Syria within the framework of a joint CMEA project. Socialist planners always had three “worlds” in mind while doing business: the CMEA, the Third World, and their Western partners. All these three worlds were characterized by shifting geographies depending on the political alliances built, challenged, and rebuilt during the volatile Cold War configurations.

Consequently, basic economic assumptions, rather than any Marxist agenda, were the most compelling ideological fundament of the actions of state-socialist economic officials. The economic officials of the socialist states believed – as Oscar Sanchez-Sibony has pointed out – in the Ricardian principle of

55 For an overview about these efforts, see E. Kridl Valkenier, *The Soviet Union and the Third World*, New York: Praeger, p. 37. The New International Economic Order (NIEO), a major UN initiative in the 1970s, was one of the few chances certain Eastern European countries tried to “grab” in order to lessen their dependence on the Soviet Union. Economists, for example, in Hungary, Poland, Romania, and, of course, Yugoslavia perceived the NIEO as opportunity that could lead to the birth of a new world trade regime and could assist them in their efforts to move away from the Soviet-imposed economic institutions. Nevertheless, the CMEA had never managed to have a common strategy vis-à-vis the concept and several frictions emerged among socialist states having different views on how to support the aims of the NIEO. In this regard, the NIEO also tells the story of great differences within the Eastern bloc regarding the strategy envisaged towards the Third World. It not just illustrates the limits and the strength of Soviet power vis-à-vis its Eastern European allies, but also highlights the fact that the Soviet bloc failed in its attempt to respatialize the setting of the world economic order to its advantage. For more about the diverging positions taken by socialist states concerning the NIEO, see M. Simai, “Revisiting NIEO and the related problems”, *Challenges* (Centre for Economic and Regional Studies HAS Institute of World Economics), 228 (2018) pp. 1–11.

56 See also J. Mark and I. Feygin, “The Soviet Union, Eastern Europe and Alternative Visions of a Global Economy 1950s–1980s”, in: Mark, Kalinovsky, and Marung (eds.), *Alternative Globalizations*.

comparative advantage and thus in the benefits of a (international) division of labour and economies of scale, and they believed in an ideology of economic growth.⁵⁷

In line with the practical dominance of a mercantile rationale and the subordination of ideas of a socialist solidarity, East-South relations sometimes tended to reproduce neo-colonial practices. While visions of anti-imperialist socialist solidarity were powerful in forging East-South alliances, interactions often became hierarchical. Despite the fact that they were declared as mutually advantageous, projects often remained anchored in North-South dependencies, as European socialist countries did not want to sacrifice their economic interests for any kind of solidarity. While Anne Dietrich, for instance, describes this very shift from the ideal typical vision of solidarity to much more pragmatic inclinations in the fruit and coffee trade of the GDR with Cuba and Ethiopia, respectively, the chapter of Bogdan Iacob and Iolanda Vasile points out that socialist solidarity was unable to endure under the circumstances of economic crises. The hopes attached to the eagerly growing and mutually advantageous East-South cooperation thus quickly started to diminish as the internal frictions and tensions between the declared aims and the actual reality became apparent.

If these relations served any kind of alternative or socialist globalization project or rather reinforced the integration of the developing countries as periphery of the world economy is part of the question raised above, that is to say if there was a specific *socialist* globalization. In the end, the answer remains ambiguous. Although socialist countries “worked hard to create a global economy in the face of active resistance by the United States and other current and former colonial powers”,⁵⁸ the created alternative global links and the related alternative institutional settings eventually proved to be unable to cope with the dominant structures from the West. Furthermore, as actors from state socialist countries were confronted with global economic processes – for instance, increasing economic exchange, entangled technological change, and

⁵⁷ O. Sanchez-Sibony, “Economic growth in the governance of the Cold War divide: Mikoyan’s Encounter with Japan, Summer 1961”, *Journal of Cold War Studies* 20 (2018) 2, pp. 129–154.

⁵⁸ J. Bockman, “Socialist Globalization and Capitalist Neocolonialism: The Economic Ideas behind the New International Economic Order”, *Humanity* 6 (2015) 1, p. 109.

political processes – they perceived the integration into the capitalist global economy as a necessity.⁵⁹

Beyond the opportunity of direct economic exchange with Eastern Europe, socialism provided many countries in the Third World with a particularly attractive political model for development after independence. Out of 53 African countries, 35 declared themselves to be “socialist” at some time during the Cold War. These “progressive countries with a socialist orientation” in Africa formed a specific space in the eyes of the European socialist decision-makers on foreign economic policy.⁶⁰ Additionally, countries like India under Jawaharlal Nehru or Egypt during Gamal Abdel Nasser’s rule viewed their parties and policies as socialist (for example, Nasser named his party the Arab Socialist Union); others, like Sukarno in Indonesia, incorporated socialist ideas and rhetoric into their national ideology. In terms of policies, they also adopted features that were characteristic of the state socialist regulation mode, for example India with its economic five-year plans or Egypt with the nationalisation of key industries and state control of foreign trade.⁶¹ With the support of India and Egypt, Yugoslavia had been a pivotal advocate of a “third way” initiative to depolarise the international arena. At the Brioni conference in 1956, following the initial steps undertaken at the Bandung conference, held the previous year, Yugoslav diplomats advocated a position of “active neutrality” that developing countries should adopt towards the hegemonic pressures of both blocs. The Non-Aligned Movement, with its active advocacy of disarmament and decolonization, gave the newly independent countries a geopolitical and economic voice as well as some kind of institutionalization. However, the spatiality of the Third World remained – in the eyes of protagonists and observers alike – much more vague, instable, and contingent than the seemingly monolithic Eastern bloc.⁶²

⁵⁹ Cf. S. Lorenzini, “Comecon and the South in the Years of Détente: A Study on East-South Economic Relations”, *European Review of History/Revue européenne d’histoire* 21 (2014) 2, pp. 183–199, at 195.

⁶⁰ M.A. Pitcher and K.M. Askew, “African Socialisms and Postsocialisms”, *Africa: Journal of the International African Institute* 76 (2006) 1, p. 1.

⁶¹ Engerman, *The Price of Aid*; C. Unger, *Entwicklungspfade in Indien: Eine internationale Geschichte 1947–1980*, Göttingen: Wallstein, 2015; J. Waterbury, *The Egypt of Nasser and Sadat. The Political Economy of Two Regimes*, Princeton: University Press, 1983, pp. 57–78; A. Hilger, “Sozialismus, Weltwirtschaft und die Dritte Welt.” Paper presented at the conference “Globale Ungleichheiten diskutieren: Der Nord-Süd-Konflikt in den internationalen Beziehungen nach 1945”, Leipzig, 17 February 2018.

⁶² N. Miskovic, “Introduction”, in: N. Miskovic, H. Fischer-Tiné, and N. Boskovska (eds.), *The Non-Aligned Movement and the Cold War: Delhi – Bandung – Belgrade*, London: Routledge, 2014, p. 8.

A strategy for developing countries to maintain a certain degree of independence was in defining themselves, at least temporarily, as socialist. Most of these countries abstained from a clear affiliation to the East and kept their room for manoeuvre between the socialists and the US-led Western coalition. A few countries, however, affiliated themselves with the socialist camp: Mongolia, Cuba, and Vietnam entered the CMEA, while Mozambique was denied membership in 1982; China and North Korea had an observer status up until to 1961. Insulating itself within the CMEA and thereby having an ambiguous position, Romania at one point declared itself a developing country and considered the possibility of seeking formal affiliation with the non-aligned.⁶³ Since the mid-1950s, Yugoslav officials insisted that the main issues creating global political instability were of an economic nature and arose from structural inequalities between the North and South. To argue for a third way of mutual support in economic development, Yugoslavia's representative at the UN, Janez Stanovnik, remarked that both blocs viewed development in the Third World as instrumental to furthering their own geopolitical interests and areas of influence.⁶⁴ It was due to this particular view of (independent) economic development that Tito himself, and Yugoslav officials, pushed for the development of truly "global" trade. At the Belgrade conference, held in 1960, Tito asked for the expansion of economic cooperation between developing countries, until that moment squeezed between two trade areas of influence: the European Economic Community/Organisation for Economic Co-operation and Development and the CMEA. This is what ultimately led to the creation of the UNCTAD in 1964.⁶⁵ The non-aligned principle of non-interference did not mean, however, that Yugoslav officials and policy-makers would not work on furthering trade and economic cooperation with the Third World. Although to a much lesser extent than the Western and Eastern blocs, Yugoslavia – in pursuit of "collective self-reliance" – also shaped the non-aligned countries, created the operational sphere of the Non-Aligned Movement, and developed strong commercial ties with the entire African continent.⁶⁶

63 F. Hadler, "How to Study Eastern Europe as a Global Area?", Keynote presented during the "Fifth Annual Conference of the Graduate School for East and Southeast European Studies", Munich, 25–27 October 2018. https://www.leibniz-eega.de/wp-content/uploads/2019/02/Keynote_Hadler_26.10.2018.pdf (accessed 22 March 2019).

64 A.Z. Rubinstein, *Yugoslavia and the Nonaligned World*, Princeton: Princeton University Press, 1970, p. 168.

65 *Ibid.*, p. 170.

66 L. Spaskovska, "Building a Better World? Construction, Labour and the Pursuit of Collective Self-Reliance in the 'Global South': 1950–1990", *Labor History* (2018) 3, pp. 331–351, 334–335.

The involved developing countries also maintained diverse interests in many instances, which emerged during discussions concerning the realization of specific projects. This was particularly the case when abrupt political changes in many African countries took place, bringing these countries at times closer to, or further away from, their socialist allies. Investigated in the contributions by Pavel Szobi and Eric Burton, among the new political elites stemming from the national liberation movements of Angola and Zanzibar, there was a constant tension between pro- and non-socialist positions. In Szobi's contribution on Angola, we find that the pro-Western Minister Alberto do Carmo Bento Ribeiro was dismissed after President José Eduardo dos Santos and Fidel Castro agreed upon a policy in 1984 of improving economic relations between Angola and the (other) socialist states. In the following years, the socialist affiliation of Angola became much clearer than before, and the planned investment projects were larger than in the previous years. Nevertheless, the economic problems of the European socialist states prevented any intensification of economic exchange to come to fruition. Eric Burton describes the diverging interests of the nationalist leaders of Zanzibar, where the hopes attached to cooperation with Eastern Europe started very quickly to decline.

Rationale(s) and Motives of Socialist Actors

In his book *Red Globalization*, Oscar Sanchez-Sibony argues that Soviet leaders were eager to increase Soviet involvement in international exchange. By revealing the aversive attitude of directors and managers towards export on the enterprise level, opposing the political leadership efforts to raise exports, he shows differing and conflicting rationales inside socialist administrations, expert networks, and institutions.⁶⁷

We argue that carving out diverging interests inside socialist state apparatuses is the crucial task for research on the history of the (international) state socialist economy at the state of the art. This volume is intended to contribute to this task. The contributions in this book illustrate that there was not one logic behind the foreign economic activities of the socialist bloc; rather, eco-

⁶⁷ Certain commercial interests and mercantile pragmatism as driving forces behind the socialist foreign activities are pointed out, among others, by Albright, "Soviet Economic Development and the Third World". See also: A.C. Janos, *East Central Europe in the Modern World: The Politics of the Borderlands from Pre- to Postcommunism*, Stanford: Stanford University Press, 2000.

nomic policies were driven to a significant extent either by the specific interests of the particular states or by institutions and other players at different administrative levels. Consequently, socialist economies were not steered in a unitary fashion but were characterized by competing decision-making and advisory apparatuses. As mentioned, state enterprise managers had an export aversion because the more complicated production for export markets was not rewarded financially in the socialist foreign trade pricing system, whereas party officials, foreign trade firms, and financial ministries encouraged export to capitalist countries.⁶⁸ For example, Yugoslav enterprise managers and a large part of the state apparatus were rather export-oriented, favouring an expansion of the Yugoslav exporting sector throughout the 1970s and 1980s. This orientation characterized many other central European countries, although to a lesser extent than Yugoslavia.

In state planning commissions differing opinions were held concerning the question whether socialist countries should pursue export-led or rather import-led growth policies. Within economic decision-making bodies, the theoretical import priority stemming from macro-economic planning methods had often been overridden by planners having a solid grasp of the realities of the world economy, who promoted export-oriented economic activities for earning the desired hard currencies.⁶⁹

Furthermore, inside the national political leaderships, decision-makers held contradicting stances in the negotiations over the division of labour within the CMEA. Certain players adopted a bloc-wide development strategy, while others promoted national interest, for example the erection or conservation of industries that had been declared redundant by Moscow-based CMEA planners.

A closer look at the spaces of interaction enables us to more precisely map and detect these diverging rationales and fractions between competing bureaucracies. The contributions for this volume present some examples of this kind of conflicts and contentions within the administrations. Max Trecker examines how the multilateral cooperation in building a Syrian cement industry with the GDR, Bulgaria, and Syria was complicated (and almost failed) by conflicts among the contractors. The project, planned as part of the so-called CMEA Complex Programme for closer economic cooperation between CMEA member

⁶⁸ O. Sanchez-Sibony, "Soviet Industry in the World Spotlight: The Domestic Dilemmas of Soviet Foreign Economic Relations, 1955–1965", *Europe-Asia Studies* 62 (2010) 9, pp. 1555–1578 and J. Kornai, *The Socialist System: The Political Economy of Communism*, Princeton: Princeton University Press, 1992, pp. 345–351.

⁶⁹ P. Hanson, "The end of import-led growth? Some observations on Soviet, Polish, and Hungarian experience in the 1970s", *Journal of Comparative Economics* 6 (1982) 2, pp. 130–147.

states, was meant to showcase this kind of cooperation with Third World countries. In practice, it was affected by severe tensions between the protagonists from Bulgaria and the GDR. Jun Fujisawa provides another example of these differences when describing the clear position of Soviet Gosplan officials and the main representative of the country at the CMEA, who, in a partisan fashion, argued for profiting from the domestic oil resources by selling it on the world market at higher prices than on the CMEA market, where countries acquired Soviet oil below world market prices. As Fujisawa's chapter illustrates, these Gosplan officials argued on the basis of comparative cost advantages and did not care about the political functions of the oil distribution system within the CMEA, namely to stabilise Soviet hegemony over Eastern Europe. While Gosplan officials and the Soviet CMEA representative opted for a coordinated CMEA policy based on a multilateral approach in order to purchase oil, this bloc rationale came into conflict with the Ministry of Foreign Trade where officials preferred bilateral trade negotiations. Thus, cleavages not only arose between the Soviet government and partner countries with their own economic interests, but also inside the Soviet economic bureaucracy.

This book not only looks at the political competition inside the bureaucracies of European socialist states but also inside the bureaucracies of African states leaning towards socialism. The contributions by Eric Burton and Pavel Szobi outline the various pathways of socialism and development pursued by "revolutionary" African countries, highlighting that the diverging interests of a variety of actors need to be taken into account in this context as well. Consequently, not only the blurred lines between the socialist bloc and the capitalist world but also divergences, differences, and conflicts inside the state socialist bureaucratic apparatuses show that twentieth century state socialism was not organized in a monolithic bloc, controlled by one power centre in Moscow. Rather, by looking closely at spaces of interactions, we notice that tensions emerging in these peripheral contexts were actually central in reshaping the bloc's internal relationships.

The volume's focus on spaces of interaction contributes to the debates on East-South relations by exploring frictions amongst actors engaged within these spaces and shows how these interactions moulded conflicts and tensions within the bloc and blurred the lines of the seemingly dominant spatial formats of the global Cold War. The approach taken by the contributions in this volume uncovers competing rationales inside socialist – and, to a lesser extent, in Third World – bureaucracies, ranging from a (mercantile) pragmatism to socialist solidarity and internationalism, and from a bloc-wide strategy to national and institutional interests. These diverging rationales shaped those spaces of interaction and with them East-South relations, helping Third World actors not

only to maintain their own agenda but also to influence intra-CMEA-relations. The competing stances also translated into an ambiguous position taken by socialist states within globalization processes. Their activities were both: a contribution to capitalist globalization as well as as efforts to create an alternative globalization project along ideas of socialist internationalism.

