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City and Region

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Revolutionary Change,
Evolutionary Adaptation and
New Path Dependencies:
Socialism, Capitalism and
Transformations in Urban Spatial
Organizations



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Introduction: post-socialism and new path dependencies

In this essay I discuss the nature of transformation from socialist to post-socialist cities and point to specific structural factors that shape trajectories along which former socialist cities developed since the beginning of transition and may further evolve in coming decades. I am primarily interested in urban spatial organization. Its contemporary arrangement is a result of what has happened in the past and its future state will be significantly shaped by decisions and paths taken at present.

There are critical crossroads in the development of society and cities. Long periods of slow and steady evolutionary development are sometimes interrupted by times of rapid and dramatic revolutionary changes that in turn lead to new periods of more stable evolutionary development. The periods of change and instability can be caused by exogenous shocks and adaptations to new circumstances. Another type of such situation is radical internal revolutionary transformation. Post-socialist transition involves both these aspects.

Situations when societal systems are in the state of change, transformation and instability are favorable for the emergence and formation of new path dependent trajectories. There are developments during the revolutionary periods of dramatic and turbulent changes that set paths or directions which in turn have decisive importance for the future. As these developments might impact the quality of life for several generations, we shall pay critical attention to the formation of such path dependencies that are characterized with structural conditions that will be uneasy to change in the future.

There are several interlocking themes in this essay. It first addresses the nature of transition from socialism to capitalism. It interprets it as a sequence of dramatic revolutionary changes in societal principles, fol-

lowed with evolutionary adaptation to new conditions. Secondly, it argues that the transition is a period when decisions are made and trajectories taken that importantly impact future developments. New path dependencies are being formed right now. It is recognized that the present is shaped by structural path dependencies created in history. However, the main emphasis is given on new path dependencies. The concept of path dependency is used from analytical and explanatory perspective pointing out the key decisions, principles and developments that shape societal and urban systems. The concept is also utilized in critical and normative perspectives bringing attention to such developments that could be avoided taking other developmental paths.

Transition and transformations

I understand the transition from socialism¹ to capitalism as a broad, complex and lengthy process of societal change. It consists of multiple transformation processes that are related in certain time sequences, address universal or more specific areas, and include both the political application of normative concepts as well as spontaneously proceeding societal changes within a (re)established market environment.

I intentionally distinguish between transition and transformation. However, in a quite different manner than it is being done in many other studies of post-socialism². I use the term transition for the description of the broad, complex and lengthy process of societal change that includes both revolutionary changes in societal regulations (principles on which societies and especially their political and economic systems are founded) as well as evolutionary adaptations of existing social as well as physical structures and their spatial organizations within states, regions and cities to the changed rules of the game. Once the principles of societal regulation are changed, mechanisms start to operate to remodel social and spatial organizations.

1 Socialism is a societal system characterized by the common ownership of the means of production and the administrative allocation of resources. Because of the totalitarian nature of communist regimes, the term socialism is sometimes replaced by the terms state socialism or communism.

2 The term transition has been refused by many radical scholars that pointed to certain ideological flavors of the term in writings that represent transition as a smooth replacement of one societal system by another one. Consequently, they used term transformation which according to them does not bear such ideological burden. Nevertheless, they themselves present certain ideologies and thus the use of terminology transition versus transformation clearly signifies value and ideological positions within the dispute on the nature of change after the end of socialism.

Transition can be according to the nature of transformation processes divided into two fundamental periods. The first is characterized with the leading role played by systemic revolutionary changes in political and economic systems. These are intentional transformations controlled by the government. Their aim was to establish basic rules for society with a democratic political regime and market economy. Democracy and market were generally accepted as the desired destination and free democratic elections legitimized revolutionary efforts of governments. The revolutions of 1989 switched the control of political power from Communist parties to new political forces. These newly elected governments then pursued transformations which presented revolutionary changes in the system of societal and in particular economic regulation. They implemented key capitalist principles that govern the self-organization and development of society. The main outcomes of these systemic government-controlled transformations were new societal rules based on democratic policy-making and market-economy principles, a vast number of new private actors and owners, and an openness of local economic systems to international economic forces.

The realization of these government-controlled transformations was the necessary precondition for a wide spectrum of spontaneous transformations to take place. The second period of transition is then characterized with evolutionary adaptation of existing social as well as regional and urban systems to the new societal rules. After a relatively short period when the basic principles of a political and economic organization are changed, peoples' behavior, habits and cultural norms adapt to the new environment and transformations in a number of spheres begin to effect broader societal change in a medium-term period. Social changes are then mirrored in more stable patterns of urban morphology, land use and residential segregation that are being reshaped over a much longer period.

Revolutionary change: dramatic reconfiguration of social regimes

Notwithstanding past legacies and their mixture with new establishments, what happened in former socialist countries in the early 1990s was a major societal revolution. The revolution itself was an outcome of evolution. Evolution is understood as a wide process of societal change towards more advanced, organized and complex society. There can be several evolutionary paths in differing cultural contexts. Some of these paths can be blind alleys. Socialism is a recent major example of such a path with a

dead end. It was the confrontation between the achievements and the quality of life under socialism vs. capitalism that caused the loosening position of socialism. This confrontation helped to gain major popular support from inhabitants in socialist states for the change of social regimes. Capitalism was winning globally by its ability to provide more material wealth in terms of mass consumption and higher individual freedom and thus appealed to the masses of populations. Consequently, revolutionary change overthrew the socialist system and adopted principles from capitalist society. Transition started with revolution, which main goal was to correct an unviable evolutionary path and put society on the track that promised a future with higher freedom and more wealth.

It was not clear, which pathway would be chosen for the new society during the first moments of the post-socialist revolutions. However, from the two alternatives of either free market capitalism or the so called "third way" the former quickly gained wider support. People did not want to experience a new societal experiment. They voted for the kind of societal arrangement that really existed and was rather successful. This pathway was designed and supported by international institutions and new foreign partners from the capitalist West. The choice between local specificity and global compatibility was made in favor of the later. Consequently, the revolution adopted an already existing social system, which could be, to a large extent, transferred from the West using relatively clear "guidelines". The blueprint of capitalism, however, represented a particular form of capitalism – its neo-liberal version. The transformation was achieved through shock therapy, proposed by Jeffrey Sachs, accepted by Western powers and realized by Eastern European governments (Gowan 1995).

The specificity of the post-socialist transition is in its nature of double transition (Sýkora 2000). It includes the local transition to market economy and the global transitions conditioned by economic globalization and its influence on local political, economic, social and cultural restructuring. These two transitions are mutually interrelated. The post-socialist transition is not only about local change from socialism to capitalism, but also about the integration of former socialist states into global capitalist order. The local transition, in terms of revolutionary system transformations, was necessary to link local societies to the capitalist world. Besides the strong role of local socialist legacies, transformations were also largely shaped by actors operating on a global scale. Importantly, the nature of revolutionary system transformations was significantly influenced by the blueprints offered by international institutions and tailored to suit global capitalism.

The neo-liberal nature of capitalism, implemented through the shock therapy of dramatic institutional deregulation as well as the power imbal-

ance between local and global economic actors, created basic structural conditions that shape the evolution of capitalism in Central and Eastern Europe and impact on transformations of urban and regional systems. Future developments are likely to be importantly determined by these initial conditions. Path dependencies were established and exercise their influence.

Evolutionary adaptations in post-socialist cities

The revolutionary change in the principles of social regulation was followed with evolutionary adaptations to these new conditions. However, a post-socialist transition does not proceed as the replacement of one reality with another. It is a highly complex process in which some existing structures are abolished, some reformulated and new structures created to form new realities that in a complex and intricate manner reflect past as well as present developmental paths.

In cities, the urban environment shaped under socialism is being adapted and remodeled to new conditions given by the political, economic and cultural structures of capitalist society. Many socialist urban features have suddenly appeared in contradiction with the capitalist principles. These contradictions, between capitalist rules of the game and the socialist urban environment, bring the restructuring of existing urban structures. In some areas the post-socialist developments lead to the re-emergence or re-establishment of pre-socialist patterns. This re-emergence highlights the memory of places that, even during socialism, retained some of their former nature gained under capitalism. Examples can include old high social status neighborhoods. Other areas from both pre-socialist and socialist times adapt to new conditions. Such adaptations can be smooth and gradual as well as radical and dramatic. Processes of urban restructuring depend on internal conditions of such places, external structural shifts and interest of capital in these places. Old inner city industrial areas that become brownfields, some are now transformed to new commercial nodes and zones or socialist housing estates of prefabricated high-rises are examples of such areas. In the course of time, new capitalist urban developments have more important impacts on the overall urban spatial organization. They create new post-socialist urban landscapes that become symbolic manifestations of the future city. Suburbanization holds a prominent place among these new developments.

We can interpret this reemergence of old pre-socialist patterns and persistence of some socialist features as structural path dependencies,

showing the endurance of once established urban structures. At the same time we can point to the formation of new structures and hence new path dependencies. During transition they interact with each other to form a new urban organization that will retain some of its histories while reflecting the principles of capitalist society and market economy in particular.

In the meantime, a post-socialist city exists temporarily as a specific phenomenon. It is a city in transition. The transition from socialist to another type of city proceeds in the time-period between the change in the societal rules of the game and the completion of corresponding transformations in built and social environments. When such transformations are accomplished former socialist cities will become one of the many variants of urban places under capitalism. Of course, they will reflect their past. And they will be subjected to other transformations stemming from new impulses coming from within the capitalist society. The evolutionary adaptation to revolutionary change of the principles of social regulation will be over.

Transition and new path dependencies

I understand path dependency as developments shaped by structural conditions that emerge in particular historical moments. These conditions may keep the development on a certain path despite other options that could be considered to bring better outcomes. Furthermore, such evolutionary paths often produce irreversible changes. This attracts our attention especially in cases when the developments depart from what would be considered to be the best solution.

The developments and decisions taken at critical moments in history can be highly rational, reflecting on existing knowledge and situations, while moving in new directions as well as being highly specific, incidental and contingent. Pathways taken in revolutionary moments can last and survive even if they later prove not to be optimal. Once a development is launched along a certain path, self-enforcing evolutionary dynamics prevents it from reversal and alternative paths. The high costs associated with the necessary change of conditions lead to "lock-in" within given structural conditions, which are difficult to change. In such situations path dependencies play a significant role that can hinder better options in further development. Evolutionary pathways are sensitive to initial conditions and lock-in by historical events that often occur while setting off on a new path during revolutionary times.

The evolution of societies as well as cities and regions is conditioned by multiple chains of events and decisions. They put the city or society on the path shaped by cumulative and often self-reinforcing effects creating ongoing path dependencies. Some of these events and consequent path dependencies are more decisive than others. Some may even set cities on paths that are later considered as not being optimal or even harmful. As many changes are often irreversible it is worth considering and reconsidering such developments. Some current decisions and practices can establish future path dependencies leading to situations that bring undesirable consequences. New pathways of urban and regional development are now being established in post-socialist cities. Some can lead to outcomes that we can later regret. As it might be costly to change them in the future we will be locked in path dependent development trajectories. Often, the inferiority of a chosen path is not known at the time when the choice is made and only later we can recognize that some alternative paths would have yielded better results. There are, however, also situations when we can avoid some of these suboptimal and even problematic trajectories. These are for example instances when analogical developments and better alternatives are known from situations in other countries. We shall be aware of such potential path dependencies and discuss situations that can lead to them.

Path dependent and path shaping transformations

In the studies of post-socialist transition, path dependency is mostly understood and interpreted as the impact of socialist legacies on the character of transformations (Pickles, Smith 1998; Kawka 2007). This concept has been especially influential in circles that criticized and refused what they call "transitology" thinking and conceptualization of societal change in post-socialist countries (Pavlínek 2003). The main point of the critique was the painted image of transition as relatively uncomplicated and a smooth process of replacement of socialism with capitalism. Instead, alternative interpretations stressed the role of inherent inherited path dependencies that shape the course of transformations. Furthermore, these alternative interpretations made from geographical positions emphasize that transformations take place in different conditions of the individual countries, regions and localities formed through past historical geographies.

"There is no universal path from state socialism to capitalism as assumed by "transitology" but rather a number of divergent national and regional pathways. The plurality of CEE transformations typified by these multiple strategies and distinct national and

regional pathways is the direct outcome of path dependency and path shaping. While the past developments affect the present situation and the course of the transformation in various countries, regions and different social domains, different countries and regions actively influence the transformation outcomes in various social domains" (Pavlínek 2003, p. 88).

While I do agree with these arguments I disagree with the simplified and denouncing critique. The pejorative image of "transitology" is an interpretation by the critics of the work of the criticized. In the name of ideological battles, different goals and focus of arguments on both sides was ignored and transformed into academic weapons. I personally think that at the general level there is transition between two substantially different systems of social regulation and regime of accumulation (in terms of regulation theory, for an overview see, for instance, Dunford 1990). And if we look at the major parameters of both the system of regulation and regime of accumulation (that can be in a snapshot linked to political and economic systems) these were radically transformed from totalitarian to democratic political systems and from command to market economy systems. On the other hand, these main destinations and currents of transition have been shaped in somewhat different manners in various cultural contexts of individual countries. We further have to take into account the effects of historically formed geographies deeply embedded in cities and regions on the behavior and decisions of key actors that shape current societal and especially territorial transformations. However, this does not mean that we would deny general trends. Globally general and locally specific features are just different sides of the same process that is impacted by relatively simple, newly implanted principles of capitalism as well as by complex and varied historical geographies. We shall be sensitive and inclusive towards both these ends.

There are other major, but not necessarily mutually exclusive, differences between the two lines of argumentation about transition/transformation. While one stream was more involved in the design of normative recommendations, how to change the political and economic system, the other side was more interested in the positive interpretation (and explanation) of actually ongoing transformations with an often implicit goal to criticize the problematic outcomes of transformations designed along the ideological agenda of neo-liberalism. While the former were path shaping efforts to design certain futures for formerly socialist countries, the latter were interpretations that emphasized the important role of complex and complicated historical path dependencies in various transformations through socially and geographically embedded structures and practices. How strong these inherited path dependencies are in shaping transformations, including an imprint on the future, is a matter of

discussion and will be judged by the empirical experience in coming years and decades. The debate about the recombinant nature of property ownership (Stark 1996) shows that in some instances path dependencies could impact the specific nature of the initial years of post-socialist transition while its effects can vanish in the long run (Pavlínek 2003, p. 93).

Transformation changes are not, however, only path dependent but also path shaping (Smith and Swain 1998, p. 27). While the majority of transformation analyses have focused on the impact of socially embedded legacies of communism the establishment of new path dependencies has largely been omitted from discussions. Analyses clearly demonstrated the role of legacies and historic path dependencies and the need for context sensitive interpretations. However, the transition is not over and particular events, decisions, practices, developmental characteristics and newly established structures shape the future. The critical view forward should accompany the critical analysis of history and present.

Plurality of path dependencies

The concept of path dependency is usually used in evolutionary economics emphasizing its micro-economic foundations (Liebowitz and Margolis 1995). The attention is less often given to wider social and institutional conditions that help to keep the societal development on a certain pathway. I see path dependency as a generic concept that reveals one of the fundamental characteristics of evolution, whether we speak about nature, society or a specific segment of the economy. And I see its main utility in the appreciation of particular structural conditions formed during historical development that have the power to retain their impact on the future even when they no longer represent the best solutions and most advanced arrangements seen from the present perspective. Despite this historical inertia, there are revolutionary periods when some historic path dependencies are challenged and consequently replaced or transformed into new arrangements that better comply to a currently existing condition.

The transition from socialism to capitalism started with revolutions against the socialist totalitarian mode of regulation and a centrally planned regime of accumulation. Old path dependencies were overthrown and the specific neo-liberal form of capitalism that impacted the formation of the new mode of regulation and regime of accumulation started to form new path dependencies. Once established it cumulatively impacts on whole chains of following decisions. The "lock in" particular societal system forms a general path dependency that shapes further, more specific

mechanisms including their imprints in society, economy and urban and regional landscapes.

Despite being set within a more or less similar transition to market, paths of individual transformations and their outcomes can differ between individual countries. For instance, different methods of privatization produced distinct ownership patterns within inner city neighborhoods that influenced the pathways of neighborhood change.

“... different pathways in housing privatisation were crucial for both capital investments to physical refurbishment and the displacement of population bringing changes to neighbourhood social composition. Two forms of housing privatisation deserve particular attention: restitution and flat privatisation that have created substantially different conditions for the mechanisms of neighbourhood change. ... The restitution process returned property rights to former pre-communist owners or their heirs. In the context of the inner city, apartment buildings were transferred from the public landlord (state or local government) to private individuals. Former public tenants suddenly became tenants of private landlords to whom the ownership was returned. ... The important factor is that the building as a whole remains in a single ownership and can be redeveloped as one integrated unit. ... the redevelopment process and displacement of former inhabitants can be organised by a single landlord for the whole building. This makes for a significant difference from flat privatisation. ... Fragmented ownership after flat privatisation has provided an obstacle for developers wishing to refurbish whole properties but in desirable places it can lead to a gradual physical revitalisation including population change.” (Sýkora 2005, 100–102)

Historical and newly formed path dependencies can be complementary, contradictory or indifferent. In revolutionary periods, some are replaced, some modified and some utilized to form a more stable structure that governs further evolution. While path dependencies in small and specific systems can disappear, complex social and environmental systems are characterized by a multiplicity of mutually interlinked path dependencies. The most stable are then path dependencies in landscapes. They mirror and at the same time shape long term societal developments. They can be changed, but the inertia of structures formed in historical development is powerful. Historically formed geographies create a stable external environment that strongly impacts individual as well as collective decisions. Historical geography matters in the sense that the present is history dependent and that the initial paths can, through multiple historical causations under ever-changing conditions, create whole chains of conditions that shape possibilities and outcomes on important revolutionary crossroads (Krugman 1999).

There are numerous examples. Kawka (2007) for instance provides evidence of the impact of historical territorial structures on pertaining regional disparities in Eastern Germany. Musil (1993, p. 900) argues that “macrospatial urban patterns (urban settlement systems) change more slowly than microspatial ones (internal socio-spatial structures of cities)”.

Therefore it is the micro-level where we can see more readily how old path dependencies can be overcome and new created. The sprawl, like patterns of suburbanization around major urban centers, is an example of important path-shaping development that is completely reconfiguring intra-urban structures. We can trace conditions decisive for this kind of urban development in the particular form of capitalism institutionalized during the 1990s, namely in its favor for unregulated local markets and liberalized foreign markets. Consequently, suburban sprawl can be interpreted as being partly shaped by the path dependency stemming from the chosen form of social regulation (neo-liberal capitalism). The reality is however more complex. The sprawl pattern is also importantly shaped by the fragmented nature of local government in the Czech Republic that is favorable for competition between central city and numerous suburban municipalities and between suburban localities themselves. This fragmented nature of local governments has historic roots (path dependencies created by fragmented settlement structure) and was further strengthened in the first revolutionary years when the independent self-government on the local level was perceived as the base for democracy and at the same time was a reaction against forced municipal amalgamation during socialism. Despite that fragmentation is often seen as irrational it can not easily be changed. This path dependency is now deeply embedded in the Czech system of territorial government.

Concerning sprawl, important is that the contemporary developments form morphologies and land use patterns which will strongly shape future developments. Once people's activities are located and thus spatially fixed in urban and regional space they impact further location strategies of other actors. The sprawl patterns are less sustainable and cost efficient than more compact settlement forms. However, these patterns represent fixed investments and it will not be possible to change them overnight and redirect urban development. They will impact territorial distribution of human activities and patterns of their time-space mobility (Novák, Sýkora 2007) over generations. Our contemporary choice in favor of sprawl brings an initial “lock-in” situation that can now already be assessed from the societal point of view as less rational than more compact developments.

Conclusions

The revolutionary dynamics redirected the evolutionary path of former socialist countries to new destinations. These new pathways were estab-

lished through internal revolutions that were strongly impacted by inherited local legacies and especially by external interventions. Existing interpretations of post-socialist transformations emphasize the role of socialist and even pre-socialist legacies and historic path dependencies. In this paper I have attempted to steer the attention to future path dependencies that will be shaped by structures which are being established and fixed during a transition period.

The concept of path dependency is utilized within the framework of evolutionary development which is sometimes interrupted by revolutionary transformations. During these revolutionary periods many historical path dependencies are overthrown and new created. The concept of path dependency can capture the dialectics of stability and change. It allows integration between both the deterministic as well as relativist interpretations. The current period of transition from socialism to capitalism provides a unique opportunity to conceptualize and investigate the operation of past and new path dependencies.

There is a plurality of path dependencies. Primarily I would distinguish between past and new path dependencies. In the context of post-socialist development, there is an interesting and important role played by path dependencies that reflect structures from the pre-socialist period. An example can be the reemerging pattern of socio-spatial differentiation within inner cities that reflects the pre-socialist residential segregation. We can find path dependencies in simple structures as well as in complex societal systems. In this article I attempted to sketch examples ranging from the whole societal system (neo-liberal capitalism), through specific outcomes of transformation policies (globalization and an uneven relation between international and local actors, or the different impact of restitution and flat privatization on inner city neighborhood change) to spatial patterns in a metropolitan area (the historic geographic fix and thus path dependency created by the sprawl pattern of current suburban development).

My goal was to present suggestion for further discussion about the nature of post-socialist transformations and their outcomes. The full answers to posed questions would require deep analyses and well informed insights that were far behind the intentions of this article.

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