

**The Council of Mutual Economic Assistance: The Failure of Reform.** By Lee Kendall Metcalf. Boulder, CO: East European Monographs, Columbia University Press, 1998. 214 pp. \$35.00 cloth.

*The Council of Mutual Economic Assistance* is a welcome addition to a literature that has arisen since the end of the Cold War that seeks to reevaluate the inner workings of the Soviet bloc in terms of contemporary political science theory. Lee Kendall Metcalf develops a framework of "structural" and "cognitive" variables, and uses it to analyze three turning points in the history of the Soviet-dominated trade regime: the failed attempt under Khrushchev to coordinate the central plans of the Soviet allies; the successful effort under Brezhnev to reinterpret the voting rules of the CMEA organization; and the ultimate collapse of the trading regime in 1991.

By "structural" factors Metcalf means the physical resources that are the neorealist stock in trade: military forces, gross economic output, population, and organizational infiltration. Under "cognitive" factors he includes "norms," "patterns of behavior," and "knowledge" (p. 6). He wants to show that material factors alone cannot explain the pattern of success and failure, and that without some understanding of what the actors believed to be true and proper, important outcomes would be unintelligible. In particular, he argues that cognitive theories predict a distinctive kind of path dependence: earlier choices foreclose certain alternatives later on because they set the terms of debate. Thus, for example, he argues convincingly that Khrushchev's efforts to promote specialization within the bloc were hampered by the fact that Stalin's choice of an autarkic development model had generated elites in Eastern Europe that conceived of progress solely in terms of increasing industrial output.

The flaw in this work is that it is based entirely upon published sources, so it recapitulates false inferences that sovietologists had drawn from the East European press during the Cold War. In particular, two of the three cases are mischaracterized.

In the first case, Metcalf accepts Kaser's (1967) assertion that Khrushchev had attempted to replace the independent planning agencies in the satellites with a single plan elaborated in Moscow. The evidence for this is a Khrushchev speech, reprinted in the official Party journal *Kommunist*, and a flurry of objections in the Romanian press. Had this in fact been Soviet policy, the fact that it was never carried out would have been a signal defeat. However, the evidence from the archives and interviews conducted after the end of the Cold War is that this was one hare-brained scheme that Khrushchev never attempted to carry out. Indeed, it appears to have been invented by a speech writer and then quickly squashed by the Party apparatus. Khrushchev's real agenda was much more modest, and most of it was eventually implemented.

In the second case, Metcalf emphasizes the most openly debated issue that arose in negotiating the Comprehensive Program (1968-71), which was the voting rules in the CMEA. Formally, decisions in the CMEA were made by unanimous voting, and the Soviet Union successfully pushed to streamline the process by allowing "interested parties" to proceed with cooperation in particular areas. The same issue was being debated simultaneously in the European Community, and in that case the Luxembourg Compromise on unanimous voting had great political significance. Declassified materials make it clear, however, that in the CMEA all of the substantive decisions were made in bilateral negotiations in which the Soviet Union could bring its bargaining leverage to bear. Formal unanimity applied only to superficial matters, and its chief political significance was that the Romanian delegations could gleefully exploit it to

embarrass the Soviets. On the other hand, the substantive provisions of the Comprehensive Program had great economic and political significance, and the Soviet Union's failure to achieve more of its goals on a bilateral basis was an important milestone in the disintegration of the bloc.

In the light of information that has come to light since the end of the Cold War, therefore, I would describe Metcalf's case of failure under Khrushchev as a relative success, and his case of success under Brezhnev as a failure. This pattern does not appear to challenge structural theories; rather, the Soviet Union's ability to achieve its objectives steadily declined, along with the attractiveness of its economic model. However, Metcalf is surely right to claim that the causal theories and normative commitments held by East European elites influenced efforts to reform the CMEA. Indeed, the dramatic changes ushered in by the emergence of a new set of elites in 1989 rendered the CMEA obsolete. The new East European leaders rejected continued cooperation with the Soviet Union in large part because they believed that it would slow the transition to a market economy and integration with Europe.

This leaves open the question of what role ideas can play in theories of international relations. Social scientists have frequently found evidence that ideas influence politics, but they have found it more difficult to generalize convincingly about ideas themselves. Instead, the weight of causal arguments typically falls upon interests, institutions, and incentives (Hall, 1989; Goldstein, 1993; Goldstein and Keohane, 1993; Checkel, 1997). In this, Metcalf is in good company. His argument about path dependence, for example, seems to have more to do with entrenched interest groups and the incentives created by central planning than with cognitive factors such as beliefs.

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