A few years later I met the woman in the supermarket, Marekzy F. Rakowski, Poland’s last communist prime minister, as well as the last first secretary of the Polish communist party, wrote in his diary that the “younger generation throughout the socialist Eastern European countries associate progress with the technology developed in the capitalist countries. This is hardly surprising, considering that all material innovations—from radar, nylon, steel, TV, VCRs, jeans, hot dogs, and much more—come from the West. Meanwhile, among all the words adopted by the international community, our innovations only account for two—sputnik and kozachok. The first word has nothing to do with people’s daily lives and the second is a dance that has become popular in the salons of Paris.”

One year later, on December 1, 1988, Rakowski concluded in his diary: “I am increasingly convinced that the system established in Poland after World War II has lost on a historic scale. It is not necessary, he wrote, “to replace it with a new and more efficient system. In many ways, Poland’s economic history over the past five centuries has involved constant unsuccessful attempts to catch up with developments in Western Europe. The socialist experiment, which Hungarian economic historian Istvan Krasznai now living and working in the United States, aptly entitled A Detour from the Periphery to the Periphery, was just one of a series of such failures. In the long-term calculations from his book The World Economy: A Millennial Perspective (2004), British economist Angus Maddison presented a few simple numbers showing the historical development, which apply not only to Poland, but the entire eastern part of Europe and thus, with the exception of Malta, to all the countries that became members of the European Union in 2004.

If the 1950 GDP per capita in Eastern Europe was 10 percent of GDP per capita in Western Europe, a figure largely unchanged since the late nineteenth century and, according to Maddison’s calculations, significantly lower than in the sixteenth, seventeenth, and eighteenth centuries, in the late 1980s it had fallen to below 5 percent of GDP per capita in Western Europe. For those in Poland who experienced the long queues outside and the empty shelves inside the stores during most of the 1980s, this figure comes as no surprise. It was this economic development, the protest from the people, and ultimately the insight of an enlightened strata of communist rulers, including Marekzy F. Rakowski, about what happened from a historical perspective, that opened the way for a peaceful “dismantling” in 1989 of the “real existing socialism.”

Since then, we in the former eastern part of Europe—specifically in East Central Europe—have been living in a capitalist world, a part of the world referred to even twenty years after the revolution as “transition economies.” It is “nonsensical,” wrote the economist, “to think of it as a new and more efficient system.” The figures speak for themselves. Since 1952 Poland has experienced steady—and albeit with cyclical ups and downs—positive GDP growth, which has accelerated in the old and wealthier part of the EU (the EU-15). Between 1996 and 2008, average growth in Poland was 4.6 percent, compared with 2.2 percent in the EU-15. During the crisis year of 2009, Poland was the only EU country to post positive GDP growth.

For the first time in perhaps five centuries, over the past two decades Poland has begun to catch up to the wealthier parts of Europe. Germany’s GDP per capita in 1952 was more than three times that of Poland, but by 2008 Germany’s per capita GDP was only twice that of Poland.

Other figures reflect increased prosperity. Infant mortality has fallen from 18.5 per thousand in 1946 to 3.99 per thousand in 2007. Average life expectancy, which in 1950 was 66.3 years for men and 75.3 years for women, was 73.7 for men and 80.6 for women in 2008. Although such statistics for Polish men still lag considerably behind that of men living in the West, Polish women now live, on average, as long as Danish women. The positive developments in Poland contrast sharply with those during the same time in a country like Russia, where life expectancy actually dropped. Perhaps after the fall of communism and with entry into the European Union, Poland has finally managed to break the cycle and start the journey from the periphery to the center of Europe.
Poverty was tolerated not simply because it was equally distributed. Forbearance with inequality can be a question of time. Income is an economic resource. It is of course also a political resource.
“Several Polish studies show that black wages are more common in regions where wages are relatively low. A significant proportion of small companies pay a legal wage as well as a ‘black’ wage premium.”

The black market economy, which may or may not be so lucrative, exists in both systems. It pays off for everyone who has no other way to make ends meet.