

"For Czechoslovak Republic's economy, which until 1948 had focused mainly on developed Western markets, a catastrophic situation arose. The country had to suddenly reorient itself to CMEA markets from literally one day to the next. This meant isolation from industrialized countries, the loss of traditional Western markets, and restrictions on and even temporary impossibility of purchasing modern technology, etc."

Antónia Štefániková, historian

"Question: What would we have without COMECON? Answer: Basically everything."

Contemporary anecdote

"On what principles was COMECON based? On Polish honesty, Soviet truthfulness, Bulgarian diligence, Romanian technical development, German humour, Czechoslovak incorruptibility, and Hungarian general knowledge."

Contemporary anecdote



DRUZHBA OIL PIPELINE

The largest joint project and one of the main symbols of friendship between Comecon countries was the 5327 km Druzhba pipeline, which runs from Almaty (Soviet Union), where pipelines from Kazakhstan and Siberia converge. From the banks of the river Volga it heads west, and in the Belarusian village of Vysokoje divides into two branches: northern (to Poland and the former GDR) and southern (to Hungary and the former Czechoslovakia). An agreement to build the oil pipeline was signed on 18 December 1959 in Moscow, with construction breaking ground on 10 December 1960 and progressing quickly. The first delivery of Soviet oil arrived at Bratislava's Slovnaft refinery on 3 February 1962. The last pipeline section (to Litvínov, Czech Republic) was completed in October 1965. Although communist propaganda called the Druzhba oil pipeline's construction proof of Comecon countries' technical advancement, 40% of the 1,005 mm diameter pipes were actually manufactured in Sweden, Italy and West Germany. Yet it soon became clear that the pipeline's capacity fell short of increasing demands, so a parallel Druzhba 2 was built (1969 - 1974) with 1,220 mm diameter pipelines.

As ordinary citizens saw Comecon in practise, a period anecdote has telling value:

"On what principles was Comecon based? On Polish honesty, Soviet truthfulness, Bulgarian diligence, Romanian technical development, German humour, Czechoslovak incorruptibility, and general knowledge of Hungarian language."

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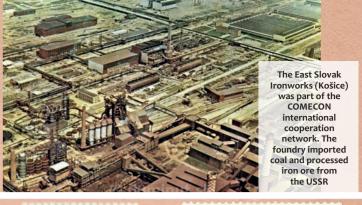
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COUNCIL FOR MUTUAL ECONOMIC ASSISTANCE (1949 – 1991)

The Council for Mutual Economic
Assistance (COMECON) was an economic
and political organisation that brought
together Soviet Bloc countries from 1949
to 1991. Officially, its role was to manage
and coordinate the production, trade,
scientific research, and investment
cooperation of member states. Yet in fact
COMECON acted as an instrument of power
that sought promote the political and
economic interests of the Union
of Soviet Socialist Republics (USSR).













COMECON'S EMERGENCE AND DEVELOPMENT

The decision to establish COMECON was taken at the economic conference held in Moscow on 5-8 January 1949. It was attended by representatives of the USSR, Bulgaria, Czechoslovakia, Hungary, Poland, and Romania. In February 1949 these six founding members were joined by Albania, the German Democratic Republic (GDR) (in September 1950), Mongolia (1962), Cuba (1972), and Vietnam (1978). Yugoslavia held an associate status since 1964. Albania stopped participating in COMECON activities due to a split with the Soviet Union in 1961, and officially withdrew in 1987. Comecon also had the cooperation agreements with Finland (1973), Iraq (1975), Mexico (1975), Angola (1976), Nicaragua (1984), Mozambique (1985), Afghanistan (1986), Ethiopia (1986), Laos (1986) and South Yemen (1986).

CONTROL STRUCTURES

COMECON's Council Committee comprised delegations from all member states and convened at least annually. COMECON's administration was overseen by the Secretariat in Moscow. In 1962, the Executive Committee was established, and it was responsible for the smooth performance of economic cooperation. Other permanent COMECON institutions included different commissions and committees, which co-

ordinated production planning, made recommendations on specific economic sectors, and ensured ongoing cooperation in the science and technology.

COMECON ACTIVITIES

At its inception, COMECON was the counterpart of the Organisation for European Economic Cooperation (OEEC), which united countries that received post-World War II US aid (Marshall Plan). This aid was aimed at rebuilding national economies. Directives from Moscow indicated that the Soviet Union and its satellites were to create a single and completely self-sufficient economic area. Trade with the West was strictly limited to the minimum and was closely scrutinised. COMECON also aimed to achieve parity of living standards throughout the Soviet bloc, which was financed by more developed members such as Czechoslovakia and the GDR.

COMECON had focused on the development of heavy and military industry until 1953, with the subsequent promotion of the industrial specialisation of respective member states. In return for supplying its satellites with fuel and raw materials, the Soviet Union received machinery and consumer goods. In Slovakia, enterprises such as the East Slovak Ironworks (Košice), Slovnaft (Bratislava), heavy engineering plants (Martin), and aluminium foundries (Žiar nad Hronom) all operated within COMECON.

The planned economy allowed the production output to be sold to the internal markets of COMECON's member states. Yet isolation from industrialized countries negatively impacted the product quality lowered labour productivity and exponentially increased the technological lag. There was no interest in consumer electronics produced in the Soviet bloc, even from the poorest Asian and African countries.

COMECON'S DEMISE

Although COMECON had been promoting closer economic cooperation and scientific/technological exchanges since 1986, these objectives lacked practical success as the Soviet political system made normal market-monetary relations impossible, and led to a growth of the 'burgeoning bureaucracy'. This development was not changed by Gorbachev's policy of glasnost and perestroika, which primarily targeted economic reform. But an ultimate consequence of this policy was the Soviet Union's withdrawal from Central and Eastern Europe, where the communist regimes fell in 1989. After the communist regimes fell in Central and South-eastern Europe, COMECON's continuation was no longer meaningful. The GDR's membership ended upon Germany's unification in October 1990. COMECON's organisation was finally disbanded at a Budapest meeting of the remaining nine member states on 28 June 1991.