

Editorial

Dear Reader,

This edition of the Journal of East European Management Studies might be looked upon as a kind of sociological diagnosis. Of course, the texts are not written as such. But implicitly we may read them like this. Sociological diagnoses seek to provide an analysis of “here and now” societies. They want to reveal their present characteristics. The texts appear at a time when basic assumptions of the characteristics of the post-transformation period are no longer taken for granted. Present elements and the future of societies, organizations, and behaviors are no longer taken as given facts.

This is especially true of three main self-certitudes:

1. that trade between Western societies and postsocialist societies benefits both and will constitute peaceful relations;
2. that the free market goes hand in hand with a democratic development; and
3. that economic growth overcomes the ecological distortions that accompany it.

Many liberal economists as well as politicians and intellectuals have argued that free market policies such as reduction of free trade barriers, privatization of state owned enterprises, etc. foster economic growth, technological innovation and economic efficiency in general. They would become like us. In this stream of thinking, transformation meant economic growth, poverty reduction and other comparative advantages such as expanded trade. Both sides benefited from it and thus stabilized their relations. Especially in Germany, many believed in the advantages of close free trade relations as a means of peace-making policies. Russia's assault of Ukraine distorted this orientation. As they became market societies with private economic activities, many observers believed that the former state socialist societies would develop a middle class as beneficiaries of the changes. It was widely believed that this middle class would foster and sustain free liberties and human rights, but at least China remained a repressive regime led by its communist party and exercised tight control over the population. The belief and hopes of many observers that the development of free markets would also lead to democratic states became questionable.

Finally, we can no longer ignore the limits of growth, as predicted since the early 70s. Meanwhile the vast majority no longer question that our dominant forms of economic activity are reaching a critical stage where tipping points of no return could destroy our own basis of existence.

Of course, six articles in a journal will not find the philosopher's stone, but they can provide some valuable insights into the above irritations and shortcomings. In general, the above philosophies of “the” market society quite often forget that the reality of the democratic and capitalist market societies – a term I prefer – is

a bargained reality, not one that exists simply because prices are formed on an anonymous market. Bargaining implies not only an institutionalized mechanism via trade unions, professional organizations and their counterparts. Bargaining is used here in a broad sense. The reality is a bargained outcome in the sense that human artifacts like organizations and institutions are shaped by the individuals that form them.

This is stressed in some articles which highlight the subjective factor is highlighted, prominent, for instance, in the article about job insecurity by *Bahri Saydam et al.* and their proposed moderated mediation model. The subjective factor plays a major role in working life, helping or hindering the development of basic certainties in the organized part of life as well. This subjective factor reflects personality traits, beliefs, norms, values etc. With respect to organized economic activities, clients and consumers must be taken into consideration, not only in their function as payers, but also with their notion of reputation. That is, aside from personal identities, social identities also play their role in analyzing economic activities. We find this well elaborated by *Gunduz Cekmecelioglu et al.* in their article on the Turkish banking sector. In future research, it might be interesting to extend the topic into the field of trust as a basic mechanism that influences economic activities. Very interesting for such a focus on subjectivity and social identity is the article by *Bordian et al.*, which deals with marketing communication in the hotel industry. They frame their research using a triple component analysis that tackles economic, social, and environmental elements. Drawing on an older debate, I would like to ask the authors, where they observe “culture” as an orientating element. This article – and others – strongly reflects the ecological constellation of our times which challenges economic action and economic beliefs. My hope is that research in this topic gains momentum in future articles. In this journal, this topic is also represented in the article by *Strapchuk and Mykolenko* about agriculture in Ukraine. Both of the above mentioned articles stand for a better understanding of the ecological situation. *Velinov and Hilger* examine a constellation where the headquarter is in Czechia and the subsidiary in Germany. Their question is how this constellation influences control structures and perceptions. Again, I would like to propose that we continue to investigate trust as a more general, more basic notion of behavior. The other example of interesting case study research is the work of *Brouthers et al.* It deals with three cases of successful transformations of former state-run businesses by Western companies. They use this success as an example to explore the reasons for the success. They conclude that these examples show that success in transnationalization and privatization is possible. It would be really interesting to contrast this “thesis” with failures in order to learn more about the differences in such transformation from state-owned to free market businesses.

I very much appreciated reading the articles. Thanks to the authors for their work!

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Member of the Advisory Board