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# Deetatization of Culture, Privatization of Politics. The Case of the Publishing Houses in Postcommunist Romania\*

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## Abstract

The paper addresses the process of postcommunist denationalization by focusing on the privatization of cultural institutions, as it occurred in the case of major Romanian publishing houses in recent decades (Editura Politică/ Humanitas, Univers, Minerva, etc.). Our approach acknowledges the leading role of humanist intellectuals in launching and legitimizing devices of privatization immediately after 1989, a curious phenomenon which reasserted the larger pattern of literature-centrism developed in the former socialist cultures. These intellectuals' enthusiastic siding with principles of market capitalism, from their new positions of book publishers and cultural managers, paved the way for the rapid implementation of neoliberal policies. At the same time, leading the process of privatization helped these intellectual groups gain the upper hand in the public narrative on main ideological topics, such as the memory of communism, the interwar far right, and the path towards Westernization. Our analysis traces several empirical stages of this particular privatization of culture: 1) the legislative frame of denationalization and market liberalization; 2) the publishing policies and the promotion of certain book collections; 3) the dissemination of anticommunism that enabled publishing houses themselves to serve as political platforms. Overall, we aim to explain how this intellectual enterprise failed to ensure direct economic and cultural profits but was spectacularly successful in establishing a long-term recipe for neoliberal restructuring in several areas of society.

**Keywords:** privatization, publishing houses, postcommunism, neoliberalism, book industry.

## Introduction

At a 1991 round table organized in Paris with Romanian book editors, the dissident novelist Dumitru Țepeneag, who had gone into exile to Paris in 1975,

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noticed with amazement what he perceived as the “conformity” and “demagogy” of his conationals, who revelled in the idea that privatization was the ultimate cure-all for postcommunist cultures. This attitude was striking, all the more so because, with the exception of Sorin Mărculescu from Humanitas, which had already been privatized, all the participants were representatives of state-run publishing houses and, as such, they should have better anticipated the vulnerability of culture when exposed to the laws of the free market: Daniela Crăsnaru, Mircea Martin, Eugen Negrici, Ion Vartic. On the contrary, they kept a simplistic bias against any form of state control, which they equated with overgrown bureaucracies, inefficient administration, government dependence, in short – with the despicable image of communism that everybody in Romania was trying to leave behind. Their eagerness to become private entrepreneurs was fuelled by the neoliberal mirage of the 1990s which conditioned the free circuit of culture and ideas to a public space unhindered by state intervention. Despite being a fervent anticommunist himself, Țepeneag had already lived in the West long enough to know that “no capitalist democratic country could afford to abandon culture to the free play of the market.”<sup>1</sup>

These contrasting sets of attitudes were indeed indicative of the different speeds and degrees of privatization in Western Europe and the countries of the former Soviet bloc, the latter of which underwent the most radical forms of such processes (6,800 privatized companies between 1980-1991 in non-transition economies vs. 30,740 between 1990-1994 in the former Soviet bloc).<sup>2</sup> Working within this larger frame, our article argues that in postcommunist Romania, privatization was posited as the sole positive outcome of the transition, despite salient social and economic facts indicating the contrary. We shall substantiate this main idea by reference to a case study concerning the privatization of Romanian publishing houses, the most relevant of which are Political Press/Humanitas, Minerva, Univers, Eminescu, Ion Creangă, Albatros, and Meridiane.<sup>3</sup> This hitherto undocumented process by which cultural institutions worked towards emancipation from state ownership allows us to develop a set of three corelated arguments. We therefore intend to prove that the most influential Romanian intellectuals operated as avant-garde agents of

<sup>1</sup> Dumitru Țepeneag, “Șotron,” *Contemporanul – ideea europeană*, no. 13 (1991), quoted in *Cronologia vieții literare românești. Perioada postcomunistă*, ed. Eugen Simion [Chronology of Romanian Literary Life. The Postcommunist Period], vol. II: 1991 (Bucharest: Muzeul Literaturii Române, 2014), 158-59.

<sup>2</sup> See John Nellis, “So Far So Good? A Privatization Update,” *Transition* 11, no. 11-12 (1996): 6.

<sup>3</sup> These companies kept the publishing profiles set during communism, although their offer obviously diversified after 1989. They mainly specialised in: a widely-ranging culture of ideas (Political Press/Humanitas), critical editions (Minerva), translations from world literature and theory (Univers), contemporary fiction (Eminescu), children’s literature (Ion Creangă), youth literature (Albatros), albums and studies about art (Meridiane).

denationalization,<sup>4</sup> which they pinned down in the collective imaginary as the necessary path to decommunization, relying on a stark, non-negotiable distinction between the market and the state. Researchers from various domains have already acknowledged the upfront position of (mainly humanist) intellectuals as a distinctive feature of postcommunist societies that was unparalleled in Western societies. While Andrew Baruch Wachtel explained it by linking it to the East-Central European tradition of “overevaluating” literature in social life,<sup>5</sup> Gil Eyal, Iván Szelenyi, and Eleanor Townsley focused on the particularly postcommunist functioning of cultural capital as “the main source of power, prestige and privilege”, which made it a more important asset than the political and economic capital.<sup>6</sup> Similar arguments were drawn in relation to Romanian culture, whose leading humanist intelligentsia, despite having little, if any economic training, still managed to orient the economic course of the country towards capitalism, which was promoted in close connection with anticommunism.<sup>7</sup> To develop this theoretical frame that still lacks sufficient case studies, we shall examine the postcommunist conversion of cultural prestige into economic capital through the privatization of Romanian publishing houses, the clearest example of the triumphalist march led by local intellectuals toward capitalism.

### Postcommunist Contexts

Our research relates to previous accounts of privatization in post-1989 Central-Eastern Europe. In general, their findings concurred that these cultures

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<sup>4</sup> The term emphasizes the more radical, decisively anti-statist forms undertaken by privatization in Eastern European postcommunism. The two notions have, actually, been used interchangeably in accounts of post-1989 privatization – see Ira W. Lieberman, Stilpon S. Nestor, Raj M. Desai, *Between State and Market. Mass Privatization in Transition Economies* (Washington, The World Bank, 1997); Peter B. Boorsma, Annemoon Van Hemel, Niki Van Der Wielen, eds., *Privatization and Culture: Experiences in the Arts, Heritage and Cultural Industries in Europe* (Dordrecht: Kluwer Academic Publishers, 1998); Hella Engerer, *Privatization and its Limits in Central and Eastern Europe. Property Rights in Transition* (New York: Palgrave, 2001).

<sup>5</sup> Andrew Baruch Wachtel, *Remaining Relevant after Communism. The Role of the Writer in Eastern Europe* (Chicago and London: The University of Chicago Press, 2006).

<sup>6</sup> Gil Eyal, Iván Szelenyi, and Eleanor Townsley, *Making Capitalism Without Capitalists. Class Formation and Elite Struggles in Post-Communist Central Europe* (London: Verso, 1998).

<sup>7</sup> Vladimir Pasti, *Noul capitalism românesc* [The New Romanian Capitalism] (Iași: Polirom, 2006). A more comprehensive account of postcommunist anticommunism, as markedly distinct from other types of Cold War anticommunism, is provided by G.M. Tamás, *Posfascism și anticomunism. Intervenții filosofico-politice* [Postfascism and Anticommunism. Philosophical-Political Debates], translation by Teodora Dumitru and Atilla Sziget (Cluj-Napoca: Tact, 2014).

rushed to transition from state-ruled to market-oriented economies after 1989 not just because they were used to equating the state apparatus with suppression, but also because they nurtured the firm belief that privatization would lead to closing the gap between them and the West. As such, the destruction of state bureaucracies and the sale of state enterprises were the two combined measures undertaken in the hope of achieving Western-type prosperity and reaching the ideal of a fully matured civil society.<sup>8</sup> Of course, these common goals were met in different temporalities across postcommunist states, for reasons depending both on their previous economic experience during the 1980s, and on the difficulties they faced during the 1990s. During the last decade of communism, Romania and Czechoslovakia remained reluctant to adopt social and economic reforms such as the ones already implemented by Poland and Hungary, in anticipation of the mechanisms of the free market. On the other hand, after 1989 the pace of privatization was faster in the Czech Republic and in Hungary, steady in Russia and Poland, and slow in Romania.<sup>9</sup> Several 1998 surveys showed that, until that year, Romania had maintained the highest percentage of assets owned by the state (60%) of all Central and Eastern European countries (as compared to 15% Hungary, 20% the Czech Republic, 30% Russia, 40% Poland, and 54% Bulgaria).<sup>10</sup> But despite their rush to privatize, most of these cultures had to eventually confront the obvious faults of denationalization and ultimately acknowledge the need to correct its trajectory by some form of state intervention later in the 1990s. Interestingly enough, as several postcommunist states were undergoing such a compression stage, Romania was only then (1997, to be specific) jumping head-on into large-scale privatization. This delay did not mean, however, that Romania lacked the shock therapy applied in the early 1990s throughout the region,<sup>11</sup> but rather that the

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<sup>8</sup> Cas Smithuijsen, "De-monopolizing Culture. Privatization and Culture in 23 European Countries," in Boorsma, Van Hemel, Van Der Wielen, eds., *Privatization and Culture*, 83, 89.

<sup>9</sup> Engerer, *Privatization and its Limits in Central and Eastern Europe*, 227-28.

<sup>10</sup> Kálmán Kalotay, Gábor Hunya, "Privatization and FDI in Central and Eastern Europe," *Transnational Corporations* 9, no. 1 (2000): 41.

<sup>11</sup> Pasti, *Noul capitalism românesc*, 286: "We need to reverse the idea commonly shared by both Romanian intellectuals and Western specialists that, in the first years after the Revolution, Romanian authorities delayed reforms and abandoned the 'shock therapy' methods that were promoted for ideological reasons all over East-Central Europe. Although it has many supporters in both the political and the academic domain, this idea is no more than a myth. In fact, the first legitimate post-Revolution government, which was formed after the May 1990 elections under the leadership of Petre Roman, enacted one of the toughest shock therapies in the Romanian economy and society as well. In less than a year and a half, from June 1990 to September 1991, the respective government simply destroyed the bureaucratic-administrative organization of the socialist economy, separated the financial and the industrial capital, liberalized the labour market, switched the route of Romania's international trade from the former CMEA to the Western economies, liberalized at least partially the exchange rate, liberalized most of the prices,

extensive dismantling of centralized state structures took a few years to materialize into effective privatization due to several factors like: low interest from foreign capital, the inertial functioning of former state enterprises, or the restorative policies of social-democratic governments.

The same general timeline and discourse about the benefits and inevitability of privatization worked within the book publishing sector in East-Central Europe. In this domain, privatization was almost completed by the mid-1990s in the Czech Republic and Hungary, it developed in parallel with the maintaining of several big state publishers in Poland, while in Romania, it followed the same rhythm of delay and abrupt rise that was specific to other local economic fields as well in the late 1990s.<sup>12</sup> At the time when the totalitarian regimes fell, the book industry was in a dire situation, due to specific factors like the shortage of paper and the general degradation of socialist economies.<sup>13</sup> Even in these circumstances, the domain was still better established economically than most of the other, steadily declining, sectors of socialist industries. This happened because the book industry had long enjoyed state protection and investment (not just censorship and control), given the communist system's interest in encouraging a "mass cult of literature" against any other form of entertainment.<sup>14</sup> As such, the publishing industries of East-Central Europe were optimally endowed in terms of infrastructure and skills around 1989.<sup>15</sup> A significant heritage, consisting of editorial specialists and networks, was, in fact, maintained after 1989. Considering this background, the collapse of the book publishing industry was even more spectacular, occurring almost as soon as its privatization was finally achieved in East-Central Europe between the late 1990s and the early 2000s. Poignant examples of this extensive decline can be found in the volume *Privatization and Culture*: bookshops turned into bars and restaurants in Russia, prestigious cinemas closed after

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encouraged the establishment of a private economic sector, and launched the mass privatization of socialist assets. One could hardly imagine a political program that was more open to shock therapy than this one."

<sup>12</sup> Ágnes Gulyás, "The Pain of Market Forces: Czech, Hungarian and Polish Publishing in Transition," *Logos* 7, no. 4 (1996): 278-82.

<sup>13</sup> See Katherine Verdery, *National Ideology Under Socialism: Identity and Cultural Politics in Ceausescu's Romania* (Berkeley: University of California Press, 1991); Ioana Macrea-Toma, *Privilighentia: Institutii literare in comunismul romanesc* [Privilighentia: Literary Institutions in Communist Romania] (Cluj-Napoca: Casa Cărții de Știință, 2009); Raul Pavel, "The Book in Communism: Between Commerce, Culture, and Ideology. Some Remarks on Book Distribution and Propaganda during the Romanian Communist Regime," *Journal of Media Research* 12, no. 3(2019): 60-75.

<sup>14</sup> See Stephen Lovell, *The Russian Reading Revolution. Print Culture in the Soviet and Post-Soviet Eras* (London: Palgrave Macmillan, 2000).

<sup>15</sup> Mihály Laki, "The Evolution of the Market of the Hungarian Printing Industry after 1989: The End of a Success Story?," *Europe-Asia Studies* 62, no. 6 (2010): 933-57.

privatization in Lithuania, and book publishing houses were reconfigured for purely commercial activities in the Czech Republic.<sup>16</sup>

A telling account of the imminent crash of the postcommunist privatized book industry was already provided in a report of the 1997 Frankfurt Book Fair that collected data about Poland, the Czech Republic, Slovakia, Hungary, Romania, Slovenia, Croatia, and the F.R. of Yugoslavia.<sup>17</sup> Despite the wide range of explanations listed on that occasion – like the bankruptcy of the centralized distribution system, the slow pace of privatization, the shortage of materials, the lack of capital inflow, the rise of the entertainment industry, and the corresponding loss of popular interest in reading –, the single reason for this catastrophic outcome, one upon which most participants actually agreed, was the cancellation of state subsidies. Commenting on the confession made by a Czech editor – “I hate to admit it, but we need subsidies” –, the author of the report considered that the indicators of the book industry in East-Central Europe were “highly alarming”, as privatization ran at full speed even with “a tremendous need for cash” and with “hardly any serious investment available locally.”<sup>18</sup> However, what most of those involved in the respective debates failed to point out was that the problem with (cultural) privatization was privatization itself. Indeed, little criticism was ever formulated, on other occasions, against the essence of cultural deetatization, for instance by certain intellectuals in Hungary, the Czech Republic (where no less than former communist dissidents raised this issue),<sup>19</sup> and Poland.<sup>20</sup> Although these countries did pass some legislation to support independent publishing with public funds, their largely palliative measures did not actually impede on the lobby-enhanced image and the course of privatization.

The similar concerns raised in Romania, which resulted in the establishment of a support government institution – the “National Culture” House of Press and Publishing, active between December 1993 and March 1997 –, never took front stage, but were instead assimilated within the disreputable wave of “neo-communism”. In fact, most Romanian publishing agents expressed harsh criticism against this government initiative, considering that it “defied the principles of market economy” and tried to “restore the worst form

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<sup>16</sup> Boorsma, Van Hemel, Van Der Wielen, eds., *Privatization and Culture*, 205-209.

<sup>17</sup> See Rüdiger Wischenbart, *Publishing in Central and South Eastern Europe. Second Report of the Krems Circle. Delivered at the 1997 Frankfurt Book Fair*. The report was also backed by other accounts of the European book market: “Balancing Subsidies and the Market,” sponsored by the Open Society Institute, Budapest, in May 1997; and the annual meeting of the Krems Circle in Vienna, in July 1997.

<sup>18</sup> Wischenbart, *Publishing in Central and South Eastern Europe*.

<sup>19</sup> Jiřina Šmejkalová, “Unbinding Books: Publishing in the Czech Republic,” in Boorsma, Van Hemel, Van Der Wielen, eds., *Privatization and Culture*, 152.

<sup>20</sup> Andrzej Sankowski, “Can the Polish Book Trade Survive Democracy?,” *Library Acquisitions: Practice & Theory*, no. 17 (1993): 433-37.

of cultural centralism.”<sup>21</sup> In Romania, the process of cultural privatization seemed to allow no opposition or criticism, but fed on unwavering praise even when its mechanisms showed their obvious flaws. Although being affected in the early 1990s by the paper shortage partially resulting from the deep economic crisis of the last communist decade, the Romanian book market was boosted by a massive demand for “historical truth”, after a *perestroika*-less decade and once political restrictions were lifted. To meet these apparent opportunities, around 2,000 new private Romanian publishing houses rushed to purchase licenses immediately after 1989, although few of them managed to conduct business after all. By the mid-1990s, no more than 150-200 companies would still operate fully: 95% of all publishers were private, but only 10% of them managed to publish more than 30 titles per year.<sup>22</sup>

However, the real stakes of privatization concerned the 5% of companies still owned by the state, whose brand established during communism could rely on skilled, highly esteemed professionals, but also popular book collections, and exclusive rights to publish certain prestigious authors. The single big publishing house that was privatized as early as 1991 – the communist Political Press that was transformed into Humanitas<sup>23</sup> – made a strong case for the liberalization of the book market, even if the prospects of this process were delayed by the policies of social-democratic governments. Indeed, the privatization of cultural institutions took place in Romania later than in the Czech Republic, Hungary, and even Russia. For the first half of the 1990s, the only legislative outlet in this respect was the method of Management and Employee Buyout (MEBO), which accounted for 90% of all privatizations undertaken in Romania until 1995.<sup>24</sup> Extremely relevant for the arguments of our paper is that a humanist intellectual patented MEBO in Romania. One year after simply converting the former Political Press into the brand Humanitas, Gabriel Liiceanu used this method to privatize the company on 14 February 1991, with a capital split between the state (33%) and Romanian and foreign investors (77%). Unmatched by any other local cultural institutions, let alone by other book companies as well, the success of this initiative was eased by Liiceanu’s political support (guaranteed, among others, by his life-long friend Andrei Pleșu’s then mandate at the Ministry of Culture) and by his ideological credentials of anticommunism which attracted wealthy foreign investors (the Romanian-French Mihai Korné

<sup>21</sup> “Ce e Cultura Națională?” [What is National Culture], 22, no. 7 (1994): 12-13.

<sup>22</sup> Wischenbart, *Publishing in Central and South Eastern Europe*.

<sup>23</sup> A full insider’s account of this conversion can be found in Ioana Pârvulescu, ed., *Amintiri de la Humanitas* [Memories from Humanitas] (Bucharest: Humanitas, 2020).

<sup>24</sup> Ovidiu Nicolescu, “Privatization in Romania: Present State and Perspectives,” in *Privatization in Central and Eastern Europe: Perspectives and Approaches*, ed. Demetrius S. Iatridis and June Gary Hopps (Westport and London: Praeger Publishers, 1998), 99.



and Andrei Savu covered 49% of the social capital of Humanitas, while the Soros Foundation financed the best-selling collection “Civil Society”). Although the mixture of opportunities around the inception of Humanitas was unique in itself, this business model worked as a benchmark outside the cultural field as well and legitimized all the lobby mounted in favour of the still-delayed privatization of any enterprises. Indeed, only in 1995, and especially driven by the IMF, did Romania start to accelerate the course of privatization. Its development would soon be eased by the country’s 1996 political turn to the right. At long last, the liberal, self-proclaimed “anticommunist” new government created the appropriate context for denationalization in Romania. In fact, the government itself assumed responsibility in Parliament for pushing a 1997 legislative act that launched privatization on mass scale.

### Timeline and Stages

The main publishing houses listed at the beginning of our study were transformed into commercial companies, then fully privatized, according to the following timeline<sup>25</sup>: Minerva in 1998/1999, Univers in 1992/2000, Eminescu in 1997/2002, Creangă in 1992/2003, Meridiane in 1998/1999. But once denationalization was achieved, the path to collapse or bankruptcy was straightforward. Minerva downgraded its editorial offer immediately after being privatized, then functioned with 0 employees between 2005-2012, the accumulated debts surpassing 5 times the company’s turnover between 2012-2015. The director of Univers, a vocal supporter of liberalization himself, resigned a few months after the sale of the company, which struggled financially after 2001 to such extent that it could no longer afford to pay all translations or to publish many titles besides reissues;<sup>26</sup> the company also failed spectacularly to launch the first local mass-market book collection at the journal *Cotidianul* between 2006-2009;<sup>27</sup> no employees and no turnover were reported between 2009-2014. Eminescu accumulated debts that constantly exceeded the turnover, up to ten times its amount after 2010, with a corresponding decrease

<sup>25</sup> When not specified otherwise, the data used in this section were collected from: [www.listafirme.ro](http://www.listafirme.ro), [www.lege5.ro](http://www.lege5.ro), [www.cdep.ro](http://www.cdep.ro), [www.legislatie.just.ro](http://www.legislatie.just.ro), as well as from Eugen Simion ed., *Cronologia vieții literare românești. Perioada postcomunistă* [Chronology of Romanian Literary Life. The Postcommunist Period], vol. I-XIII: 1990-2000, (Bucharest: Muzeul Literaturii Române, 2014-2016).

<sup>26</sup> Liviu Bleoca, “Despre hoția cu ștaif. Istorie cu Editura Univers” [On Classy Scams. A Story about Univers Publishing House], *Observator cultural*, no. 194 (2003); Irina Horea, “Datorii pe gratis” [Free Debts], *Observator cultural*, no. 201-202 (1 January 2004).

<sup>27</sup> Sergiu Crupenschi, “Mi-am dat seama că se încerca să nu îi dau în judecată până după alegeri” [I realized they tried to stop me from suing until after the elections], interview by Petrișor Obae, *Pagina de media*, 24 May 2010.

in the number of employees to 2, 1, and 0. Ion Creangă disappeared altogether 5 years after privatization, in 2008. After collecting debts of 2 billion Lei 5 years after it was privatized, Meridiane was exceptionally re-nationalized in 2004, only to be re-sold and declared bankrupt almost simultaneously in 2006. Albatros also started procedures of privatization in 1997, but never managed to achieve it, as the company simply ceased to exist in 2006, once its director moved to a private publishing house.

All these efforts to privatize publishing companies went on without considering the risks taken once they would lose the main facilities provided by the state: the printing presses, the nation-wide system of distribution, the network of public bookshops. Even throughout the 1990s, only the state could afford to support the costly functioning of the printing presses, for which the many new private companies had to compete or find expensive printing alternatives instead. However, the massive success of the print media led to successful enterprises in this field, so that big printing trusts could emerge around the year 2000. They encompassed some publishing houses on their way to privatization (Metropol Press acquired Minerva in 1999, and Univers in 2000, then Megapress Holdings re-bought Minerva in 2002). Eventually, little was done to save these book companies from extinction, since cultural production was far from being a profitable venture for the big printing trusts. Distribution, on the other hand, was still ensured by the state, through the institution *Arcadia* which was established in 1991 and functioned within the Ministry of Culture between 1993-1998, then as a state-funded commercial company after 1998 and throughout the 2000s. *Arcadia*'s activity was inertial rather than truly productive, as it accumulated huge debts both in state taxes and to the book companies themselves. Although most of the book agents complained about the efficiency of the institution and repeatedly called for its denationalization (even as the state made a salutary move to erase some of its debts in 1993), no alternative system was foreseeable for this type of cultural activity. In fact, not even the Hungarian book market managed to work with a partially liberalized distribution, despite the otherwise fast-paced privatization of the national system in the early 1990s.<sup>28</sup> As for Romanian bookshops, the vast majority of them continued to be owned by the state until the mid-1990s (about 95%),<sup>29</sup> after which they started to be sold between 1996-2005 through the MEBO method.<sup>30</sup> However, these procedures gave unequal results

<sup>28</sup> Gulyás, "The Pain of Market Forces."

<sup>29</sup> Wischenbart, *Publishing in Central and South Eastern Europe*.

<sup>30</sup> Critic Atac, "Librăriile și soarta lor după '89" [Bookstores and their Fate after 1989], *Critic Atac*, 30 September 2020; Eli Bădică, "Interviu cu Marieta Seba la aniversarea de 65 de ani a CLB: 'Cărțile erau o raritate la fel ca alimentele de bază'" [Interview with Marieta Seba at the anniversary of 65 years of CLB: 'Books were as rare as basic food items'], *Bookaholic*, 30 March 2015.

countrywide, with only some big cities besides Bucharest being able to manage the transfer. On the other hand,

“the bookstores in small cities [...] have been disappearing; in villages *there is no* network of distributing books, which means 40% of the population does not have direct access to books. [...] In 1990, there were 16,665 libraries in the country, in 2004 only 12,574; the number of school libraries also decreased (10,029 in 1990, 9,204 in 2003), as did that of public libraries (4,458 in 1990, 2,906 in 2003).”<sup>31</sup>

In addition to that, urban bookstores also struggled financially while proceeding with privatization, which coincided with rising inflation and the subsequent increase of production costs.<sup>32</sup> For a while, they tried to manage the losses by selling certain office supplies that were in demand in the urban environment, to an amount that even exceeded that of books. Nevertheless, their survival would have been impossible without the significant state facilities that they still enjoyed meanwhile, even before they were specifically enacted by the 2003 Law of Written Culture.

State facilities were actually crucial for Humanitas, the publishing house that epitomized the private alternative. Humanitas established its main Bucharest bookshop in a building located on the fashionable Victoria Avenue, which was owned by the National Village Museum, then was assigned by a 1990 state decree to the Group for Social Dialogue, the first NGO created in Romania and the main wing of local anticommunism. GSD’s twin company Humanitas was the second winner of this agreement, since it could settle in the valuable location for which the new private owners (GSD) apparently paid no rent, before being granted full ownership for free.<sup>33</sup> But the case of the location on Victoria Avenue was just one link in the chain of privileges that Humanitas was able to pull from successive governments while simultaneously preaching the blessings of the free market. The cynically hybrid business model practised by Humanitas was indeed the object of several controversies, but they did little harm to the company’s well-kept public image. For a long time, factual data about the company’s ventures with the state were scarce, so that in the few cases that this issue was raised (concerning, for instance, the swift move by which Liiceanu inherited the whole material and immaterial patrimony of the Political Press, or the company’s avoidance to submit its legal contribution to

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<sup>31</sup> Mircea Vasilescu, “Ce-am citit și ce-am pierdut” [What we read and what we lost], *Dilemateca*, no. 1, (2006): 3.

<sup>32</sup> Alina Dolea, “Exploring the Evolution of Public Relations in Post-Communist Romanian Book Publishing Industry: A Historical and Sociological Approach,” *Revista română de sociologie*, no. 3-4 (2017): 173-99.

<sup>33</sup> “Hotărâre no 862 of 7 October 2014 concerning the giving to free use of a building for the Group of Social Dialogue,” *Monitorul Oficial*, no. 746, 13 October 2014, accessed November 20, 2020, <http://legislatie.just.ro/Public/DetaliiDocument/162101>.

the Writers Union),<sup>34</sup> the criticism raised against Humanitas was likely to appear as personal vendetta. Only in the late 2000s, more concrete evidence was made public in the context of the several libels filed by Liiceanu himself. Clear proof emerged on these occasions about how the company stopped paying payroll and income taxes altogether at least between 1995-2000, but was granted exemption from covering penalties up to almost 3 billion Lei<sup>35</sup> and had its debts conveniently rescheduled for a 5-year interval.<sup>36</sup> It was also revealed that Humanitas did not pay some of their shareholders for the entire period in which they were entitled to this.<sup>37</sup> In fact, throughout the 1990s, the number of shareholders gradually shrank through successive redistributions of capital, so that at the beginning of the 2000s, Liiceanu emerged as the main, later wholly dominant shareholder. While continuing to draw benefits from the state backup and from renewed political support, the company could focus on targeting more profitable sectors of the market. With this in view, Humanitas established its own distribution network and founded several publishing branches. The most lucrative of them was Humanitas Educational, which monopolized the in-demand market of alternative textbooks in the field of humanities (literature and history). Here, the brand's production of school books and teaching materials managed to supersede initial competition from other publishing houses (Corint, All, Paralela 45) within a couple of years. This not only contradicted the multiple-option project of the Romanian education reform, but also evidenced the company's more general propensity towards turning profit by the exploitation of means provided by the state, which in this case were represented by a nation-wide market.

## Views and Impact

The ability of Humanitas to navigate between the state and the private sector was uniquely successful in Romania, but such a goal was far from being

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<sup>34</sup> Mircea Dinescu, "Uniunea Scriitorilor falimentează încet, dar sigur" [Writers Union is slowly, but surely going bankrupt], interview by Răzvan Petrescu, *Cuvântul*, no. 6 (1992), quoted in *Cronologia vieții literare*, ed. Simion, vol. III: 1992, 75.

<sup>35</sup> This sum can be significantly related to the mean of the net average wage in Romania between 1995-2000: 1 million Lei.

<sup>36</sup> Factual references – namely, archival excerpts from court proceedings – about the company's dealing with its debts by state facilities can be accessed only through the following site (which is, otherwise, comprised of an assortment of unreliable allegations), accessed November 20, 2020, <http://roncea.ro/2019/10/03/adevarul-despre-liiceanu-si-gds-grupul-de-diversiune-sociala-mosit-de-brucan-rechizitoriul-lui-roncea/>.

<sup>37</sup> Gabriel Andreescu, "Despre procesul intentat lui Liviu Antonesei de Gabriel Liiceanu" [On the libel filed by Gabriel Liiceanu against Liviu Antonesei], *Observator cultural*, no. 970, 16 May 2019.

unique in itself. In fact, this hybrid model of the cultural market was constantly envisioned by the many intellectuals in the field who hoped to get the best of both worlds: the state-ensured material benefits they had been accustomed to before 1989 and the symbolic benefits they would acquire by standing on the right ideological side of transition. Interestingly enough, none of them was aware of any contradiction between their penchant for a minimal state and their continuous expectation for culture to be supported through subventions, tax exemptions, and so on. This does not mean, as Teodora Dumitru considered,<sup>38</sup> that Romanian intellectuals got to express a critique against the “new economic philosophy” of capitalism or that they were in any way inclined towards socialist views, even if they demanded the restoration of certain socialist policies in the cultural field. Instead, their neoliberal partisanship was conceived as a state-market partnership, where the protectionist measures typical of socialism were expected to function outside any ideological determinism. As early as 1992 Eugen Negrici, who was the director of Eminescu Publishing House, as well as one of the leading figures of anticommunism, expressed his certainty that “there is no other solution, but to receive financing, financing, financing, again and again, from the state.”<sup>39</sup> Mircea Martin, the director of Univers Publishing House and the leader of the Romanian Publishers Association, who was otherwise an overt promoter of cultural liberalization, called in 1999 for “a law of cultural exception” which should assign bigger budget funds to protect the book market.<sup>40</sup> Finally, I. B. Lefter, the founder of the non-syndicalist alternative to the Writers Union (the Professional Writers Association of Romania)<sup>41</sup> and a hard-core promoter of (neo)liberalism, hailed

<sup>38</sup> Teodora Dumitru, “De la anticomunism de principiu la anticapitalism pragmatic: presa literară românească între 1990 și 1993” [From Principle Anticommunism to Pragmatic Anticapitalism: the Romanian Literary Press between 1990 and 1993], *Transilvania*, no. 3 (2019): 1-7.

<sup>39</sup> Eugen Negrici, “Literatura română contemporană nu se vinde” [Contemporary Romanian Literature does not sell], interview by Ioan Adam, *Adevărul*, 1992, quoted in Simion, *Cronologia vieții literare*, vol. III: 1992, 152.

<sup>40</sup> Mircea Martin’s intervention at the international workshop “Legislația pentru carte în România” [Book Legislation in Romania], *Azi*, 1999, quoted in *Cronologia vieții literare*, ed. Simion, vol. X: 1999, 215.

<sup>41</sup> In 1997, ASPRO drafted “in collaboration with several agents of the book market” a series of proposed legislative measures meant “to protect the written culture”, which relied on a paradoxical assemblage of neoliberal and socialist patterns of organization/funding. At the same time as they projected full-on privatization, the proposals expected the state to provide amenities like: “a national quota of at least 1 square metre of bookstore per 50 inhabitants”; “reasonable rent” for bookstore locations; “custom, postal and fiscal facilities for the free circulation of foreign books and press in Romania”; “the differential enforcement of taxes for the advertising activities” practised by economic agents from the cultural field, see “Propuneri ale Asociației Scriitorilor Profesioniști din România (ASPRO) – protecția culturii scrise” [Proposals of the Professional Writers Association of Romania – Protection of the Written Culture], 22, no. 960 (1997): 15.

the privatization of Minerva Publishing House as “the demise of state monopolies”,<sup>42</sup> but only 3 years later, in 2003, he expressed frustration that “the East-Central European governments focused on economic and social problems of transition, and left culture to be financed from private funds, many of them West European.”<sup>43</sup>

Such a two-sided stance highlighted these intellectuals’ partial lack of awareness regarding the procedures and the actual outcomes of the free market: although they embraced the idea of privatizing culture, they could not even conceive being emancipated from the state. This happened because they simply confused neoliberalism with anticommunism, which not only transferred the ethical idealist connotations of the latter onto the former, but also drained its social-economic substance. In this respect, economist Cornel Ban made the poignant observation that Romanian cultural neoliberalism anticipated by 4 years and paved the way towards the political neoliberalism that assumed governance after the 1996 elections.<sup>44</sup> The journal 22 (founded in 1992) where Ban located the inception of the first paradigm was, of course, intertwined with Humanitas through their common institutional ally, the Group for Social Dialogue. This network launched a vast campaign to promote the idea of a minimal state, relying on the already mythologized identification of the state with communism.

Indeed, Humanitas branded itself from the very beginning as a flag-bearer of anticommunism, whose dissemination went hand in hand with that of cultural conservatism or of liberal (mainly American) trends of political philosophy, and with the uncritical recuperation of the interwar (far)right. This ideological blend was evidenced by well-established Humanitas Collections: *Totalitarianism and Eastern European Literature*, *The Process of Communism*, *Civil Society* (with massive translations from Jean-François Revel, Alain Besançon, Bernard-Henri Lévy, F. A. Hayek, J. S. Mill),<sup>45</sup> *Memoirs, diaries* (the

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<sup>42</sup> Ion Bogdan Lefter, “Apusul monopolurilor de stat. Cazul Minerva” [The Demise of State Monopolies. The Case of Minerva Publishing House], *Observator cultural*, no. 4 (2000): 6.

<sup>43</sup> Ion Bogdan Lefter, *Despre identitate. Temele postmodernității* [On Identity. The Themes of Postmodernity] (Pitești: Paralela 45, 2012), 103.

<sup>44</sup> Cornel Ban, *Dependență și dezvoltare: economia politică a capitalismului românesc* [Dependency and Development: the Political Economy of Romanian Capitalism], trans. Ciprian Șiulea (Cluj-Napoca: Tact, 2014), 174.

<sup>45</sup> For the major impact of this collection see Victor Rizeanu, *Tranziții discursive. Despre agende culturale, istorie intelectuală și onorabilitate ideologică după comunism* [Discursive Transitions. On Cultural Agendas, Intellectual History and Ideological Respectability after Communism] (Bucharest: Corint, 2012), 241: “Although any sociological survey might show [...] that the vast majority of Romanian citizens with an average education declare themselves liberal by some sort of existential choice, although candidates applying to any faculty of social sciences prepare for interview by reading the works of Mill, Hayek or Aron, from which they are ready to recite on demand, with unwavering belief, certain fundamental truths, although it is obvious for everybody that a

vast majority of which belonged either to the conservative, liberal interwar elites, or to political prisoners during communism). Besides these collections, Humanitas reissued constantly, in forefront editions, tens of works by Mircea Eliade, Emil Cioran, Eugen Ionesco, Lucian Blaga, Monica Lovinescu, Virgil Ierunca, Nae Ionescu, and Constantin Noica, whose otherwise distinct backgrounds and ideologies were brought together by the company's firm stance against communism. This message was strengthened by the company's general option for popular formats delivered with no critical apparatus, which helped conceal the extreme-right allegiances of Humanitas best-sellers like Cioran, Eliade, Nae Ionescu. The iconic hyper-conservative Humanitas author, Horia-Roman Patapievici, underlined the role of this ideological positioning in the success of the company, which was not simply "commercial", but had grown into a "cultural phenomenon" nurtured by broad public emotion: "The books published by Humanitas were bought with an enthusiasm [...] directly fuelled by the Romanian society's desire to retrieve the parts of its past that had been erased or distorted by communism".<sup>46</sup> Although they did not develop an equally strong anticommunist project on their way to privatization, other prestigious publishing houses steered their editorial policies towards similar ideological goals. For instance, Univers Publishing House failed to confirm the image of a transideological arena of debate that derived from its specialization in translations, but channelled instead its famous collection of Theory by systematically avoiding studies from the New Left, feminism, postcolonialism, and Neo-Marxism. Not coincidentally, most translations of postmodern theory published by other local book companies also kept in tune with the Romanian postmodern writers' own ideological biases in favour of a liberal dimension that had remained otherwise negligible and obsolete in Western postmodernism.

## Consequences

From the mid-2000s, with the exception of Humanitas, the failure of privatized publishing houses to establish themselves as competitors or even survive on the book market became irreversible, even if their brand prestige still endowed them with economic potential. For instance, the fact that Minerva's decades-old pocket collection "Biblioteca pentru toți" (Library for All) was a

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significant percent of the books translated to Romanian in the last 18 years fall within the same line of thought – which exceeds any other directions –, we continue to be told that the enterprise of grounding the respectable intellectual family of Western liberalism in the Romanian public conscience is only at its preliminary stages and that its supporters still represent a tiny minority."

<sup>46</sup> Horia Roman Patapievici, "Cum am ajuns un autor Humanitas" [How Did I Become a Humanitas Author], in *Amintiri de la Humanitas* [Memories from Humanitas], ed. Ioana Pârvulescu (Bucharest: Humanitas, 2020), 79.

best-seller after 2009 (counting 168 titles in 12 billion sold copies)<sup>47</sup> had more to do with its franchise reputation than with the nation-wide distribution ensured by the Romanian newspaper *Jurnalul național*, which controversially seized the collection with the collaboration of three private book companies. Another significant example was the 2010 initiative of an even bigger press trust (that owned the influential newspaper *Evenimentul zilei*) to buy the already bankrupt, but still resonant Eminescu Publishing House.<sup>48</sup>

Unfortunately, what survived from the former imposing editorial institutions owned by the (socialist) state was no more than a name, upon which many laments about their actual demise would pour. But these regrets blended within a larger feeling of the decline of written culture under the impact of the new media and of rising digitalization, enhanced by other factors like the specialization of the advertising sector (which deprived publishing houses from secondary sources of income). This context diverted once again attention from addressing specifically the faulty business model to which state book companies were subjected to. As previously, in the 1990s, their failed privatization continued to be blamed on the wrong application of the model, rather than on the efficiency of the mechanism itself. In the cases detailed in this article, this mechanism involved an almost primitive draining of state cultural resources. However, the Romanian book market was already able to develop alternative business patterns. For instance, *Cartea Românească*, which focuses on contemporary local fiction and criticism, managed to survive while still under the aegis of the Writers Union by contracting successive partnerships with private companies starting from 2005 (Polirom, Paralela 45, Art Editorial Group). On the other hand, the 1994-founded Museum of Romanian Literature Publishing has established itself as a landmark state company even as it specializes in the niche fields of critical editions, manuscript editions and contemporary criticism.

But for the book publishers involved in the process we have analysed in this paper, the option of maintaining and reforming the state infrastructure was simply unthinkable. Their overenthusiastic siding with principles of market capitalism even in matters of culture opened the way towards neoliberal restructuring in several areas of Romanian society. The narrative of the privatized book houses exemplified a larger scenario of the local transition,

<sup>47</sup> N. a. "Biblioteca pentru Toți", *Antena 3*, 3 July 2014, accessed November 20, 2020, <https://jurnalul.antena3.ro/colectiile-jurnalul/biblioteca-pentru-toti-671854.html>.

<sup>48</sup> One of the newspaper's managers, Vlad Pufu, claimed that "this is one the best deals we have made lately, considering the reputation of the publishing house that all of us grew up with. When you say Eminescu Publishing House, you say Romania, and in my opinion, this is the only company in the book industry that is able to launch an impactful brand in that niche, within the context of the European regionalization", in "Jurnaliștii Ion Cristoiu și Vlad Pufu au cumpărat editura Eminescu" [Journalists Ion Cristoiu and Vlad Pufu bought Eminescu Publishing House], *Capital*, 13 March 2010, accessed November 20, 2020, <https://www.capital.ro/jurnalistii-ion-cristoiu-si-vlad-pufu-au-cumparat-editura-eminescu-132897.html>.



whose recipe for privatization failed to ensure economic and cultural gain for a public larger than the members of elite ideological groups, who were overwhelmingly leaning to the right. These groups and their select, sometimes aspirational readership remained the sole beneficiaries of this process, even if their gain was often just a symbolic celebration of a shared ideology.