

Crisis and Reform: Critical Intellectual Discourses on the Future of Hungarian State Socialism 1980- 1987

by

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Abstract:

This thesis contributes to the intellectual and conceptual history of the Hungarian state socialist regime. The author provides an account on what different intellectuals meant by the crisis of state socialism and how they imagined reforming Hungary's political, economic and social affairs. The thesis focuses on the period between 1980 and 1987 and on three main critical intellectual groups, the democratic opposition, the nationalist-populist writers and reform economists. The author analyzes sources on debates taking place on the margins of the Hungarian state socialist public discourse, namely writings published in samizdat periodicals and tolerated social science reviews. Furthermore, the author anchors these different discourses to broader regional and global intellectual processes in order to point out different transfers and influences.

The author concludes that at the beginning of the decade a common narrative emerged amongst intellectuals that Hungary's long-term socio-economic development was in crisis caused by the political and social practices of the Kádárist regime. Nevertheless, the definitions of the crisis and reform differed distinctively according to the ideological background of the actors. Two differing narratives emerged until 1987, one definition phrased by the democratic opposition and the reform intellectuals perceived it as the crisis of Hungary's inability to adapt to the global processes, the other voiced by the populist intellectuals saw it as the crisis and decline of the national spirit. These narratives were unable to start a dialogue in the aftermath, however their compromise-seeking views on reform could provide a common ground for strategic cooperation during the 1989 roundtable talks.

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1. Introduction

1.1. Crisis and Reform

At the beginning of the 1980s the economic stagnation and the erosion of the Marxist-Leninist doctrine, which are the commonly held constituent components of the crisis of the state socialist regimes became apparent also in Hungary. Historiography and political science after 1989 credited these economic and social processes for the demise of the communist experiment in East Central Europe.¹ Nevertheless, even though an awareness of the crisis was present amongst the intellectuals around the Eastern Bloc until the late 1980s a regime collapse and a transition to a liberal democracy with market economy were not parts of their intellectual horizon. This crisis awareness manifested in the fact that Hungarian intellectuals at the beginning of the decade started heavily discussing what the crisis meant and what were the possible ways out. This thesis aims to answer two research questions through analyzing these discourses taking place in Hungary between 1980 and 1987. That is, what different Hungarian intellectual actors and groups meant as a crisis? And how they imagined the way out, namely reforming the economic, political and social affairs of the Hungarian state socialism?

In the two research chapters the thesis focuses on three larger critical intellectual groups whose debates took place either on the margins of the public discourses or in the second public, namely in illegally self-published periodicals (*samizdat*). These groups are the Beszélő-circle, the core of the democratic opposition, the nationalist-populist writers and litterateurs and the reform economists. The thesis consciously avoids the term dissident in describing these groups and prefers the term critical intellectuals. The primarily western constructed concept of

¹ Vladimir Tismaneanu, “Rethinking 1989,” in *The End and the Beginning: The Revolutions of 1989 and the Resurgence of History*, ed. Vladimir Tismaneanu and Bogdan C. Iacob (Central European University Press, 2012), 15–32. Konrad H. Jarausch, “People Power?: Towards a Historical Explanation of 1989,” in *The End and the Beginning: The Revolutions of 1989 and the Resurgence of History*, ed. Vladimir Tismaneanu and Bogdan C. Iacob (Central European University Press, 2012), 109–26.

dissident presupposes a clear-cut opposition between the system and a group of intellectuals.²

While, by all means this kind of attitude stands for many Hungarian intellectuals, mostly intellectuals among the democratic opposition, nonetheless the intellectual landscape of the Hungarian late socialist regime was fluid enough to accommodate a wide-range of attitudes on a spectrum of regime loyalty and open dissent. These different strategies were clearly influencing the crisis perceptions and reform ideas of the intellectuals being present in these discourses. Therefore, using the concept of critical intellectuals not just characterizes these groups more correctly, but also allows a more inclusive analytical framework. In addition it also helps to delineate intellectual groups loyal to the regime.

Between 1980 and 1985 these three groups involved in debates aimed to define what was the crisis. Altogether, it can be said that during this period emerged a different critical narrative compared to the previous decades, whose main concern was the gap between the praxis of the state socialist regimes and the Marxist theory. On the pages of the *Bibó Memorial Book*³, or the *Beszélő* samizdat periodical⁴ and in the debates of the Monor meeting⁵ in 1985 appeared the notion that the long-term socio-economic development of Hungary, in other words its modernization was in crisis, whose root was the praxis and ideology of the Hungarian regime. From this followed an either-or question typical for crisis discourses: either there will be reform or Hungary will decline. An important difference amongst the crisis perceptions laid between the nationalist-populist writers and the other two groups, the Beszélő-circle and the reform economists. The latter two phrased the nature in economic and political terms, declining growth rates and the lack of democratization, more broadly Hungary's inability to accommodate to the

² Robert Horvath, "The Solzhenitsyn Effect": East European Dissidents and the Demise of the Revolutionary Privilege," *Human Rights Quarterly* 29, no. 4 (2007): 879–907. Kacper Szulecki, *Dissidents in Communist Central Europe: Human Rights and the Emergence of New Transnational Actors* (Palgrave Macmillan, 2019).

³ Pál Réz, ed., *Bibó-émlékkönyv* (Budapest : Bern: Századvég Kiadó : Európai Protestáns Magyar Szabadegyetem, 1991).

⁴ János Kis, "Gondolatok a közeljövőről," *Beszélő*, no. 3 (May 1982).

⁵ János Rainer M., ed., *A monori tanácskozás 1985. Június 14-16.* (Budapest: 1956-os Intézet, 2005).

global transformations taking place in the 1970s. Meanwhile the former perceived it as the crisis of the national spirit, namely the declining social values, demography rates and the endemics of suicide and alcoholism.

In the period until 1985 the concept of the reform was only vaguely defined. However, in the next two years these groups put significant effort in figuring out how the change should be reached and what exactly the reform should be. Even though the Bibó Memorial and the Monor meeting aimed to build a coalition between these groups this did not happen after 1985. The split most importantly between the populists and the democratic opposition happened less due to ideological difference but rather their views on the matter of how were significantly different. For 1987 all of the three groups conceptualized along their world-view how the Hungarian renewal should take place. First, the reform-economist formulated their ideas, their program *Turnabout and Reform* argued for the radical liberalization and the deregulation of the economy with limited political liberalization.⁶ The Beszélő-circle's *Social Contract* demanded a new compromise between the party and society to be reached through social pressure.⁷ The central tenet of their text was the concept of delineating the spheres of public and civil law. This aimed for the limited pluralization and liberalization of the society, while constraining the rule of the party with introducing clearly defined competencies. In September 1987 close to two hundred intellectuals, mostly from the populist camp met in a small rural municipality, Lakitelek.⁸ After the meeting their declaration established the Hungarian Democratic Forum. Even though, the document did not include policy proposals it clearly defined what was the precondition for a national renewal. The populist writers aimed for a national unity, which was imagined as national coalition where through a common deliberation the party and the society figure out

⁶ László Antal et al., "Fordulat és reform," *Medvetánc*, no. 2 (1987): 5–45.

⁷ János Kis, Ferenc Kőszeg, and Otilia Solt, "Társadalmi szerződés," in *A magyar demokratikus ellenzék története, 1968-1988, Dokumentumok*, ed. Ervin Csizmadia, vol. 2 (Budapest: T.-Twins Kiadó, 1995), 431–87.

⁸ Sándor Agócs and Endre Medvigy, eds., *A magyarság esélyei, a tanácskozás hiteles jegyzőkönyve: Lakitelek 1987. Szept. 27.* (Lakitelek, Budapest: Antológia, Püski, 1991).

what should be the way out. In this coalition they conceived themselves as an intermediary between the party and the society.

Important, that after 1987 these ideas did not start a dialogue and build a coalition. These factions only in 1989 came together to cooperate on a strategic basis. Furthermore, the reform never took place. The 1989 transition does not belong to the scope of this thesis, but the way the course of history started pacing is important aspect to the story. In the aftermath of 1987, neither the renewal of regime as the leadership hoped, nor the slow transformation what the critical intellectuals expected took place.⁹ The 1989 negotiations brought the completely demise of the regime and multiparty democracy with capitalism. This was a result, which the programs for dénouement in 1987 did not dare to hope for.

1.2. Kádárism as a Hungarian Post-Stalinism

A significant aspect of the crisis discourses was the critique of the Kádárist regime's political and social praxis and also its ideology. In order properly contextualize these debates the thesis defines what is considered as Kádárism. The period of Hungarian state socialism after the 1956 revolution is famed by the person of János Kádár longtime first secretary of the Hungarian Socialist Workers' Party until 1988. The general features of the Kádár era fits well into the practices of destalinization taking place around the Eastern Bloc. Also, the Hungarian regime bore significant continuity with the previous era, keeping its central tenets, such as the hegemony of the party. However, its genesis and later practices makes it a somewhat distinct way of Hungarian state socialism.¹⁰

Altogether, it was the most successful and finely tuned version of post-Stalinist regimes in East Central Europe.¹¹ Hungarians from the 1960s could enjoy a relative affluence and the

⁹ János Kis, "Reform és forradalom közt," in *A Rendszerváltás foratókönyve: kerekasztal-tárgyalások 1989-ben*, ed. András Bozóki et al., vol. 7 (Budapest: Új Mandátum, 2007), 91–146.

¹⁰ Melinda Kalmár, *Ennivaló és hozomány: a kora kádárizmus ideológiája* (Budapest: Magvető, 1998); Milán Pap, *Kádár demokráciája: politikai ideológia és társadalmi utópia a Kádár-korszakban* (Budapest: NKE Molnár Tamás Kutató Központ, 2015).

¹¹ János Rainer M., *Bevezetés a Kádárizmusba* (Budapest: 1956-os Intézet, L'Harmattan, 2011).

regime's hegemony was not challenged seriously until the late 1980s. These aspects stem from the legitimacy seeking strategies of the Hungarian leadership. During the consolidation period in the early 1960s the Kádárist social compromise was born, which meant the gradual increase of living standards in exchange for the depoliticization of the society. The shift from the totalization of the society resulted in selective practices of repression, paired with the attempt to take into account the interest of different social groups and accommodate critique into the public discourses. However, these latter always had their limit, which stemmed from the power practices of Kádár balancing between political, social and intellectual groups.

The concept of reform was an intrinsic part of the Kádárist legitimacy. Facing economic downturn in the early 1960s the regime kickstarted the New Economic Mechanism (NEM) aiming to increase enterprise autonomy and liberalize different other aspects of the economy. However, on the long run in spite of reform attempts Hungary's economic trajectory could not avoid sliding into stagnation, which marked the general economic trends in the Eastern Bloc.¹² The NEM stalled in the aftermath of the Prague Spring in 1968 to be overturned in the early 1970s, due to the fear from Soviet reprimands and the protest of the orthodox faction of the party. Later periods of reform attempts and reversals varied according to the need of power balance between the reformist and orthodox factions. However, the liberalization of the society's private sphere remained a permanent aspect of the Hungarian regime, most importantly manifested in the private entrepreneurship of the second economy. In spite of the reformist rhetoric, radical restructuring of the Hungarian economy did not take place. Due to this Hungary could avoid the general economic trends of the Eastern Bloc. Similarly, to other socialist economies Hungary's economic growth started to shrink after the global changes in the aftermath of oil crises in the 1970s, to turn into a stagnation for the 1980s. However, thanks

¹² Tamás Vonyó and Andrei Markevich, "Economic Growth and Structural Developments, 1945-1989," in *The Economic History of Central, East and South-East Europe, 1800 to the Present*, ed. Matthias Mory (Abingdon, Oxon ; New York, NY: Routledge, 2021), 277–302.

to the legitimization strategy of the Kádárist regime the Hungarian society did not have to experience severe austerity measures present in other Bloc countries. Nevertheless, the price to avoid the declining living standards was the massive indebtedness of Hungary.

During the 1980s, which was the context of the crisis discourses the regime started to lose its ability to exclusively thematize public discourses. As Hungarian political scientist Ervin Csizmadia phrased, in the 1980s the period of discursive dictatorship emerged, which meant that different elite groups more and more successfully present their counternarratives in the public discourse.¹³ Amongst other the three critical intellectual group analyzed in this thesis. The presence of the different crisis and reform narratives were thanks to the erosion of the regime's ability exclusively dominate the social imaginary on the future.

1.3. East-West Symbolic Geography

The thesis in order to firmly contextualize the crisis discourses aims to connect this intellectual history to broader global and regional processes. Beyond contextualization this is also necessary due to the fact that in the crisis discourses the relationship of the outside world and Hungary was increasingly present. This was true for most of the actors with the exception of the populist writers who perceived the crisis as distinctively Hungarian problems, which required a Hungarian solution.

An important part of the Kádárist rhetoric was the constant comparison of Hungary on an East-West axis. This resulted in a twisted legitimization practice of the regime, that is Hungary is still relatively better off, westernized, developed than other Eastern Bloc countries. Therefore, no coincidence that the crisis discourses aimed to problematize this notion pointing out Hungary's backwardness compared to the West and its inability to accommodate to global processes. This aspect of crisis discourses proves the reemergence of the westernization debates

¹³ Ervin Csizmadia, *Diskurzus és diktatúra - a magyar értelmiség vitái Nyugat-Európáról* (Budapest: Századvég Pol. Isk. Alapítvány, 2001).

and the anxiety from peripheralization present in Hungary's intellectual history since the enlightenment.¹⁴

The shifting focus to the West was preceded by the failure to create an alternative socialist globalization. This was last part due to the economic and ideological transformations taking place in the 1970s. The process of embracing a western globalization was further exacerbated by the regime's attempt to maintain the living standards and economic productivity through western credits and technological transfers.¹⁵

Furthermore, not just global processes but events taking place in other Eastern Bloc countries also took an important role in the crisis discourses. While the West took an positive role in the narratives of certain critical intellectuals, however the anxiety of backsliding or an authoritarian turn was embodied by other socialist countries. The Polish crisis, the emergence of the Solidarity trade union in 1980 and its repression by the martial law on December 13th 1981 gave significant impetus for the crisis discourse. On the hand Polish dissident intellectual milieus already for the late 1970s were an important inspiration for the democratic and later the dilemmas of the Polish opposition also triggered debates in the Hungarian second public.¹⁶ On the other hand the military solution, the unsuccessful pacification of the society and the Polish economic decline showed the that state socialist regimes reached their limits. Especially for the Beszélő-circle this proved that the room to maneuver towards a compromise with the power significantly larger than in the previous decades.

1.4. Sources and Methodology

The thesis primarily focuses on sources from the margins of Kádárist public discourse. Primarily these are consisted of publications in the second public. In regard of the democratic

¹⁴ Péter Apor and Mark James, "Sajátos viszony," 2000 29, no. 1 (2017).

¹⁵ Mark James et al., 1989: *A Global History of Eastern Europe* (Cambridge, United Kingdom ; New York, NY: Cambridge University Press, 2019).

¹⁶ Miklós Mitrovits, *Tiltott Kapcsolat: a magyar-lengyel ellenzéki együttműködés, 1976-1989* (Budapest: Jaffa Kiadó, 2020).

opposition and for a certain degree also for the other two groups important sources were the writings published in *Beszélő* (Speaker), samizdat periodical. Also, the *Bibó Memorial Book* and the records of the Monor meeting were also published in samizdat. The records of the Lakitelek meeting were only published after 1989. Have to be noted that these sources were reprinted after the transition either in collections or individually. In regard of the reform economist ideas *Medvetánc* (Bear Dance) academic review, a tolerated critical social science periodical of the era was crucial.

The thesis' approach to the sources was a discourse analysis with contextualization. During the depiction of different crisis perception and reform ideas the context of the texts and the goals of the actors were heavily taken into account. The debates were on the one part connected to the broader history of intellectuals and political history of the late Kádárist regime, on the other hand it aimed to embed these ideas to the larger global intellectual and economic processes of the 1970s and 1980s. The thesis perceives the concept of crisis as what Andrew Simon Gilbert calls as a conceptual paradigm, which “indicates a mutually recognizable language which allows problems and solutions to be framed in a meaningful way”.¹⁷ According to this a conceptual paradigm can provide a common ground by delineating the possible meanings of a concept and allows the actors to agree on what they observe. From then on it is possible to discuss the question of what is to be done. Therefore, the thesis follows Gilbert recommendation, that when examining the use of crisis “our attention must be directed at the role the concept plays withing a broader argument, or how the connections are selectively being made”.¹⁸ Analyzing crisis discourses one have to take into account Reinhart Koselleck's conceptual history on crisis.¹⁹ His works helped to understand the components of crisis as a

¹⁷ Andrew Simon Gilbert, *The Crisis Paradigm: Description and Prescription in Social and Political Theory*. (Palgrave Macmillan, 2019).⁷

¹⁸ Gilbert, 7.

¹⁹ Reinhart Koselleck, *Critique and Crisis, Enlightenment and the Pathogenesis of Modern Society* (Oxford , 1988: Berg, 1988).Reinhart Koselleck, “Crisis,” *Journal of the History of Ideas* 67, no. 2 (2006): 357–400.

concept. In this regard, the either-or question, which Koselleck perceives as an intrinsic part of crisis discourses was more than useful to frame and structure the research of this thesis. Furthermore, the intimate connection between critique and crisis, what Koselleck described further helped during the interpretation. As Gilbert writes, “[i]f something is in crisis, it entails that we must suspend our ordinary understanding of it and allow ourselves to pursue different lines of thought or practice which run counter to preestablished routines of thought or action. And critique also entails crisis. If we are performing critique we are observing and describing objects that are problematic or not as they should be, hence we are describing objects in crisis. According to this view, crisis without critique is fatalistic, and critique without crisis is impotent.”²⁰

1.5. Thesis Outline

The thesis first defines what was Kádárism. In the contextual chapter the ideology and praxis of the Hungarian leadership is analyzed with the conceptual apparatus of its rhetoric compared to the earlier Stalinist regime and other Eastern Bloc countries. Also, the chapter seeks to connect the ideology to broader economic processes. Furthermore, in the chapter to contextualize the intellectual groups appearing in the later research chapters their emergence and intellectual development before the 1980s are drawn up. Later, the first research chapter discusses how these groups defined and discussed the meaning of the crisis in the early 1980 until the middle of the decade. The last chapter concerns the definition of reform through the analysis of different programs of *dénouement* published until 1987. This last chapter also seeks to answer briefly what were the fate of these reform ideas.

²⁰ Gilbert, *The Crisis Paradigm: Description and Prescription in Social and Political Theory*, 9.

2. THE CONCEPTUAL COMPONENTS OF KÁDÁRISM

2.1. Introduction

The emerging crisis discourses of the 1980s besides they concerned the future development of Hungary strived to point out the limits of Kádárism, the Hungarian way of state socialism. The conceptual apparatus of these debates applied terms such as reform, compromise or the Hungarian model, which all had a distinct place in the Kádárist rhetoric and the broader public discourses. In order to contextualize the crisis narratives of the 1980s this chapter seeks to draw up the developmental trajectory of the Kádárist system, its practice of governance and the emergence of those critical intellectual groups which started increasingly thematize the social expectations on the future of the state socialist regime. The issue of Kádárism, albeit inseparable of the personality János Kádár, the longest reigning stateman of Hungary in the 20th century and the communist dictator of the country from 1956 till 1988, this chapter rather seeks to approach the ideology and practice of the regime through a systemic description and less through his person.

The main question of Kádárism is that what made it distinct and altogether more successful in its practice from the Hungarian Stalinism and other regimes in the Eastern Bloc? The successfulness in this context should be understood as a matter of consolidated power and the relative affluence of the Hungarian society during the Kádár-era. The Hungarian regime following the 1956 revolutions did not have to face any serious social challenge until the late 1980s. Furthermore the shortage economy, which were well-known in other socialist countries were absent in Hungary. Altogether, about the components of the Kádárist regime it can be said that even though it applied a distinct communist rhetoric, namely the post-Stalinist reform ideology of state socialism its core feature was its increasingly flexible praxis. Therefore, it is no coincidence that the crisis discourses of intellectuals during the 1980s concerned less the question of socialism but the development, modernization and the future of Hungary.

The first subchapter seeks to analyze these characteristics by answering the question whether Kádárism was an ideology or praxis. The next subchapter aims to tackle the issue of legitimacy. In this regard two concepts such as the Kádárist social compromise and the role of reform have to be defined. Last in this chapter the birth, the formation and the motives of the emerging critical intellectual groups in the 1970s will be drawn up. This subchapter aims to clarify the background of those actors who will appear during the next two research chapters.

2.2. Kádárism: Ideology or Praxis?

The Hungarian model of post-Stalinism was born out of the consolidation following the 1956 revolution. Those features, which are commonly referred to as Kádárism were designed in the aftermath of the revolution and began fully operate in the early 1960s when the regime eased its terror on the society. János Rainer M. defined six commonly held characteristics, along which the Hungarian regime was functioning up until the late 1980s. Kádárism was an authoritarian soft-dictatorship. Its central tenet was a social compromise, which prime economic goal beyond the building of socialism (industrialization, modernization etc.) became the increase of living standards. Furthermore, the creation of the socialist man ceased to be a priority, the regime kept itself out from the private sphere. In culture, the dominance of the Marxist-Leninist doctrine ended, different styles and world-views were allowed to flourish, albeit only with limits. In economy, the Hungarian leadership aimed for a certain market socialism, which intrinsic part was the “second economy”, small privately owned enterprises seeking profits. Altogether, the era is perceived as a period of the Hungarian embourgeoisement, during which the Hungarian society became more diverse contrary the authoritarian tendencies of the regime.²¹

The question what degree these features differ either from the Hungarian regime prior 1956 or other regimes in the Eastern Bloc after destalinization. In other words, whether “the

²¹ János Rainer M., *Bevezetés a Kádárizmusba* (Budapest: 1956-os Intézet, L'Harmattan, 2011), 96-97.

fundamental structures and social practices of the regime changed extensively or it was the same structure but in a different mode?”²² There is a general consensus among researchers that there was a significant continuity within the Hungarian regime and the Kádárist consolidation fitted well into the liberalizing policies of the Khrushchevite thaw.²³ Altogether, a radically different Hungarian way of socialism, like in case of Yugoslavia cannot be detected.

Like in many other countries of the Eastern Bloc during this period the earlier concepts of socialism burdened with the rhetoric of class struggle were reformulated, further elaborated and polished with the scientific apparatus of philosophy, social sciences and economics. However, the core tenets and fundamental principles of the ideology, most importantly the leading role of the party remained intact until the late 1980s.²⁴ As Melinda Kalmár writes about the ideology of the early Kádárist, “the main and most crucial elements of the system were kept, at the same time [the leadership] decided about an extensive internal restructuring. They reconstructed (*szanálták*) the communist system without changing its qualitatively defining features.”²⁵ From this emerged the differentiated and selective mode of rule and a relative opening towards the world. Even though, this brought a flexible praxis, in rhetoric the building of socialism remained. As Róbert Takács writes, “the power paradoxically tolerated more the diverges of praxis (...), than discussing it publicly. The [leadership] strived to cover the pragmatic politics with a doctrinaire rhetoric.”²⁶

But whether Kádárist was an ideology or worldview or it was a simple pragmatic praxis Rainer M. gives the following answer: post-Stalinism was the relaxation and incoherence of earlier structures and “Kádárist was its most coherent, most finely tuned and in its relativism

²² Rainer M., 138.

²³ Melinda Kalmár, *Ennivaló és hozomány: a kora kádárizmus ideológiája* (Budapest: Magvető, 1998). Milán Pap, *Kádár demokráciája: politikai ideológia és társadalmi utópia a Kádár-korszakban* (Budapest: NKE Molnár Tamás Kutató Központ, 2015). Rainer M., *Bevezetés a Kádárizmusba*.

²⁴ Pap, 44.

²⁵ Kalmár, 18.

²⁶ Takács Róbert, *Politikai újságírás a Kádár-korban* (Budapest: Napvilág Politikatörténeti Intézet, 2012), 17.

the most liberal version”.²⁷ He defines it as a social interaction based on informality, pretension and suppression but also a certain world perception, from which stemmed a social mood or feeling. For this social mood ‘the question of compared to what’ was a crucial part. This was a constant method of Kádárist self-definition, namely we are “relatively better”. This anxiety stemming from the constant comparison in geography (West-East) and time (before 1956 and after) will be a central aspect of the emerging crisis discourses of the 1980s.²⁸

The act of constantly relating Hungary to other regions and states was connected to the gradual opening up of the country to the world. In the center of this process laid also a certain symbolic geography, which went through significant changes in the following decades. From the 1960s Hungary increasingly became involved in different global processes, let it be economic or ideological. However, this meant a non-Western focus and building connections with the developing Third World, imagining a different socialist globalization. In the following decades this attempt eventually failed due to the global economic restructuring in the 1970s and the overall crisis of socialist economies. From the 1980s Hungary’s elites and other Eastern Bloc countries increasingly turned towards the west and the earlier rhetoric of anti-capitalism and anti-imperialism was replaced by the notion of pragmatic cooperation. Beyond the closer economic, financial and trade connections, in Hungary this manifested also symbolically with the reemergence of the debate on westernization. The presence of these narratives on the catching up with the global economic centrum and Hungary’s peripherality can be found in the Hungarian intellectual debates since the 18th century.²⁹

Compared to Rainer M.’s relatively vague definition of Kádárism as a social practice Kalmár identified certain ideological principles analyzing the resolutions of the Hungarian

²⁷ Rainer M., 148.

²⁸ Ibid, 144-148.

²⁹ James Mark and Péter Apor, “Socialism Goes Global: Decolonization and the Making of a New Culture of Internationalism in Socialist Hungary, 1956–1989,” *The Journal of Modern History* 87, no. 4 (December 2015): 852–91. Péter Apor and Mark James, “Sajátos viszony,” 2000 29, no. 1 (2017). Csizmadia, *Diskurzus és diktatúra - a magyar értelmiség vitái Nyugat-Európáról*. James et al., 1989.

Central Committee following 1956. She identified the central aspect of the Kádárist self-identification with the struggle against left and right deviation of the party. These resolutions both condemned the Stalinist orthodoxy famed by the earlier leadership of Mátyás Rákosi and Ernő Gerő and also the revisionist tendencies associated with Imre Nagy, who implemented the destalinization reforms after 1953 and became the revolutionary prime minister in 1956. This resulted in different reconstructions of the power practices. The earlier archaic propaganda which focused on literature was replaced by the more modern mass media as a legitimizing tool. Furthermore, a certain secularization of the power can be observed, the leadership started to separate the party and state in regard of ideology and praxis. From then on the Party defined the main ideological principles but its details were left for the bureaucratic experts to be worked out.³⁰ The new leadership aimed to professionalize and modernize the power, however “this generation did not become modern at all, therefore its innovational capacity was exhausted for the late 1960s and could not answer the new challenges, therefore they were not able neither to modernize nor firmly rule.”³¹

Even though the regime and Kádár himself was highly pragmatic and flexible this does not mean party intellectuals and academics did not take the effort to create a comprehensive ideology. Milán Pap identified this system of views with the concept of the “socialist democracy” which became the central tenet for the Kádárist consolidation describing the social reality until the late 1980s. As Pap writes this “concept of democracy played a double role both the critique of the western-style politics and also the articulation of an alternative utopia”.³² Furthermore, the concept of “socialist democracy”, which replaced “people’s democracy” also symbolized a break from the Stalinist legacy and the appearance of the term intrinsically

³⁰ Kalmár, 29, 54, 140-142.

³¹ Kalmár, 277.

³² Pap, 151.

connected to the broader political processes taking place in the Soviet Union under Khrushchev's thaw.³³

According to the rhetoric socialist democracy served on the one hand to secure the democratic centralism of the party, the fight against orthodoxy and revisionism, on the other hand it was also the bearer of the socialist legality, the rights and obligations of the workers. In practice the notion covered a range of forums, where exchange of views and the reconciliation of interests were possible in order to dynamize the socialist systems. For decades ideologues of the party heavily discussed the meaning of the kolhoz democracy, the local council democracy and factory democracy, which became the guiding and organizing concepts of the different fields of the Kádárist society. All of these forums sought to actively incorporate citizens into the social system. However, its limits at the end of the 1970s became more and more apparent. Genuine democracy was not possible since decisions were limited by the party line. The leadership hoped its perfection, that is the realization of the communal interest, from the development of the socialist consciousness. However, the socialist consciousness and the realization of the communal man became less and less possible, when the Hungarian society started pursue its individual interest in the second economy.³⁴

The changes in the ideology of the Kádárist state socialism can be detected in another conceptual shift. Márton Szabó detected this change in regard the concept of the worker. As with the 1960s the rhetoric of the class struggle eased and the modernization with the peaceful competition with the West came to the forefront, other conceptual rivals emerged to the citizen worker. Even though the worker retained its socio-political status, "from the 1960s other equal actors emerged, such as the workforce constituted by the political economy, and the toiler

³³ Ibid, 45-47.

³⁴ Ibid, 41-58.

driven by everyday interest and common sense”.³⁵ The worker was the subject of the state, its citizen. The workforce was the central aspect of the economy’s rational governance and reform. The toiler, however symbolized the acceptance and satisfaction of everyday people’s individual needs. As Szabó emphasizes, the most crucial aspect of the emergence of the workforce and the toiler was, that “due to the Kádárist realpolitik and compromise seeking their existence was not questioned, namely they were part of the society (...) even if they were not the main constituents of socialist system”.³⁶ This shift also symbolizes the pragmatic acceptance of different social interests by the Kádárist regime, which sought to preserve the relative social peace after the 1956 revolution.

2.3. Legitimacy: Compromise and Reform

The crisis discourses of the 1980s targeted two central aspects of the Kádárist regime. One was the social compromise and the other was the reform, both of them became crucial aspects of the Kádárist legitimacy building methods during the consolidation years. The compromise, as it was understood, meant the increase of living standards in exchange of the depoliticization of the society. This welfare socialism was grounded on the economic performance of the country, therefore the urge of reform was constantly present in the Kádárist policies in order to preserve the social peace and avoid crises stemming from economic downfall. However, as already the contemporary observers pointed out the Hungarian leadership attitude was rather ambiguous towards reforming socialism. János Kádár and the leadership were only committed to the reform when it was politically necessary. During Kádár’s reign reforms were never implemented completely in their planned form. After reform periods always came periods of adjustments, when the reform stalled and the previous measures were corrected. The former

³⁵ Márton Szabó, “A dolgozó mint állampolgár, fogalomtörténeti tanulmány a magyar szocializmus három korszakaszáról,” *Korall* 8, no. 27 (2007): 164.

³⁶ *Ibid*, 165.

served as a tool to maintain the social compromise and the latter to keep the power balance between different party factions.³⁷

This was the main motive behind the New Economic Mechanism starting in the second half of the 1960s. In the middle of the decade the regime itself realized that the emerging economic crisis required radical steps. The reform aimed to introduce market elements to the Hungarian economy. Most importantly, the role of central planning was significantly diminished and the role of the enterprise management was increased, this was paired with liberalized price policies and the introduction of a more flexible wage system. Even though the reform process was overturned in the aftermath of the Prague Spring, later it had a lasting impact, both on the society and on the development critical intellectuals. Rainer M. sees the very specificity of the Hungarian development exactly in this: during Kádárism the reform periods were longer, also there were several attempts for reform and these measures resulted in a relatively large reformist camp.³⁸

On the broader economic development of the Hungarian state socialism can be said that with small divergencies it followed regional patterns. After the postwar reconstruction the 1950s and 1960s became the golden age of economic growth for the Eastern planned economies. During the years of extensive industrialization, the socialist economies could increase their GDP more than 3% annually. During the 1970s, even though the growth rates were still growing the overall trend started to show a decline. After the oil shocks and the restructuring of the global economy during the decade East Central European economies came to a standstill in the 1980s.³⁹ As Rainer M. also confirms this process: “for a truly spectacular development, a specific socialist modernization and catching up with the centrum of the world

³⁷ Rainer M., 157.

³⁸ Rainer M., 191.

³⁹ Tamás Vonyó and Andrei Markevich, “Economic Growth and Structural Developments, 1945-1989,” in *The Economic History of Central, East and South-East Europe, 1800 to the Present*, ed. Matthias Mory (Abingdon, Oxon ; New York, NY: Routledge, 2021), 281-282.

economy paradoxically Hungary was only able during the classic period of the soviet-type regime, during Stalinism.”⁴⁰ Interestingly, already during the postwar years the economic performance of the Socialist countries lagged behind the Western periphery (Finland, Ireland, Italy etc.). Vonyó and Markovich explains this with the insufficient invest rates, which were low due to the relative labor shortage created by the World War and the forced migration after 1945. Later in the 1970s, the insufficiently allocated interest rates contributed to the economic decline and for the 1980s investment dropped due to the exogeneous shocks of the previous oil crises.⁴¹ Hungary’s case in this process can be considered special since the Kádárist leadership similarly to Yugoslavia after increasing borrowing could avoid those severe austerity measures present in other socialist sates.⁴²

As it is apparent the Hungarian reforms of the late 1960s could not significantly change the economic fate of the country, mainly due to their limited structural nature. Nevertheless, the Kádárist regime could maintain the living standards until the second half of the 1980s, but only at the price of extreme indebtedness. At the time of state socialism’ collapse, Hungary had the third highest perc capita debt in the world. Already in 1982, to avoid economic collapse Hungary joined amongst the firsts of the Socialist countries to the IMF.⁴³

Hungary similarly to other Eastern Bloc countries from the 1960s increasingly took part in the global economy and for the 1970s the antagonism of the two blocs became a peaceful economic competition over living standards and consumer products. With this process came the realization that the modernization of the socialist economies and the produce of competitive exports good without technological transfers from the west was impossible. These investments were financed by petrodollars, which flooded the western financial markets in the aftermath of

⁴⁰ Rainer M., 183.

⁴¹ Vonyó and Markevich, 289-290.

⁴² Ibid, 292.

⁴³ James et al., 41.

the 1973 oil crisis, banks looking for investments lent this money for socialist countries. However, “with spiraling costs of raw materials and investment rates in the late 1970s, countries from Hungary to Bulgaria became ever more mire in debt”.⁴⁴

Even though, the reforms of the Kádárist leadership were insufficient for an economic restructuring and for the increase of productivity they had a much higher importance in regard their social effect. Contemporary observers saw the reform process of the late 1960s as the central tenet of Kádárist social compromise. The first issue of the Paris based Hungarian émigré journal *Magyar Füzetek* (*Hungarian Notebooks*) concerned exactly this topic. Gyula Tellér a Hungarian literary translator perceived the compromise as the leadership’s acknowledgement of the reemerging Hungarian middle or bourgeois class.⁴⁵ His thesis was that this strata was the most influential part of the Hungarian society in the postwar years. Even though, after the communist takeover and Stalinization it was repressed, disbanded and forced to work in factories their values were still present. The reform periods after 1953, 1956 but especially after 1963 were the secret manifestations that the leadership had to acknowledge the existence of this class. Tellér emphasized one aspect of the reform, the tolerance of the second economy, limited private entrepreneurship and especially its forms in the agriculture after the second wave of collectivization. As he put, the Kádárist leadership “acknowledged the aspirations of the largest and socially-economically most influential strata of the bourgeois Hungary, namely the agricultural middle class’s aspirations for independence, for an income according to merit (...) and for increasing consumption”.⁴⁶ In Kalmár’s view after the compromise this group could live more freely, more fulfilling and more humanly than during the years of the Stalinism.

⁴⁴ Ibid, 39.

⁴⁵ Gyula Tellér, “A szabadság egy rejtett dimenziója,” *Magyar Füzetek* 1, no. 1 (1978): 5–20.

⁴⁶ Ibid, 15-16.

Nevertheless, as he found the most problematic aspect of this freedom laid in its un-officiality and its unspoken nature, that it can be revoked anytime.⁴⁷

An another author István Kemény⁴⁸ a critical sociologist and émigré saw the Kádárist compromise as a whole range of compromises, which involved the soviet leadership, intellectuals, different party factions, workers and the agriculture. The Soviet Union in exchange of the Hungarian leadership's loyalty allowed certain room to maneuver in internal affairs. This let the party to introduce the second economy, which became the most important social valve of the regime. Workers, intellectuals and farmers took advantage of the second economy for private accumulation, self-realization and individual initiatives. Altogether, this improved the living standards of the Kádárist Hungary. As Kemény wrote, even though some aspects of the reform were revoked in the 1970s the second economy could not be eliminated. However, according to him the stalled reform led to the disillusionment of the intellectuals. Kemény writing about the different coping strategies of the intellectual strata foreshadowed the emergence of the later critical discourses: "one part of the conformist intellectuals resentfully and desperately seek to continue the reform. Others [expecting the repression] seek alignment with the regime and do even that, what is not even demanded. The internally exiled see their point of view proven, the non-conformists are radicalizing and groups, ex-Marxist, liberals and social democrats working until then isolated start to cooperate."⁴⁹

Nevertheless, the compromise contained also the memory of the 1956 revolution. In the language of the Kádárist rhetoric it meant a national consensus (*nemzeti közmegegyezés*), the principles which should not be rather disturbed. This consensual silence was „[t]he adequate Kádárist way of coming to terms with the past (...), in which one party, that is the power could

⁴⁷ Ibid, 19.

⁴⁸ István Kemény, "Hol tart a társadalmi kompromisszum Magyarországon?," *Magyar Füzetek* 1, no. 1 (1978): 21–46.

⁴⁹ Ibid, 46.

say more, but did not do and even though the society could give more signs, but gave less.”⁵⁰

As Rainer M. contends this cannot be considered as compromise similar to the 1867 Austro-Hungarian *Ausgleich*, when two equal parties made a deal along certain rules. This was rather a realization that there are certain things, which should not be bothered for the sake of consolidation and social peace after two decades of upheavals.

2.4. The Emergence of Critical Discourses

The context of the intensifying crisis discourses of the 1980s should be still considered as a repressive system. However, besides economics there were other processes, in which regard the party leadership lost its control. This was increasingly true for the public discourses, which intrinsically connected to the erosion of the Marxist-Leninist doctrine. Therefore, Hungarian political scientist Ervin Csizmadia coined this period instead of an authoritarian dictatorship as a “discursive dictatorship”. According to him, party elites lost hold of their ability to exclusively dominate the public discourse, which allowed different elite groups to re-thematize the language and the discourse about Hungary’s future. In this process different intellectuals could effectively gain influence and legitimacy. As Csizmadia writes, most importantly their ideas on the relationship between the west and Hungary were the most successful in competing with the official discourses. He examined four intellectual elite groups: party intellectuals, economists, foreign policy experts and the democratic opposition. As he contends these groups were able to successfully gain ground in the public due to their ability to organize themselves institutionally.⁵¹

This insight can be useful also to the broader crisis discourses, which contained also the act of relating Hungary to other regions and countries. The focus of the thesis, however is more restrictive than Csizmadia’s. The notion of critical intellectuals concerns only concerns the

⁵⁰ János Rainer M., “A Kádár-korszak kompromisszumai,” in *Kompromisszumok a közép-európai politikai kultúrában*, ed. András Gerő (Budapest: Habsburg Történeti Intézet, 2014), 71.

⁵¹ Csizmadia, *Diskurzus és diktatúra - a magyar értelmiség vitái Nyugat-Európáról* (Budapest: Századvég Pol. Isk. Alapítvány, 2001), 146-157.

democratic opposition, the reform economist and the populist intellectuals. Many participants of the debates on the Hungarian future were similarly able to re-thematize the question of development and renewal against the hegemonic discourse of the party-state.

Similarly to other Eastern Bloc countries the emergence of an articulated opposition and the increasing critique of the state socialist system can be connected to the undelivered promises of the 1968 reform processes. The Soviet intervention following the Prague Spring led to the realization among different intellectuals that the regime was unreformable. In Hungary this was coupled with the more limited than expected nature of the NEM and its eventual halt in the early 1970s.

The first group to provide a radical critique of Kádárism was the democratic opposition. Similarly to other dissident groups of the Eastern Bloc, primarily Poland, they grew out from Marxist philosopher circles and left behind Marxism to a more liberal world-view for the end of the decade. These so called ‘revisionist’ intellectuals, such as János Kis and György Beneke inspired by the philosophy of György Lukács sought to renew and reconceptualize Marxism. Later these dissenting voices were joined by sociologists, who aimed to demonstrate the gap between Marxist theory and the practices of the regime.⁵² To the end of the decade, however their world view had changed and after the Helsinki accords signed in 1975 the dissident groups started to criticizing the regime on the basis of human rights.⁵³

During the 1970s other influences also came which were motivating the Hungarian intellectuals to move beyond the Marxist critique of the state socialism. Besides the Helsinki process, the strategies of the Polish Workers’ Defense Committee (KOR) and the Czech Charta

⁵² Balázs Trencsényi et al. *A history of modern political thought in East Central Europe, Volume II. Negotiating Modernity in the 'Short Twentieth Century' and Beyond, part II: 1968-2018*. (New York, NY ; Oxford: Oxford University Press, 2018), 87-88.

⁵³ András Bozóki, *Gördülő rendszerváltás: az értelmiség politikai szerepe Magyarországon* (Budapest: L'Harmattan, 2019); Daniel C. Thomas, *The Helsinki Effect: International Norms, Human Rights, and the Demise of Communism* (Princeton, NJ: Princeton Univ. Press, 2001); Michal Kopeček, “The Socialist Conception of Human Rights and Its Dissident Critique: Hungary and Czechoslovakia, 1960s–1980s,” *East Central Europe* 46, no. 2–3 (2019): 261–89.

77 were inspiring the dissidents to start organizing and embracing the language of human rights.⁵⁴ One of their important steps towards organization came in 1979 when in the vein of the Polish KOR they set up the SZETA, Foundation for Supporting the Poor, an organization aiming to help those who were left out from the Kádarian consumerism and the socialist welfare state.⁵⁵ Furthermore, intellectuals associated with the democratic opposition played a crucial role in kickstarting the Hungarian samizdat scene of the 1980s, most notably the *Beszélő*, periodical. While SZETA was an important organization it could not play a larger in structuring rule for the democratic opposition. The most crucial element in this process turned to be the samizdat scene, or second public, which provided a platform reporting the human rights abuses of the regime and discussing pressing issues of the Hungarian future. It could also serve as broader platform for other intellectual groups expressing their ideas. This is especially true for the reform intellectuals.

The other major intellectual stream criticizing the Kádár regime emerged from the literary scene. Different generations of writers coming from the interwar populist traditions started voicing their critique on a different basis than the dissidents' human rights approach. While older figures as Gyula Illyés voiced their concerns at the end of the 1970s, the younger generation represented by Sándor Csoóri and István Csurka were the ones who took part in the oppositional activities of the 1980s. Their criticism was based on the moral crisis of the Communist regime, which led to a national decline according to their romantic communitarian view of the nation. Their issues concerned the Hungarian minority in the neighboring countries and the demographic-social crisis following the rapid industrialization, such as the birth decline, alcoholism, suicide and self-exploitation. Due to the their third-way program, the populist writers followed a rather ambiguous strategy. Even though they tried to articulate their own

⁵⁴ Michal Kopeček, "The Socialist Conception of Human Rights and Its Dissident Critique: Hungary and Czechoslovakia, 1960s–1980s," *East Central Europe* 46, no. 2–3 (November 22, 2019): 261–89. Thomas, *The Helsinki Effect*.

⁵⁵ Trencsényi et al, 105.

political program, their attitude towards the regime oscillated between cooperation and opposition.⁵⁶

A characteristic voice in the crisis discourses of the 1980s was the group of reform economists. Their language on the required reform had a crucial impact on the broader public discourses and also a couple of years later, in 1989 their ideas largely influenced the economic restructuring of the country.⁵⁷ The group covers a wide range of intellectuals working in state research institutions and administration. Their distinguishing feature from other conformist elites was their increasingly explicit and critical stand on the economic policies of the regime. Against the nomenclature they tried to push further reforms through their research and policy advising. Generally, their views represented economic liberalization and a technocratic policy making, or in other words the neoliberal zeitgeist. Nevertheless, unlike the popular beliefs these views not appeared by western intellectual export after 1989. The liberal economic ideas were homegrown. Like in many other socialist countries works of Hayek and Milton Friedman circulated among economists and current western economic literature was available in the closed stack of academic libraries.⁵⁸

The origins of the liberal economic thinking can be traced back to the rehabilitation and re-employment of non-Marxist economists in the aftermath of the 1956 revolution. During the Kádárist consolidation the methods of the neoclassical economic school became highly influential in research and higher education. Later in the second half of the 1960s many of them were architects of the NEM and after the reform was stalled they pursued their reform agenda from background institutions. Later with the Cold War détente transnational academic cooperation let these intellectuals to exchange views with similarly minded economists across

⁵⁶ Bozóki, 85.

⁵⁷ Jamer Mark et al., 25-72.

⁵⁸ Adam Fabry, *The Political Economy of Hungary: From State Capitalism to Authoritarian Neoliberalism* (New York, NY: Palgrave Macmillan, 2019), 47-55.

the Iron curtain. These study visits and academic exchanges were even facilitated by US organizations, such as the Ford Foundation.⁵⁹

For the 1980s the main institution for reformer ideas became the Financial Research Institute (Pénzügykutató Intézet) established earlier in 1968 as a background institute for the Ministry of Finance. Many of the leading architects of the post-1989 market economy started their career at the FRI. Lajos Bokros, György Surányi and György Matolcsy are all well-known names of the Hungarian economic transition. Furthermore, reform economists such as László Lengyel or Tamás Bauer, the latter worked for the Academy of Sciences soon established contacts with democratic opposition. They were regular contributors of the crisis discourses either in the samizdat press under a pseudonym or at opposition gatherings.⁶⁰

2.5. Conclusions

Altogether, the Kádárist regime born in the aftermath of the 1956 revolution in many regards fitted well into the broader practices of destalinization taking place in the Eastern Bloc. Furthermore, it bore a significant continuity with the previous regime by keeping the central role of communist party. However, the trauma of the 1956 revolution inspired a distinct practice of power. The constant legitimization seeking strategy of the Kádárist made the Hungarian the most finely tuned version of post-Stalinism in East Central Europe. The main tenets of the Hungarian system's legitimation building were the social compromise and the reform attempts. During the consolidation in the aftermath of the revolution the Kádárist leadership ceased the earlier totalitarianizing attempts of Stalinism. This gave the foundation of the emerging social compromise, which meant increasing living standards in exchange of the depoliticization of the society. On the one hand, the regime aimed to take into account different social interests and on the other hand withdrew from the private sphere of the everyday people. To maintain the

⁵⁹ Johanna Bockman, *Markets in the Name of Socialism: The Left-Wing Origins of Neoliberalism* (Stanford, California: Stanford University Press, 2011), 105-131.

⁶⁰ Fabry, 52-53.

legitimacy of this welfare socialism, the leadership had to consider reformer ideas in order to avoid economic decline. The most important reform period, the New Economic Mechanism started in the mid-1960s aimed to introduce more autonomy to the economic sphere. Even though, the reform was overturned in the early 1970s its certain aspects remained, such as the second economy, which functioned as an important social valve. The limited nature of the reforms resulted in the fact, that the Hungarian system similarly to other countries in East Central Europe was prone to the typical crisis symptoms of state socialist economies. However, the Kádárist regime could avoid an acute crisis at the price of severe indebtedness. During the 1970s different critical intellectual groups emerged, which were first to point out the problems of the Kádárist regime. The democratic opposition, the nationalist populist writers and reform economist in their critique targeted different aspects of the regime's shortcomings. The lack of democratization, the inconsistent economic reforms and the atomization of the society and different endemics framed as a decline of the national spirit all became the foundations for the different crisis discourses taking place during the 1980s.

3. DEFINING CRISIS: DEBATES ON THE FUTURE 1980-1985

3.1. Introduction

This chapter seeks to analyze the Hungarian intellectual discourses on the future of the Kádár regime taking place in the early 1980s. The common denominator of these narratives was that the progress of the state socialist socio-economic system came into a crisis, in other words Hungary's long-term modernization and development was endangered. These intellectuals who took part in the debates of the era pointed to the Kádárist political practices as the root of the crisis. The uneven reforms, the failed democratization and the limited liberalization of the economy made Hungary unable to cope with the challenges of a transforming world. The diagnosis was formed in an either-or question, that is either radical reform will be implemented or Hungary will decline, the progress of the previous decades will be lost. Altogether, it was an anxiety on the future, that the economic shortages or the harsh repression present in many other Eastern Bloc countries will appear in Hungary.

This interpretation which was formed in economic-political terms became a dominating narrative amongst the members of the Beszélő-circle and the reform economists Hungary. However, a moral and value-driven interpretation of the crisis was also present, which was pointing to the corrupting nature of the Kádárist social compromise. According to this narrative the trade-off between the increasing living standards and the depoliticization of the society lead to an apathic, atomized society with deformed social values. This narrative was rather present amongst the national-populist intellectuals, whose main grievances were the disappearance of the traditional rural culture and the demographic decline. Furthermore, also social scientists echoed similar tones who were concerned about the social values of the Hungarians.

The emergence of these discourses were connected to internal and external processes. On the one hand the emergence of a human rights critique of the regime in the 1970s transcended

the earlier Marxist revisionism and embraced liberal values.⁶¹ On the other hand, the global economic transformation taking place in the 1970s following the oil crises lead to the realization amongst the intellectuals that state socialism lost its competitiveness. This was intertwined with a newly emerging symbolic geography which put the western world as a normative reference point.⁶² Furthermore, the emergence of the Polish Solidarity movement in 1980 and the introduction of the martial law on December 13, 1981 as a solution for the Polish crisis also affected negatively the expectations of the Hungarian intellectuals. From then on it became apparent to many that state socialism without radical reforms was unable to accommodate social initiatives for democratization and liberalization.⁶³

This chapters focuses on debates taking place in the second public and the margins of academic discourses in the first half of the 1980s. In the *Bibó Memorial Book*⁶⁴, in the “Debate on the Near Future”⁶⁵ of the *Beszélő* samizdat and at the Monor meeting many intellectuals with diverging social and ideological background took part. They agreed that without reform Hungary will diverge from the path of modernization. Also critical social scientist who were tolerated by the regime could publish their views in marginal periodicals, such as *Medvetánc* in many regards they came to same conclusions. However, during those years the elements of the reform were only articulated in vague terms, such as democratization, liberalization or westernization. Worked out plans and clear alternatives to the state socialism only appeared in the following years.

⁶¹ Michal Kopeček, “The Socialist Conception of Human Rights and Its Dissident Critique: Hungary and Czechoslovakia, 1960s–1980s,” *East Central Europe* 46, no. 2–3 (November 22, 2019): 261–89.

⁶² Ervin Csizmadia, *Diskurzus és diktatúra - a magyar értelmiség vitái Nyugat-Európáról* (Budapest: Századvég Pol. Isk. Alapítvány, 2001); Péter Apor and Mark James, “Sajátos viszony,” *2000*, vol. 29, no. 1 (2017): 3–31.

⁶³ Mitrovits, *Tiltott Kapcsolat*.

⁶⁴ Pál Réz, ed., *Bibó-emlékkönyv* (Budapest : Bern: Századvég Kiadó : Európai Protestáns Magyar Szabadegyetem, 1991).

⁶⁵ János Kis, “Gondolatok a közeljövőről,” *Beszélő*, no. 3, May 1982.

3.2. Kádárism as a False Compromise - The *Bibó Memorial Book*

In 1980 seventy-three Hungarian intellectuals contributed to a volume of essays to honor the late Hungarian jurist and political theorist, István Bibó.⁶⁶ He was a sidelined intellectual of the Kádár era, an active politician during the postwar coalition years and the a government member of the 1956 revolution. Originally, the *Bibó Memorial Book* was planned as a *Festschrift*, a collection of essays honoring Bibó on his 70th birthday in 1981. However, the theoretician died earlier in 1979, but the book was finished either way and after being rejected by a state publishing house it was distributed as samizdat.⁶⁷ The volume was an open statement, that Bibó's ideas became guiding principles for many intellectuals, especially his thoughts on the historical development of Hungary. But the importance of the book was not solely that it aimed to bring back to public discussions a persecuted political thinker. Many of the essays used Bibó's ideas as an analytical tool to give a diagnosis on the current affairs of Hungary. At the end, these diagnoses were pointing to the direction that Hungary's long-term socio-economic development was in crisis. A crisis, which was caused by the Kádárist consolidation its uneven reforms and its corrupting social compromises. The book was a product of a longer intellectual maturing of different strata of the Hungarian intellectuals. Most importantly, during the 1970s the Marxist revisionists "gave up György Lukács' revisionism and started embracing the democratic humanist political philosophy of István Bibó, a combination of liberal and socialist ideas".⁶⁸ It also enabled these intellectuals to cooperate with others from different intellectual background. Bibó was also important for the nationalist-populist writers. To their worldview Bibó fitted also well, due to his connection to their intellectual tradition, his role in

⁶⁶ Pál Réz, ed., *Bibó- emlékkönyv*, (Budapest : Bern: Századvég Kiadó : Európai Protestáns Magyar Szabadegyetem, 1991).

⁶⁷ Pál Réz, "A Bibó- emlékkönyv Elő," in *Bibó- emlékkönyv*, ed. Pál Réz (Budapest : Bern: Századvég Kiadó : Európai Protestáns Magyar Szabadegyetem, 1991), 5-7.

⁶⁸ András Bozóki, *Gördülő rendszerváltás: az értelmiség politikai szerepe Magyarországon* (Budapest: L'Harmattan, 2019), 87-88.

the 1956 revolution and his search for a solution to overcome the “Trianon Syndrome” and the question of Hungarian minorities.⁶⁹

The appearance of Bibó’s ideas in dissident discourses had a further aspect as Miklós Szabó a dissident historian already pointed out in 1981 in the first issue of *Beszélő*, a samizdat journal. According to him the book was a moment when the younger generation of critical intellectuals gave up their aversion towards tradition and could place their ideas into a historical continuum.⁷⁰ This legacy of Bibó’s historical thought is emphasized by Michal Kopeček as well, who points out his intellectual influence on the way dissident started to rethink the question of Hungarian nationality and citizenship.⁷¹ No doubt that this historical dimension is the most important aspect of the crisis narratives in the book. The contributors were considering the crisis of state socialism not as a matter of proper implementation of Marxism into praxis, but as a question of Hungary’s long-term socio-economic development. This kind of long-term analysis of Hungary’s socio-economic development was a central aspect of Bibó’s works.

Many of the intellectuals who contributed to the volume pointed to the “Kádárist social pact” as the root of the crisis. No coincidence, since the concept of compromise as means to create a foundation for democratic politics was a crucial aspect of Bibó’s thinking. Most of the these intellectuals perceived the Kádárist compromise based on a falsehood and the most important obstacle for development. This was the central argument of András Kovács, a historian who was discussing the legitimizing role of history writing in the regime. In the 1960s, the Austro-Hungarian *Ausgleich* of 1867 was a popular topic of Hungarian historiography as a symbol of a reasonable compromise. As Kovács wrote, the assumptions of these arguments that it was possible to uncouple the country’s social and the economic developments was wrong. As

⁶⁹ Balázs Trencsényi et al., *A History of Modern Political Thought in East Central Europe: Volume II, Part II: Negotiating Modernity in the “Short Twentieth Century” (1968 and Beyond)*, *A History of Modern Political Thought in East Central Europe* (Oxford University Press, 2018), 106.

⁷⁰ Miklós Szabó, “A Bibó emlékkönyv,” *Beszélő*, no. 1 (October 1981).

⁷¹ Michal Kopeček, “Human Rights Facing a National Past. Dissident “Civic Patriotism” and the Return of History in East Central Europe, 1968-1989.” *Geschichte und Gesellschaft*, vol. 38, no. 4 (2012), 588.

Bibó already pointed out, the basis of the *Ausgleich* was a “political falsehood” and placed the country on a developmental track, which led to the tragedies of the 20th century. Kovács’ analysis of the situation clearly alluded that the current situation would also lead to similar disasters if the false compromise prevailed.⁷²

The former Marxist revisionists, György Bence and János Kis, in their essay also referred back to another situation, the postwar coalition years of the Hungarian democracy between 1945-1948, when Bibó discussed extensively the idea of compromise. Bibó in his essay “The crisis of Hungarian Democracy” contemplated possible solutions for keeping together the coalition government of the nascent Hungarian democracy. In his understanding, a three-fold compromise could save the political system and continue the democratization process, that is limited revolution, restricted political pluralism and conditioned sovereignty. For Bibó, limited revolution meant a compromise along policy fields, which would have decided what should be the subject of radical change and what should be under consolidation. A temporarily restricted political pluralism would have served to save the fragile equilibrium of the coalition and the limited sovereignty was a compromise towards the Soviet Union.⁷³ For Bence and Kis, the stake of analyzing these thoughts and their chances was the possibility of an incremental democratization and a move towards a genuine social compromise. They put the gradual opening of the civil sphere as the precursor of democratization and a basis for an authentic compromise. The actuality of this question was also that similar ideas were spreading throughout the Eastern Bloc.⁷⁴

In Miklós Haraszti’s essay, the Kádarian compromise was also a central theme. He criticized the common belief that this pact was reasonable. In his opinion it led to a false

⁷² András Kovács, “Két Kiegyezés,” in *Bibó-émlékkönyv*, ed. Pál Réz (Budapest : Bern: Századvég Kiadó : Európai Protestáns Magyar Szabadegyetem, 1991), 118-139.

⁷³ György Bence and János Kis, “Határolt forradalom, megszorított többpártrendszer, feltételes szuverenitás,” in *Bibó-émlékkönyv*, ed. Pál Réz (Budapest : Bern: Századvég Kiadó : Európai Protestáns Magyar Szabadegyetem, 1991), 391-395.

⁷⁴ *Ibid*, 391-402.

developmental trajectory and the crisis of Hungary stemming from economic, social and intellectual stagnation. Haraszti embraced Bibó's term of "independent action" as a way out. He put civil society against the "rationality" of the consolidation, which could help the country to reach social autonomy and national independence.⁷⁵

The possibilities of democratization and the search for a new compromise were intrinsically linked in these texts. While the former authors problematized the Kádárist compromise, others rather emphasized the possibilities of democratization. So did Mihály Vajda, also a former Marxist philosopher, in his analysis on Western-style democracy.⁷⁶ Pál Szalai, an activist of the democratic opposition went further in his essay and explicitly stated that the current crisis stemmed from the failed democratization processes of postwar Hungary (1945-48, 1956). Interestingly, Szalai not only wanted the democratization of the socialist regime in Hungary, but also wanted to overcome the shortcomings of the Western liberal democracy.⁷⁷ Meanwhile, Vajda put the idea of civil society and civic attitude as a solution. He argued that even though the previous attempts for democratization were repressed, a possible way out was to practice the civic attitude in the available limited space.⁷⁸ Szalai, similarly to Vajda, emphasized the importance of civil society, but his solution was a third way concept of socialist democracy coming from Bibó. For him this meant the introduction of democratic self-governance, which could redefine the public affairs, as a different non-habitual way of political action. Szalai supported his argument by referring to the emerging dissident movements of the Bloc, which also put these ideas on their agenda.⁷⁹

⁷⁵ Miklós Haraszti, "Bibó kettős példamutatása," in *Bibó-émlékkönyv*, ed. Pál Réz (Budapest : Bern: Századvég Kiadó : Európai Protestáns Magyar Szabadegyetem, 1991), 245-246.

⁷⁶ Mihály Vajda, "Civil Társadalom És Demokrácia," in *Bibó-émlékkönyv*, ed. Pál Réz (Budapest : Bern: Századvég Kiadó : Európai Protestáns Magyar Szabadegyetem, 1991), 183-193.

⁷⁷ Pál Szalai, "Meghaladható-e a liberális demokrácia?," in *Bibó-émlékkönyv*, ed. Pál Réz (Budapest : Bern: Századvég Kiadó : Európai Protestáns Magyar Szabadegyetem, 1991), 176-181.

⁷⁸ Vajda, "Civil Társadalom És Demokrácia," 192-193.

⁷⁹ Szalai, "Meghaladható-e a liberális demokrácia?," 180.

The crisis of development, that is stagnation, appeared in many of these writings, but its strongest emphasis was present in György Konrád's contribution. According to him, the economic stagnation and the relative economic backwardness towards the West were resulted from the the restricted public sphere, intellectual and cultural life. As Konrád wrote, "politically paternalized citizens cannot be of age economically."⁸⁰ Konrád interpreted Hungary's economic backwardness from a historical dimension, which even the consolidated authoritarian regimes could not eliminate during the 20th century. As a way out, Konrád envisaged a reform period in the vein of the 19th century, which was supposed to stem from civic action outside politics. He posed the second economy as an example, which enabled people to reach independence through economic activities outside the state.⁸¹

The populist István Csurka also saw the crisis as part of the broader Hungarian national trajectory, but importantly in his writing, the historical dimension was not presented as an economic, or democratic crisis, but as the crisis of the national spirit. He wrote, "out of this kind of forgetfulness, indifference, any second-rate European doctor will diagnose a deadly disease with a pitiful smile"⁸². The deadly illness was the moral and demographic decline of the nation caused by Kádárism. The symptoms of "forgetfulness and indifference" meant the marginalization of Bibó after 1956, but more broadly the social compromise with the regime. As he contended, this was because of a bad conscience, Bibó's criticism of the Austro-Hungarian Consolidation should have had to resonate with the Hungarian public. In his view, this consolidation as the other one in the 19th century led to demographic decline and the moral-psychological crisis of the nation, the "deformation of the Hungarian habitude."⁸³

⁸⁰ György Konrád, "A Harmadik reformkor elé (naplójegyzetek)," in *Bibó-émlékkönyv*, ed. Pál Réz (Budapest : Bern: Századvég Kiadó : Európai Protestáns Magyar Szabadegyetem, 1991), 44.

⁸¹ *Ibid*, 43-56.

⁸² István Csurka, "Bibó felejtés," in *Bibó-émlékkönyv*, ed. Pál Réz (Budapest : Bern: Századvég Kiadó : Európai Protestáns Magyar Szabadegyetem, 1991), 419.

⁸³ *Ibid*, 416-421.

3.3. What is to be done? – Debate on the Near Future

The discourses present in the Bibó Memorial Book focused mainly on the diagnosis of the Hungarian state of affairs. The main conclusion was that the Kádárist compromise became the main obstacle of the socio-economic development, therefore the crisis of the country. However, these accounts only barely and somewhat vaguely formulated ideas about what should be done. Nevertheless, two years later this question became the center point of the debate started by János Kis, philosopher and ideologue of the democratic opposition on the pages of the samizdat journal *Beszélő*. His article published in the spring of 1982 was titled “Thoughts on the Near Future”.⁸⁴ This writing started one of the most remembered and influential polemics of the Hungarian second public. Kis was influenced to write his piece after the introduction of the Martial Law in Poland on December 13, 1980 and the following repression of the Solidarity movement.

The military solution of the Polish crisis and the failure of the Solidarity movement had a significant importance for the *Beszélő*-circle. The Polish opposition in many regards was an inspiration and an example for the Hungarian human rights opposition. They not only owed much to the ideas of Adam Michnik and Jacek Kuron ideologues of the Polish dissidence but borrowed institutions as well. The organization of the flying university, illegal lectures in private apartments and the Hungarian samizdat scene were all inspired by study trips of Hungarian activists to Warsaw. No coincidence, that the democratic opposition was closely following the formation of the Solidarity trade union in August, 1981, the largest opposition movement in Eastern Europe. During the one and a half year of its legal activities until its repression in late 1981 the Polish affairs were heavily discussed in the second public and remained even after the martial law.⁸⁵

⁸⁴ Kis, “Gondolatok a Közeljövőről.”

⁸⁵ Mitrovits, *Tiltott Kapcsolat*, 50-105.

In one and a half year many known and lesser known Hungarian critical intellectuals contributed to the debate. Beyond the assessment of the Polish crisis the polemics revolved around three main questions. First, what are the prospects of the Hungarian opposition? Academic works written after 1989 emphasize mostly this aspect of the debate where the arguments echoed the fault-lines of the similar debate taking place in Poland. In Hungary, similarly to the Polish opposition the views oscillated between an organized opposition with a clear political program and a self-organizing independent and rather antipolitical civil society.⁸⁶ However, for this inquiry the other two questions are much more important. Many of the accounts polemicized the economic situation of Hungary and whether Hungary was already in crisis or just will be in crisis. The relative wealth and prosperity sustained by the Kádárist regime secured a sense of superiority for the Hungarian society in compared to other Eastern Bloc countries. From this followed an important conclusion, namely that Hungary was different than Poland. On the one hand, in Hungary the shortage economy and social upheaval present in Poland were unimaginable. On the other hand, the social compromise and consolidation what the Kádárist leadership implemented since the early 1960s was impossible in Poland. In regard to this emerged the either-or question of the debate, that is either reforms will be implemented or economic collapse will take place. Even though Hungary did not yet experience an acute crisis, its general development was endangered and the confidence in the future was lacking.

These questions were articulated by Kis himself. His starting point was that the status quo would be different after 1981. The crisis was economic in nature and it was impossible to resolve with half-hearted reforms and simple tinkering with the economy. As he put it “[t]he problem is so grave, that the economic foundations of the post-Stalinist policies got endangered”.⁸⁷ These economic foundations were the increase of living standards and the

⁸⁶ Ervin Csizmadia, *A magyar demokratikus ellenzék története, 1968-1988, Monográfia*, vol. 1 (Budapest: T.-Twins Kiadó, 1995), 224-228.

⁸⁷ János Kis, “Gondolatok a közeljövőről”.

satisfaction of consumer needs. As Kis saw after the global economic processes in the 1970s, the oil price boom and the technological turn in the West it was impossible to continue these policies.⁸⁸

In his analysis this was a turning point where the communist leaderships had to decide on reforms, because the root of the crisis was their indecisiveness. The reforms brought dilemmas, such as social costs and clash of different nomenclature interests, what the Hungarian politicians were unwilling to face. According to Kis, Hungary was at a turning point, where “it is not sure whether [Hungary] will diverge permanently from the presiding Eastern European mainstream or [it] will join later”.⁸⁹ As it seen the stake of the crisis was either reform or economic decline. Meanwhile, he saw this as an opportunity to transcend the current regime, because “[s]ince 1948, it has never been possible to think so freely about alternatives to the Soviet-type economic system”.⁹⁰ However, Kis found the opposition for this moment unprepared, his central argument was it has to provide an alternative through a well-articulated political program beyond the human rights critique of the 1970s. According to him this could have also mobilized the people, because as he wrote not the social upheaval but the social apathy was the greatest obstacle to solve the crisis.⁹¹

The majority of the responses agreed with Kis, that it was an economic crisis and shared his assessment that it represented something bigger than the cyclical economic disturbances, which the regimes had to face until then. Zoltán Krasznai, an obscure figure of the samizdat scene and a journalist after 1989 grasped quite vividly what the essence of the crisis was. A he wrote:

“We all talk about a crisis, but what we mean under a crisis? In what differs the current cycle of crisis of the soviet-type regimes from the previous ones? In my

⁸⁸ Ibid.,

⁸⁹ Ibid.

⁹⁰ Ibid.

⁹¹ Ibid.

opinion the earlier crises stemmed from the different political or economic functional disturbances of the regimes and after the elimination of these disturbance the regimes could provide a more or less acceptable level of development. The current crisis cycle, however is characterized by the all-encompassing nature of these organic functional disturbances. The stagnation of the economic growth all over the regions shows that the traditional planned economies and half-reformed 'neither planned, nor market-type' regimes (such as the Hungarian) exhausted all their developmental potential."⁹²

Even though this was an all-encompassing crisis endangering the long-term development of the country, it could be perceived also an opportunity to be seized. Erzsébet Szalai, a reform economist who was working for the Financial Research Institute also saw the possibilities in the openness of the situation. As Szalai put it "the Eastern European crisis contains not only dangers, but also great opportunities. If the leadership can be forced to pursue further reforms based on the current achievements, Hungary can increase its external independence and internal pluralism".⁹³

Nevertheless, not everybody saw the crisis as the matter of clear cut alternatives as Kis. István Eörsi a Marxist dissident writer and a veteran of the 1956 revolution criticized Kis, because in his opinion the reality was neither of the two extremes. As Eörsi wrote, "[l]ogically it seems to be irrefutable [Kis'] axiom that either radical reforms will be implemented or we will be bankrupted. This time it can happen that the reality will work along the laws of this 'either-or'. However, what happens if the reforms needed for survival will be implemented, but they will not be as comprehensive, that they will suffice for the wished social transformation? Beyond the two extremes many other options can prevail from the further bumping to further vegetation (*tovazötyögéstől a tovavegetálásig*). The question of "Chto delat'?" (What is to be done?) should take these into account."⁹⁴

⁹² Zoltán Krasznai (Szabadgondolkodó), "Jelszavaink legyenek: haza és haladás," *Beszélő*, no. 7, April, 1983.

⁹³ Erzsébet Szalai (Kovács Eszter), "A liberális alternatíva társadalmi feltételeiről," *Beszélő*, no. 7, April 1983.

⁹⁴ István Eörsi, "Csto Gyelaty?" *Beszélő*, no. 4, September, 1982.

Tamás Bauer seemingly offered a solution to the problems of radical reforms. The reform-economist Bauer, who worked at the Academy of Sciences posed the either-or question as “the renewal of Kádárism or its end?”. He clearly argued for a reform from above under the slogan of “Illyrization”. His coinage explicitly referred to the Polish dissident theoretician Jacek Kuroń’s term “Finlandization”, which meant a limited scope of democratic pluralization taking into account the geopolitical interests of the Soviet Union. Comparing to this, Bauer proposed even milder reforms, altogether the implementation of the self-governing Yugoslav system, in which process the opposition could help mobilize the social support. His plan focusing on pluralism of interests and economic reforms sought to preserve the stability of the Hungarian regime. As Bauer contended the possibility of a shortage economy posed a danger to all the “achievements” of the regime. Therefore, he believed that the leadership would support economic reforms since the “prime precondition of Kádárism was the relatively good supply of consumer goods in the Eastern European context”.⁹⁵

Bálint Magyar a sociologist and an activist belonging to the core of the democratic opposition stressed the difference between the Polish and the Hungarian situation. As he wrote similarly to Poland the crisis of consumer supply can happen in Hungary, however his opinion was, that in the Hungarian context “the Polish-type confrontation is not necessary, not unavoidable and not promising”.⁹⁶ Magyar identified three factors, which lacked in Hungary, but lead to the social explosion in Poland. Most importantly, the Polish regime did not offer social valves, as the second economy in Hungary, where the workers could supplement their wages earned in factories. Also, the composition of the Polish industry overrepresented professions, which traditionally could easily organize themselves, such as miners, shipyard and

⁹⁵ Tamás Bauer (Csonka Dénes), “Az optimista alternatíva körvonalai,” *Beszélő*, no. 5-6, December, 1982.

⁹⁶ Bálint Magyar (Kürthy Emil), “Polgárrá válni,” *Beszélő*, no. 4, September, 1982.

seaport workers. Furthermore, unlike in Hungary the Polish leadership was monolith and lacking the influence of the reformer factions.⁹⁷

As it is visible the majority of the contributors agreed more or less on the diagnosis of the crisis and the polemics mainly revolved around what the opposition should do. However, there was one account, which approached the crisis in very different terms. He was Gáspár Miklós Tamás a dissident philosopher. Tamás as an ethnic Hungarian fled Romania from the persecution of the Ceaușescu regime and became an active member of the democratic opposition in Budapest. He interpreted the crisis as a moral crisis.⁹⁸ However, his thoughts differed from other moralist arguments mainly present amongst the national-populist opposition. While the latter based their critique on the romantic communitarian view of the nation, Tamás applied a moral philosophical apparatus. As he declared he was not interested in the general problems of modernity, but the local specificity of this moral crisis. Therefore, his main concern was not even the crisis of morals but the crisis of moral judgment present in Hungary. He defined moral crisis as the following: “that condition, in which a significant part of a given society holds that the others act immorally most of the time.”⁹⁹ According to Tamás in this state the morals cannot fulfill their social orienting and regulating function, because it is impossible to exist in a constants moral disapproval. As he put, “the morals should be the law and not the exception.” In his view this was intrinsically connected to the failure of the Marxist doctrine and its unfulfilled promises. This made the state itself as morally dangerous, a ruling entity without moral authority. As Tamás wrote, “the Kádár regime in point of fact do not state anything else than they are the lesser evil”.¹⁰⁰ From this fact stemmed many proposition for the opposition. First and foremost, its ideology had to be anti-statist and anti-authoritarian. It should

⁹⁷ Ibid.

⁹⁸ Gáspár Miklós Tamás, “Amiért mégis,” *Beszélő*, no. 8, October, 1983.

⁹⁹ Ibid.

¹⁰⁰ Ibid.

seek a “moral reform”, which starts from the individual itself and altogether the immoral condition could only end with a political liberation.¹⁰¹

The long debate did not lead to a crystallized strategy or the implementation of the methods of the Polish opposition. A unified action was impossible since it was hard to speak about one opposition. Different individuals and groups pursued action along their views and ideas. If we look at the rest of the 1980s it is visible that many of the proposed strategies were present. Let it be Magyar’s proposal on a compromise seeking and negotiating attitude¹⁰², or György Konrád’s, the prominent dissident writers’ antipolitical civic action.¹⁰³ There were even efforts to turn towards the everyday people, for what István Orosz, the printer of *Beszélő* argued in his critique of the intellectuals.¹⁰⁴ Nevertheless, one dominating approach still emerged, which was Kis main argument, that is transforming the Kádárist regime through reform. As Kis remembers he did not foresee the end of the regime, but he saw the early 1980s as a moment when there was a possibility, that the Kádárist system would evolve from a dictatorship into an authoritarian regime.¹⁰⁵ He and the *Beszélő-circle*, the core group of the democratic opposition from then on sought to build an alternative to the state socialist system through a political program. The first sign of this attitude already appeared during the debate in December 1982, a short reform proposal titled “How to look for a way out from the crisis?”.¹⁰⁶

3.4. Crisis as a Concept in Critical Academia

For the early 1980s talking about a crisis became a tool for analyzing and criticizing the current affairs of ‘existing socialism’. Social scientists were also involved in these discourses

¹⁰¹ Ibid.

¹⁰² Magyar, “Polgárrá válni”.

¹⁰³ György Konrád, “Adottságainkból kell kiindulnunk,” *Beszélő*, no. 8, October, 1983.

¹⁰⁴ István Orosz (Kívül-álló), “A Hivatal-védte ellenzékiesség,” *Beszélő*, no. 4, September, 1982.

¹⁰⁵ János Kis, *Szabadságra ítélve, életrajzi beszélgetések Meszerics Tamással és Mink Andrással* (Budapest: Pesti Kalligram, 2021), 253-254.

¹⁰⁶ “Hogyan kreressünk kiutat a válságból?”, *Beszélő*, no. 5-6, December, 1982.

pointing towards the deformed development of social values and the lack of positive visions caused by the stagnation of the Kádárist system.

One of its prominent representative was Elemér Hankiss a sociologist, whose main research concerned the values of the Hungarian society and the question of social atomization. His essay titled “The Crisis of Communities and their Scarcity” was published in his collected volume of essays titled *Diagnózisok* (Diagnoses).¹⁰⁷ In Hankiss’ understanding the crisis of the late socialism came from the social connections of the Hungarians, or more precisely from their lack. His analysis concerned the question of why genuine communities could not form in Hungary since World War II. He did not satisfy with the explanation of the repressive nature of the regime, since following 1956 it liberalized and decentralized the system. According to him the Kádárist consolidation brought a new social structure, that is the “new feudalism”.¹⁰⁸ As Hankiss put it, in this system personal favors and interpersonal dependencies dominated and vertically structured the Hungarian society, which impeded the formation of spontaneous and horizontal communities. Furthermore, the apathy and distrust among Hungarians prevented the formation of group consciousnesses, therefore there were no bearers of different social interests.¹⁰⁹ In his conclusions Hankiss touched upon the question of democratization, as he wrote, this problem was not only concerned a healthy human life, but communities themselves “would be essential constituents and bearers of the modernization and democratization of the [Hungarian] society”.¹¹⁰

Hankiss in another essay discussed the question of path dependency, that is whether it is necessary Hungary to be the way it is. The center point of his writing was the ambiguous modernity of the Hungarian social values and their divergence from the Western world. Again

¹⁰⁷ Elemér Hankiss, *Diagnózisok*, 3rd ed. (Budapest: Helikon, 2017).

¹⁰⁸ Elemér Hankiss, “Közösségek válsága és hiánya,” in *Diagnózisok*, by Elemér Hankiss, 3rd ed. (Budapest: Helikon, 2017), 61-63.

¹⁰⁹ Ibid, 68-76.

¹¹⁰ Ibid, 79.

his main concern was the atomization of the Hungarian society. He characterized the state socialist development of social values as an empty individualization, “a raw individualism without world-view, tradition and culture, only seeking to accumulate and survive”.¹¹¹ He accounted these values for the economic decline of the country, which impeded creativity and innovation putting Hungary on the path of peripheral states. The question of decision and its influence on future, what was a pivotal point in “the debate on the near future” of the Beszélő-cycle were also important for Hankiss. In his understanding the grave situation of Hungary in the 1980s stemmed from earlier bad decisions, which created constraints and made the country unable to accommodate to the radically changing outside world of the 1970s. In his words: “certain societies only at certain historical turning points have the possibility to make crucial decisions and determine the trajectory of their development. At such a point if they (...) decide wrongly, that will put them on a forced path (*kényszerpálya*), what they cannot correct for a long period.”¹¹² When in his conclusions Hankiss proposed the modernization of socialization (e.g.: education) as a prerequisite for economic reform, it is not far-fetched to say that Hankiss suggested the contemporary reader that the 1980s can be such an important turning point for Hungary again.¹¹³

The erosion of the Marxist-Leninist doctrine opened the question of what visions should be on the future. At the end of 1985 this was the center point of the polemics between two reform economists Csaba Gombár and László Lengyel, both of them working for the Institute of Financial Research. Gombár’s critique concerned the fragmentation and pettiness of the Hungarian social visions. As a contemporary survey showed the average Hungarian’s plan for 2010 was quite sober and grey: a two-bedroom 50 square meters apartment, a Skoda or

¹¹¹ Elemér Hankiss, “Kényszerpályán?,” in *Diagnózisok*, 3rd ed. (Budapest: Helikon, 2017), 498.

¹¹² *Ibid*, 487.

¹¹³ *Ibid*, 489.

Wartburg automobile and the possibility to travel abroad in every two or three years.¹¹⁴ The reason of this and the roots of the crisis as Gombár contended was that none of the dominating intellectual visions bore any potential for social mobilization for the future. The official vision of the party became empty and eroded, the technocratic language of the reformers focused only on the academics and the still existing vision of the interwar populist tradition, a “Garden Hungary” was too romantic to present an action plan.¹¹⁵

Lengyel’s argument did not find the main problem in the pettiness of the Hungarian visions. As he wrote this kind of accumulation was a sign of the peaceful development, modernization and slow embourgeoisement (*polgárosodás*) of the Kádár era. He detected the main problem in the schizophrenic social consciousness and uneven modernization of Hungary: “it brought the consumer culture with its institutions (...) and their relative Europeanization. However, it did not develop a modernized, European, westernized production and market structure and a civic attitude”.¹¹⁶ Therefore as he saw, while Hungary became a role model of consumer dreams in the Eastern Bloc, the Hungarians felt themselves underdeveloped compared to the West. According to Lengyel the either-or question in the great global economic transformation of the 1980s stemmed from this in-betweenness of the country: “the balcksliding (...) became a question of destiny (*sorskérdés*)”.¹¹⁷ Similarly to the debate in the *Beszélő* he saw the future pending on the question of reform. That is, either there will be democratic politics, market reforms and free culture or the Hungarian prospects will stuck in East Central Europe. To secure the continuation of the Hungarian modernization in a changing world he saw the technocratic-reformer visions to be the best fit. As Lengyel contended in the mid-1980s

¹¹⁴ Csaba Gombár, “Jövőképek - képek az ország jövőjéről,” *Medvetánc*, no. 4–1 (1985): 163.

¹¹⁵ *Ibid*, 165-169.

¹¹⁶ László Lengyel, “Politikai Magatartás és gazdasági viselkedés egy kis ország jövőképében,” *Medvetánc*, no. 4 (1985): 173.

¹¹⁷ *Ibid*, 177.

these groups were already talking to the broader public, since many average people followed their debates on the pages of a leading Hungarian economic weekly (*Heti Világgazdaság*).¹¹⁸

3.5. Attempts for Building a Coalition – The Monor Meeting

In the summer of 1985 different factions of the critical intellectuals conspired to organize a meeting in Monor in a camping, not far from Budapest. The debate did not intended to a produce a common opposition program yet. The goal of the participants, first and foremost was to exchange views and end those suspicions, which these groups held against each other, in other words there was a long need to clarify what exactly these different groups thought about future. As Ervin Csizmadia characterized the meeting, the participants agreed “that for 1985 a crisis has emerged in Hungary, the severity of which the political leadership was unable to properly asses. However, the opinions were diverging in that question, that what kind of crisis was going on, what its nature is, and what should be the solution for this crisis and what kind of strategies should these groups work out.”¹¹⁹

Each of the four factions being present had their own distinct motives to seek connections with other critical intellectuals. The hopes of the reform economists proved to be ill fated, that their ideas will be taken into account during the formation of the new economic program. The populists realized that their compromise seeking bargaining strategy to obtain permission for their planned periodical and foundation failed, the leadership was unwilling to compromise. The core of the democratic coalition, the Beszélő-circle aimed to build a broader coalition and outgrow the role of political avant-garde. The fourth group present, which connected the former three together was consisted of intellectuals who were associates of Imre Nagy and took part in the 1956 revolution. The event was initiated by István Csurka, one of the leading figure of the younger generation of populist writers.¹²⁰ However, for the coordination of the organization

¹¹⁸ Ibid, 194.

¹¹⁹ Csizmadia, *A magyar demokratikus ellenzék története, 1968-1988, Monográfia*, 313.

¹²⁰ Kis, *Szabadságra ítélve, életrajzi beszélgetések Meszerics Tamással és Mink Andrással*, 399.

process Ferenc Donáth was asked for. Donáth was a communist politician in the Popular Front before the war and after he participated in the 1956 revolution he was imprisoned. Without his person and attitude the discussion would not have taken place, his personality could serve as a common denominator for all the groups.

The debate started with four lectures and the their assessment by appointed discussants. In regard of the very distinct conceptual perceptions of the crisis two lectures were crucial. The populist István Csurka submitted a text titled “The New Hungarian Self-building”¹²¹ and János Kis that time already a liberal philosopher and editor of the *Beszélő* wrote about “Our Limits and Possibilities”¹²². Both of them presented further developed versions of ideas, which already appeared in their writings in the Bibó Memorial Book. This time Csurka connected his views on the spiritual decline of the Hungarian nation with a very distinct social critique of the Kádárist regime. Kis in turn drew up what could be the possible outline of a compromise on which the democratization of the country could unfold.

Csurka perceived the Kádárist consolidation as a tragedy, during which the spirit of the nation became corrupted, nihilistic and the nation lost its self-confidence. For him the crisis meant the danger of “the termination of an independent Hungarian national existence.”¹²³ The central tenet of his cultural critique of the Kádárist system was, that the Hungarian culture did not function, as he put it, this was a “quasi-culture”. As he thought “[a] healthy national culture should be distinct and differentiated, it should give its own answers to own questions. If we look from this viewpoint the current Hungarian culture does not function properly.”¹²⁴ In Csurka’s view, when he connected the different parts of his critique, the most important issue

¹²¹ István Csurka, “Új magyar önépítés,” in *A monori tanácskozás 1985. Június 14-16.*, ed. János Rainer M. (Budapest: 1956-os Intézet, 2005), 28—42.

¹²² János Kis, “Korlátainkról és lehetőségeinkről,” in *A monori tanácskozás 1985. Június 14-16.*, ed. János Rainer M. (Budapest: 1956-os Intézet, 2005), 85–95.

¹²³ Csurka, “Új magyar önépítés,” 29.

¹²⁴ Csurka, 28.

was, that this culture did not aim to improve the conditions of the underprivileged masses. He talked about two processes of the Kádárist consolidation. One was the development of an uprooted mass, the former peasants who lost their identity after the rapid industrialization and agricultural collectivization. The other was the counter-selection of the intelligentsia, which got coopted into the power structure of the regime. Csurka perceived the intellectual class as the producer of this “quasi-culture”, who was only interested in its class privilege. This latter idea was referring to György Konrád and Iván Szelényi’s book written in the mid-seventies, *Intellectuals on the Road to Class Power*. Interestingly, Csurka gave as a solution a cultural renewal, because as he thought in the current society the issue of haves and have nots was not a material question, but question of education and information.¹²⁵ As a way out from the crisis he recommended a retreat from politics and power into the private. He put the antipolitics, the Western ecological movements and Ivan Illich’s, Austrian philosopher’s ideas as an example. He argued for this withdrawal, because he thought that the education and official institutions served the purpose of indoctrination into the quasi-culture of Kádárism and opposed to this the family can be the basis of a distinctively Hungarian self-building.¹²⁶

János Kis proposed a diametrically opposing solution. On the one hand his lecture proposed the institutionalization of the intellectuals and articulation of their ideas, which process could have provided a long awaited program for the society. On the other hand his ideas targeted one crucial aspect of the regime, whose development after 1961-93 “did not modify that very distinct feature of the soviet-type system, that neither individuals nor organizations do not have clear, defendable and accountable rights against the power.”¹²⁷ As Kis contended there should be clearly defined conditions and institutions to overcome the crisis. These could be based on a new compromise, which was possible with the already weakening influence of the Soviet

¹²⁵ Csurka, 33.

¹²⁶ Csurka, 42.

¹²⁷ Kis, “Korlátainkról és lehetőségeinkről,” 91.

Union. This compromise was imagined by Kis as a clear division of the public law sphere and civil law sphere, this later became the central tenet of the Beszélő-circle's reform program in 1987. The main goal and idea of the division was "a double movement: in the public law sphere towards the rule of law and in the civic law sphere towards pluralism".¹²⁸ In this sense in the civil law sphere the state could only intervene along clearly defined laws, meanwhile in the public law sphere the privileges of the party could remain. However, this latter would have also meant clearly defined competencies for the different institutions of the party. As Kis detailed, in the civil sphere the society, though with some constraints, but could have been free. It would have been free to associate, start different kind of entrepreneurship, publishing houses, newspapers and interest representations.¹²⁹

It is impossible to detail the debate of the two days, but important aspects of the polemics evolved around the two opposing concepts. Csurka's ideas on withdrawal triggered several criticism. As his discussant Miklós Szabó, a dissident historian pointed out, this strategy would have been exactly, what the power would have wanted. In his view during the consolidation, the awareness of rights and the solidarity bonds were destructed the most. One is the basis of conscious citizen, the other is the basis of community. Ceding from the sphere of official would have mean exactly to giving up being aware of rights.¹³⁰ Another issue was, what Gáspár Miklós Tamás, a philosopher formulated that, it was not clear which values were in crisis, when the populist talked about a crisis of values.¹³¹ Later in the debate Dénes Csengey a young populist litterateur answered these question. One was the modernization rhetoric of socialism, which had a great promise in the postwar period. Also, the idea of the nation became empty, which

¹²⁸ Kis, 94.

¹²⁹ Kis, 94.

¹³⁰ Rainer M., *A monori tanácskozás 1985. Június 14-16*, 46.

¹³¹ Rainer M., 125-126.

could not provide a positive identification anymore. Furthermore, the values of the bourgeoisie, which took responsibility and believed gradual building were also in crisis.¹³²

The meeting in the Monor camping was the highpoint of the coalition building attempts among different intellectual groups. One year later Ferenc Donáth died and there was nobody, who could take over his role in building bridges between different world-views. In the following period until 1987 all the intellectual groups articulated their ideas, exactly what János Kis recommended. However, those debates and exchange of views did not take place, which could have build a common opposition coalition before 1989.

3.6. Conclusions

From the early 1980s to the mid-1980s there is a clear trajectory how the critical intellectuals of Hungary discussed the crisis of state socialism. As the symptoms of the crisis appeared at the beginning of the decade different intellectual groups started formulating their diagnosis on Hungary's current affairs few year later these groups were already thinking about what can be the way out. In the *Bibó Memorial Book* intellectuals from different ideological background coincidently pointed out that it was the crisis of Hungary's long-term economic and social development. They argued that the root of the crisis was the political, economic and social practices of the Kádárist regime. The symptoms stemmed from its uneven modernization, limited democratization and the atomization of the society, which all placed Hungary on a trajectory, which similarly to other periods could lead to catastrophes. These writings were not yet centered around the question of what is to be done. However, two years later a long polemic on the pages of *Beszélő* revolved around exactly this issue. During the debate emerge the crucial either-or question, which was formulated on the future of Hungary: either there will be radical reforms or the country's decline will be inevitable. For the meaning of reform yet had to wait few years. Nevertheless, in 1985 became apparent that emerged two distinct interpretation of

¹³² Rainer M., 231-231.

the crisis. While the nationalist-populist writers framed it as the decline of national spirit. In the language of the Beszélő-circle and the reform economist it was phrased in economic and political terms, meaning Hungary's inability adapt to the radically changing global affairs.

4. DEFINING REFORM: PROGRAMS OF DÉNOUEMENT 1985-87

4.1. Introduction

After 1985 a new period started in the crisis discourses. During the early 1980s these actors sought to provide a diagnosis and a definition for the crisis of the state socialist regime. In these debates and meetings the pivotal question emerged, that either reforms will take place or Hungary's future will be endangered, the collapse will be inevitable. After 1985 the three main intellectual groups participating in the debates aimed to provide their own definition of the reform in articulated programs of dénouement (*kibontakozás*), the popular term of the era. This chapter seeks to analyze these three different definitions of reform and through contextualization aims to answer why in this period and later did not emerge a commonly shared vision on what should be the Hungarian renewal. Furthermore, the last subchapter seeks to give a short answer why these concepts never realized and what started after 1987.

The aim of the intellectuals to provide their own program for dénouement most importantly was urged by the political-economic processes of Hungary and the Eastern Bloc. After 1985 with Gorbachev coming to power in the Soviet Union, his reform ideas became an important legitimization for the wished reforms. Most importantly, however 1985 and 1986 were the years when the symptoms of the economic crisis really became acute in Hungary. János Kádár and the leadership due to their ambiguous attitude towards reformism did not provide a clear cut program, which could have solved the problems of the economy. Earlier in 1984, the party instead of a structural reform sought to boost the economic performance with a dynamization program, which eventually failed and made the situation even graver. This latter provided a strong incentive for Hungary's intellectuals to articulate their views on the alternative. Furthermore, during this period the younger reformer generation of the Hungarians Socialist Workers' Party started its march to top position of the party.¹³³

¹³³ Csizmadia, *A magyar demokratikus ellenzék története, 1968-1988, Monográfia*, 360-363.

During 1986 and 1987 three different concepts of reform came to public. Two programs, the *Turnabout and Reform*¹³⁴ formulated by the reform economists in the Financial Research Institute and the *Social Contract*¹³⁵ written by the Beszélő-circle appeared in the broader public discussion in the summer of 1987. Furthermore, in September 1987 close to two hundred intellectuals mainly from the populist stream came together in a small municipality, Lakitelek.¹³⁶ The participants after the meeting issued a declaration on their views how the national dénouement should take place.

The differences between these group in their understanding of the crisis were crucial and can be detected in these documents. The main dividing line can be laid between the nationalist-populist intellectuals and the other two groups, the democratic opposition and the reform economists. The former conceptualized the crisis, as the crisis of the national spirit, which manifested in different moral and social phenomena. The latter two groups, however interpreted the problems of the Hungarian system as an economic, political and social crisis, which endangered the country's long-term socio-economic development. In one case the stake was the hardier death of the nation, in the other case it was Hungary's backsliding and impoverishment in a globalized world economy.

These different concepts of crisis not necessary had to lead to the failure of the formation of a common program. The 1985 Monor meeting was a positive experience for most of the participants and many of them the hoped for the continuation of the deliberation. This never realized. The question which lead to the failure of a common definition of the reform was the how. The break between the circles of the democratic opposition and the nationalist-populists came from their radically different views on how the change should be reached and what should

¹³⁴ Antal et al., "Fordulat és reform."

¹³⁵ Kis, Kőszeg, and Solt, "Társadalmi szerződés."

¹³⁶ Sándor Agócs and Endre Medvigy, eds., *A magyarság esélyei, a tanácskozás hiteles jegyzőkönyve: Lakitelek 1987. Szept. 27.* (Lakitelek, Budapest: Antológia, Püski, 1991).

be their relationship to the communist leadership. The populists from early on wanted to influence the power through bargaining and a compromise. Shortly after 1985 they found a relatively strong ally among the reformer politicians of the party, Imre Pozsgay whose views were very close to their own and he was also perceiving them as possible allies. In this strategy a connection with the more radical democratic opposition did not fit.

4.2. Economic Consolidation and Restructuring: the *Turnabout and Reform*

The *Turnabout and Reform* was both intended as a policy proposal for the political leadership and as a document for the broader public. Its nature and components cannot be separated from the institutional position of the Financial Research Institute (RFI), which was established during the reform period in 1968 as a think tank for the Ministry of Finances. Even though, after 1972 the reform process of the New Economic Mechanism stalled the RFI could operate further. Many of the reform politicians who were ousted from high politics found employment there, where they could continue their research on the reform. During the 1970s the institute started to employ more and more young professionals and the two main streams of research took shape, namely monetarism and structuralism. These young researchers in the early 1980s became relatively widely known at public debates on the reform organized by the Communist Youth Association (KISZ).¹³⁷

Monetarism as one of the main direction of research in the institute focused on finances and promoted economic liberalization and fiscal prudence as solution for the economic problems of the country. The other so called institutionalist approach examined decision making, redistribution of resources and the negotiations between the economic actors and the apparatus. It found the causes of the inefficient economic functioning in the bargaining between the industrial management and the political-bureaucratic apparatus. As they contended this system

¹³⁷ Ágnes Gagyí, “Beágyazott kritika, a Fordulat és reform kontextusa,” *Fordulat*, no. 21 (2014): 151-158; Fabry, *The Political Economy of Hungary*, 47-55.

did not allow the optimal distribution of the available resources and endangered the productivity of the economy.¹³⁸ These two streams of economic thinking was clearly visible in the document drafted during 1986.

After the failure of the party's economic policies became apparent in 1985 the urge for an all-encompassing economic diagnosis emerged among the economist working for the RFI. They already realized that their hope, that their proposals will be taken into account at the level of the political leadership proved to be ill fated. Even though, the researchers participated in its preparations, the 1984 resolution of the Central Committee incorporated their ideas only in a highly compromised form. The party after giving in to industrial interests instead of a radical structural reform and further increasing enterprise autonomy decided for a dynamization program. In the words of László Lengyel an economist that time at the RFI and one of the editors of the *Turnabout and Reform*: “instead of consolidation the experiment of dynamic growth appeared, the anti-inflation struggle, the universal employment came to the forefront and the demand for upholding of living standards. The restructuring and especially the necessary reforms of economic mechanisms and economic policy were played down. In politics the assumption became dominating, that the hardest part of the economic crisis was over.”¹³⁹

The will to formulate their ideas on the state of Hungarian affairs was further enforced after the participation of Erzsébet Szalai, László Antal and László Lengyel at the Monor meeting, where in the discussions they appeared as the representatives of the reform economists.¹⁴⁰ The initiators found an important political ally for the project in Imre Pozsgay, who was the secretary of the Patriotic People's Front (Hazafias Népfront) and a prominent reform

¹³⁸ Gagy, 154-158.

¹³⁹ László Lengyel, “A szabadság egy rejtett dimenziója,” *Medvetánc*, no. 2 (1987): 141.

¹⁴⁰ Gagy, 160.

communist. The Patriotic People's Front ordered the project as a policy paper, which meant that the reform economist obtained political protection.¹⁴¹

The editors of the document were László Antal, Lajos Bokros, István Csillag, László Lengyel and György Matolcsy. Furthermore, if one looks at the list of experts who contributed to the paper it can be found many of the names who later became prominent shapers of the country's economic policies after 1989. In *Turnabout and Reform* the main definition of the crisis was the inability of the Hungarian economy to adapt itself to a changing world. As the authors put it the economic stagnation, indebtedness, inflation and the imbalance of foreign trade implied, "that there are deeper structural tensions in the economy, which manifest themselves in its incapability to adapt itself to the changes of the world economy."¹⁴² However, the stake was something bigger as they formulated: "our economy's grave situation suppose the possibility of a social conflict and crisis, and also our economic decline in many regard is the reflection of a wrong answer for social and political challenges."¹⁴³

The authors beyond the necessity of the complete marketization had three main arguments: the current crisis of Hungary resulted from the wrong economic policy decisions of the leadership, the recovery was only possible with consolidation and restructuring, furthermore the economic reform is not enough in itself it should be paired with political reforms.

The first served as a critique for the 1984 economic program of the party. The authors as a starting point demanded "an open self-critique of the government and the radical break with the previous practices."¹⁴⁴ In their view the goals of the 1984 resolution were not realized, in fact all the measures lead to completely opposite results, which they aimed to tackle. Instead of a

¹⁴¹ Lengyel, 142-143.

¹⁴² Antal et al., "Fordulat és reform." 6.

¹⁴³ Ibid, 16.

¹⁴⁴ Ibid, 17.

dynamization came the economic setback, inflation pressure, the declining living standards, tensions at the job market, indebtedness and fiscal deficit.¹⁴⁵

The reform economists proposed a radical all-encompassing reform, which sought to democratize, decentralize and deregulate the economy. Therefore, the second part of the critique implied that much more needed than a simple continuation of the 1968 reforms. On the one hand it sought to end the interference of the state and introduce a self-regulating market.¹⁴⁶ On the other hand demanded consolidation and restructuring. The consolidation meant several measures. It sought to correct the foreign balance trade with currency devaluation, limits of import and the end of subsidies. Furthermore, emphasized the necessity of restrictive fiscal, monetary and currency policies. This foreshadowed severe austerity measures, which were completely opposite of the current Kádárist practices and brought the danger of legitimacy loss. Altogether it demanded the acceptance of the declining living standards and to end the policy of full employment.¹⁴⁷ The restructuring proposed an ownership reform and contained that state enterprises can issue shares. Furthermore, it sought to boost market competition with the increase of players with either dissolving state enterprises into smaller entities or opening up to foreign capital.¹⁴⁸

Amongst the proposals also the authors' technocratic ideological credo can be found: "[t]he radical reform gives intellectual toughness and strength against the ideological-social views based merely on emotion. First and foremost, [it is] both against the anti-market and anti-entrepreneurship sentiments of fake romanticism, nationalism and other political mysticisms and also against the brute anti-solidary selfishness towards the masses of underprivileged."¹⁴⁹

¹⁴⁵ Ibid, 13.

¹⁴⁶ Ibid, 16-18.

¹⁴⁷ Ibid, 21.

¹⁴⁸ Ibid, 30-36.

¹⁴⁹ Ibid, 18.

Nevertheless, while as it seems the authors tried to acknowledge the need to tackle the social costs, they did not involve broader social policy propositions.

The authors looked for gathering social support for the reforms in a different way. A crucial component of the reform debates was the question, that which should come first, politics or the economy. The authors dismissed the possibility of an authoritarian capitalist way and argued for a double reform.¹⁵⁰ Therefore, the third main aspect of the text tried to gain social support for the reform and a social consensus through political liberalization. While the party was imagined as the leading force of the whole reform process, the implementation and the details were supposed to be the responsibility of the government. Altogether, the authors aimed to separate the structures of the party and the state. The principle of the democratization contained two components. On the one hand it proposed the so called party democracy (*pártdemokrácia*), which meant increased pluralism inside the party. On the other hand it sought to increase parliamentarism. These propositions were inseparable of the liberalization of the public sphere and media. The authors also imagined a national deliberation and discussion on the reform with establishing debate clubs and reform circles.¹⁵¹

The perception of the Turnabout and Reform was ambiguous in the party. In March 1987 the Economic Committee discussed the proposal and while it accepted its diagnosis the political leadership rejected its recommendations, especially its monetary aspects.¹⁵² The text gained a larger momentum when it became accessible for the larger public in the summer of that year after it was published in its entirety in the social science review *Medvetánc*. Meanwhile, however the new finance minister Péter Medgyessy dissolved the institute referring to economic rationalizations. The researchers belonging to the monetarist school received

¹⁵⁰ Lengyel, 145.

¹⁵¹ Antal et al., "Fordulat és reform.", 36-42.

¹⁵² Gagy, 162

employment in the ministry, but the other part reestablished the institute as a private consulting company.¹⁵³

4.3. Evolutionism and Constitutionalism: the *Social Contract*

In June 1987 members of the Beszélő-circle published their program of dénouement under the title *Social Contract*. The document written by János Kis, Ferenc Kőszeg and Otilia Solt was the culmination of different debates taking place on the pages of the *Beszélő*. Incorporated and synthesized those ideas which were already formulated in the earlier programmatic articles, such as the necessity of a genuine compromise, the rule of law, the openness of the public affairs and the representation of interests. Also, the document was highly influenced by the activities of the Foundation for Supporting the Poor (SZETA), an organization founded to help those who were left out from the Kádárist welfare state and consumerism.¹⁵⁴

From the three documents this was by far the most comprehensive by covering political, economic and social policy reforms. Even though, the text's philosophy owed much to István Bibó's concept of limited revolution, restricted political pluralism and conditioned sovereignty¹⁵⁵ and also to the self-limiting strategy of Adam Michnik's "new evolutionism"¹⁵⁶, its certain aspects radically questioned the prevailing social consensus. While the *Turnabout and Reform* harshly criticized the political leadership and demanded a radical economic liberalization the *Social Contract* went further and attacked the core of Kádárism, the person of János Kádár himself. The authors as the very first precondition for a radical change declared: "Kádár must go".¹⁵⁷

¹⁵³ Gagy, 164-167.

¹⁵⁴ Csizmadia, *A magyar demokratikus ellenzék története, 1968-1988, Monográfia*, 381-385

¹⁵⁵ Ibid, 383.

¹⁵⁶ János Kis, *Szabadságra ítélve, életrajzi beszélgetések Meszerics Tamással és Mink Andrással* (Budapest: Pesti Kalligram, 2021), 447.

¹⁵⁷ Kis, Kőszeg, and Solt, "Társadalmi szerződés." 431.

The whole concept of the program sought to end the political-social praxis of Kádárism based on the unspoken rules of selective concessions, deals and reprimands. The division of public and civil law sphere drawn up by János Kis at the Monor meeting gave the philosophy of the whole text. The *Social Contract* as a precondition for the reform demanded a genuine compromise based on a dialogue, which would have brought the party into the legal system and constitutionally delineate its rights and competencies. Even though, the authors saw the multi-party system as the ultimate goal, they did not consider it as real possibility yet. Therefore, the concept aimed for the transition period in which it sought to acknowledge the one-party state and the privileges of the party, while securing a free space for the society. As the authors contended the room for maneuver was significantly broader since 1956 ever. This was due to the Soviet reforms and the general changes taking place in the Kádárist system since the consolidation.¹⁵⁸ On this basis the reform of the political system would have limited the powers of the Central Committee and shifted most of the competencies to the parliament and the government, while these latter two being accountable. The most important competencies would have remained at the Central Committee, such as the international agreements and the affairs of Warsaw Pact and the COMECON.¹⁵⁹

The reform economist proposed the parallel reforms of politics and the economy. Nevertheless, the Beszélő-circle perceived the radical political reform as a necessary precondition for reforming the economy. In their argument this served the transparency of the process, in other words the people could have agreed and had knowledge on what sacrifices they had to take. The economic reform similarly to the reform economist and the earlier discourses was the stake of an either-or question of modernization. According to the authors this had an inevitable price but clearly necessary, since “reform: catching up with the developed

¹⁵⁸ Ibid, 436.

¹⁵⁹ Ibid, 437-445.

world. The sabotage of the reform: backsliding to the stagnating countries of the Third World”.¹⁶⁰ While the Beszélő-circle argued for an open capitalist market economy, for them in its pure form was not desirable, therefore they tried to reconcile it with a workers’ self-governance. In their words, “the concentration of power in the economy is not more acceptable than in politics. The power concentration based on private ownership is not more acceptable than the state bureaucracy’s power monopoly. Therefore, we find it necessary, that the creation of a capitalist market had to be combined with the further development of the workplace self-governance.”¹⁶¹ This aspect later became one of the most debated aspects of the *Social Contract*.

The main importance of the proposed delineation of the civic and public law was that besides it could secure the rights of the individual it could bring legally secured and defined pluralization in different fields of the society. The human rights agenda was from the start an important aspect in the language of the democratic opposition. The proposal sought to reconcile finally the practice of the Hungarian legal system with the universal human rights formulated since the postwar period. As the authors wrote, “[t]he fields under public and civil law should be clearly separated. Indeed, the compromise with acknowledging the one-party state limits the rights of the citizen in the public law sphere. However, this compromise does not justify any limitation of citizens’ right in the civil law sphere.”¹⁶² The proposal sought on the one hand the clear definition and on the other hand the guarantees of civic rights by strengthening the independence of the judiciary and the establishment of a constitutional court. The Beszélő-circle also demanded to end certain special practices of human rights abuses present in the Kádárist system. One was penalizing being unemployed (*közveszélyes munkakerülés*) and the other was the imprisonment of conscientious objectors of military service. The persecution of

¹⁶⁰ Ibid, 434.

¹⁶¹ Ibid, 451.

¹⁶² Ibid, 472.

conscientious objectors was an interesting case of the abuse of religious freedom. During the 1980s many religious young men and peace activists were sentenced to long imprisonment after objecting to being drafted to military service.¹⁶³

The division of spheres in the case of press freedom it meant more than freedom of expression, since in this regard the system was already relatively liberal. Even though, the Kádárist media policy tolerated certain degree of criticism it had its unspoken limits. This limit was as the program phrased, “when a certain periodical becomes representative of a distinct intellectual stream (...). This is the point when the party intervenes, which does not allow that the press to be articulated along ideologies and debates.”¹⁶⁴ In this regard, the new media regulations would have allowed further pluralization, since in the sphere of civic law newspapers and periodicals would have been free to established without prior permission. Also, this had to be paired with clearly defined legal processes and rules of censorship. This latter lacked in the Kádárist system, which decided what can be published on an individual basis.¹⁶⁵

The civic law would have brought in the field of interest representation also important pluralization. As it was pointed out in the contextual chapter the Kádárist regime built a large part of its legitimization on taking into account different social interests. However, this praxis was always based on selectivity and without an official acceptance and articulation of those interests. In other words, pursuing and representing an interest could only be based on an individual bargain with the authorities. As in the case of the press, the organization of citizens along social interest was already out of limit. The program wanted to secure the freedom of association in the civic sphere (organizations, trade unions etc.). As in the media the interest

¹⁶³ Ibid, 473-477.

¹⁶⁴ Ibid, 445.

¹⁶⁵ Ibid, 445-449.

representation would have had its limits but also its clearly defined processes and rules, without the earlier bargaining for permission.¹⁶⁶

The comprehensiveness of the text is also reflected in its throughout analysis of the Kádárist social policies. As they declared the “the current crisis is not only a political-economic crisis, but also the crisis of the society”¹⁶⁷. In the technocratic reform debates of the era, this voice was quite marginal. However, the Beszélő-circle attacked the hypocrisy of the regime, which talked about socialist achievements (*szocialista vívmányok*) but social policy was practically non-existent. In their critique education, health care and generally the social benefits were discriminating and were distributed along privileges. The regime instead of equality provided social valves, such as the second economy, which strengthened the atomization of the society and pushed people towards anti-solidary individual strategies. As they wrote, “the gravest symptom of the social crisis is the split of the society into two parts, one consolidated majority and one unconsolidated pariah”.¹⁶⁸ While the latter lived in grave conditions, the former was also not in a good shape. The self-exploitation, alcoholism and cardiovascular diseases were dramatically shortening the life expectancy of the Hungarian men.

Amongst the programs published by different factions of the opposition the *Social Contract* was by the most ambitious and elaborated. The publication triggered intense debates among the intellectual groups. The most immediate effect was that the populist intellectuals withdrew from the organization committee of the next Monor and decided to organize a separate meeting. In the following months several reviews in the samizdat and émigré press reviewed the text and was discussed in debates. Generally, three criticism appeared in the aftermath of the publication. The more radical figures of the opposition perceived it as too self-limiting. The reform economists preferred the intra-party pluralism as guarantee for a reform and criticized

¹⁶⁶ Ibid, 457-459.

¹⁶⁷ Ibid, 459.

¹⁶⁸ Ibid, 460.

the *Social Contract*'s ideas on the ownership reform and on social policies. While generally it was perceived positively, many voices doubted how the program could gather social support for its goals.¹⁶⁹

4.4. National Renewal and Unity: the Lakitelek Meeting

Even though the nationalist-populist opposition did not produce a comprehensive policy proposal as the other two groups. Their views and ideas on the reform process can be detected in the declaration issued at the 1987 Lakitelek meeting and in the records of the deliberations. Their visions put the emphasis on a characteristically national way of renewal based on common deliberation and national unity.

The formal break between the two most influential critical intellectual groups, the democratic opposition and the nationalist-populist writers came in the summer of 1987 after the publication of the *Social Contract*. As it is commonly held, the national populist perceived the program of the Beszélő-circle as an attempt to dominate the agenda of an opposition cooperation. Shortly after the publication of the *Social Contract* they left the organization committee of the next Monor meeting and organized their separate meeting in Lakitelek, a rural Hungarian municipality.¹⁷⁰ In later accounts this momentum appeared as a breaking point between ideologies. However, the reasons were rather strategic. On the one hand these reasons should be found in the compromise seeking and bargaining strategy, what the populist followed towards the leadership. On the other, as Ervin Csizmadia argued the populist faction also felt the need for political self-definition. Into these two goals the cooperation with the democratic opposition did not fit.¹⁷¹

From 1985 significant changes took place in the high politics of the party, their arch enemy György Aczél, who was responsible for culture was ousted from his position as a secretary of

¹⁶⁹ Csizmadia, *A magyar demokratikus ellenzék története, 1968-1988, Monográfia.*,391-395

¹⁷⁰ Ibid, 376-377.

¹⁷¹ Ibid, 380-381.

the Central Commission. Meanwhile, the reform communist faction started its march to power. The populist intellectuals did not perceive some politicians from the reformist faction as an outright enemy, such as the later prime minister and first secretary Károly Grósz and meanwhile they considered others as a possible ally, such as Imre Pozsgay a reform communist with plebeian nationalist world view. Pozsgay that time as a secretary for the satellite organization Patriotic People's Front wanted to return to high politics and was seeking allies against his rivals. He happily took the opportunity and participated at the meeting on September 27, 1987. At the meeting almost two hundred intellectuals participated, not exclusively from the populist camp, but the representatives of the democratic opposition were not invited, since Pozsgay put this as a precondition for his participation.¹⁷²

The declaration issued at the meeting established the Hungarian Democratic Forum (MDF), the predecessor of one of the main parties at the roundtable talks. In the document it is not characterized as a movement or organization but a platform for deliberation on the Hungarian future. According to their diagnosis the crisis of the Hungarian nation took place, which lost its self-confidence, cohesion, self-knowledge. Also, the nation "had to face an economic crisis threatening with a collapse. The Hungarian ethnicity is unprecedentedly divided. Our nation has no common vision of future."¹⁷³ Therefore, the remedy for the crisis was a national unity and cooperation, which would have involved all the social forces from the political leadership to the people. The document hoped to find a throughout diagnosis and the way out through this common deliberation. In the spirit of the declaration the MDF imagined itself as an intermediary between the society and the party. The whole concept was the idea of Zoltán Bíró, one of the leading figures of the group.¹⁷⁴ Bíró was a party-member and held different positions at cultural

¹⁷² Ibid, 409-412

¹⁷³ Sándor Agócs and Endre Medvigy, eds., *A magyarság esélyei, a tanácskozás hiteles jegyzőkönyve: Lakitelek 1987. Szept. 27.* (Lakitelek, Budapest: Antológia, Püski, 1991), 177.

¹⁷⁴ Ibid, 97.

institutions and at the Ministry of Culture, he was also an acquaintance of Pozsgay. Therefore, it is not a coincidence that the idea echoed some parts of Pozsgay's keynote speech. As the politician contended, fake alternatives were presented for the society: either the support of the party's political program or its complete denial. In his ambiguous train of thoughts he found the majority of the society uncomfortable with the necessity to make this decision, to solve this he proposed that a national coalition should be formed.¹⁷⁵

Even though, the document provided the idea of a very consensus seeking national cooperation other intellectuals used a much more radical and critical tone. Especially, two influential intellectuals of the group the older István Csurka, a known playwright and the younger writer Dénes Csengey, both of them became important members of the MDF during the transition years. The main ideas voiced by the two revolved around the anxiety from the death of the Hungarian nation, a harderian concept popular among Hungarian nationalist intellectuals since the 19th century. Important, that comparing to the other two groups the rhetoric of the populists completely lacked the comparing nature of the modernization rhetoric and the fear of backsliding.

As Csurka defined the danger of the crisis was "neither economic, nor political, but something bigger than that: we see (...) a national catastrophe coming, which will destroy the remains of our national existence."¹⁷⁶ Interestingly, this anxiety from the national decline involved a strong social critique of the Kádárist regime. Their concept of the social crisis, however differed from the diagnosis provided by the Beszélő-circle. In Csurka's and Csengey's speech the cultural, spiritual decline of the Hungarians were inseparable from the social aspects and were reinforcing each other. The former provided a similar diagnosis to his lecture at the Monor meeting, but this time he offered a different solution.

¹⁷⁵ Ibid, 17.

¹⁷⁶ Ibid, 24.

In Csurka's speech the decline and the social crisis manifested in the high suicide rates, declining demography and the emigration. Csengey defined the crisis in a more specific way, according to him the promise of the Hungarian countryside's modernization was unfulfilled and the people were forgotten by the elites in the culturally foreign capital.¹⁷⁷ This populist contrasting of the elite against the people appeared in Csurka's speech as well, who characterized the growing social gap between of haves and have nots, as a question of cosmopolite elites and the deprived majority. As he phrased, "along this road [the Hungarians] will become a nation of waiters (pincérmezet)." ¹⁷⁸ No coincide, that both of them hold the idea, that the reform should address and mobilize the people. However, this was not imagined through a social program but through the development of education and the liberalization of the culture and the public. Csurka echoing his ideas from the Monor meeting formulated, that a distinctly Hungarian and populist program should focus on the newly urbanized former peasant class and has to involve the redistribution of the intellectual and material capital. His phrase of redistribution referred to an important issue of the interwar agrarian-populist movement: the redistribution of land (*földosztás*).¹⁷⁹ Csengey in a similar vein pursued the question of how the masses can be mobilized behind the idea of reform? In his opinion both the party elite and democratic opposition failed in mobilizing the people. Therefore, he emphasized also that the program has to be characteristically Hungarian, since "Europe the eternal superego of our national culture not interested in pupils, imitators and followers."¹⁸⁰ Nevertheless, he brought up several points, which had to be crucial aspects of the renewal, such as national independence, the free public, an organic rural intellectual class, local self-governance and free culture.¹⁸¹

¹⁷⁷ Ibid, 64.

¹⁷⁸ Ibid, 27.

¹⁷⁹ Ibid, 32.

¹⁸⁰ Ibid, 63.

¹⁸¹ Ibid, 67-69.

The Lakitelek meeting became known to the wider public almost two months later, when Imre Pozsgay in an interview for the *Magyar Nemzet* daily spoke about the meeting in details, in the article even the declaration of the MDF was published. The event was beneficial for both parties. Pozsgay could boost his reform credibility in the public and the Forum gained wider popularity, which they utilized soon when in early 1988 started organizing debates and discussions across the country.

As Ervin Csizmadia writes it was the end point of a process of self-definition, when differences between the intellectual groups became articulated as the ideological cleavages became manifested.¹⁸² The split leading up to organization of the Lakitelek meeting is frequently considered to be the ultimate cause for the failure of a unified opposition and the original sin of the animosities present in the Hungarian democracy after 1989. However, the problem was less the articulation of different world views, but the fact that these ideas were unable to start a dialogue. From 1988 a new period started when the intellectuals started to pursue a distinctly new strategy in their critique of state socialism. The formerly loosely organized groups now started to gather social support for their world views. Arriving to 1989 the coalition of the opposition groups at the roundtable talks was based less on common denominators of ideological visions but on a strategic cooperation.

4.5. Epilogue - Reform, which did not Happen

After 1987 a new period started, when neither the gradual liberalization, what the critical intellectuals expected nor the renewal of state socialism, what the reform communist hoped for as a reform process took place. Instead a third scenario unfolded with the processes gaining momentum from 1988: the complete demise of the Kádárist state socialist regime. However, the way it took place, peacefully and negotiated was a central tenet of all the programs of dénouement formulated by the three critical intellectual groups.

¹⁸² Csizmadia, *A magyar demokratikus ellenzék története, 1968-1988, Monográfia*, 409-412.

The analysis of the events leading up to 1989 and the transition are both out of scope of this thesis. Nevertheless, it is necessary to consider them shortly when the either-or question of the crisis discourses are being taken into account. On the one hand the disintegration of the Hungarian Socialist Workers' Party accelerated from 1987. In the summer of 1987 a new government was appointed with the reform communist Károly Grósz as prime minister. Less than a year later the march of the young Turks to the highest echelons of the party was completed when János Kádár was ousted from his position as a first-secretary. From then on the party turned into a competition between different platforms and personalities. On the other hand the previously loosely organized critical intellectual groups started establish formal organizations from 1988 and to sought broader social support. A year later the populist writers defined the Hungarian Democratic Forum as a social movement, the democratic opposition formed the Network of Free Initiatives (Szabad Kezdeményezések Hálózata) and later the Alliance of Free Democrats (SZDSZ), the reform economist either joined reform platforms of the party or the democratic opposition. Furthermore, other intellectual groups became involved in the forming civil society, such as the younger generation of oppositionists formed the Alliance of Young Democrats (Fidesz) and many other smaller groups belonging to different intellectual traditions organized themselves.

The process of disintegration was further dynamized by the exacerbation of the economic situation paired with other processes, such as the recurrence of the Polish crisis in the summer of 1988 and the following negotiations between the party and the opposition. Altogether the most important incentive was that the Soviet Union was less and less willing to intervene the affairs of the satellite states. The result was 1989 and the roundtable talks, which established liberal democracy and market capitalism. This was neither an all-encompassing crisis, with social upheaval and economic collapse nor the reform of state socialism. An important voice of the crisis discourses János Kis later in the 1990s characterized the turnout as a coordinated

transition. Polemizing with the notion of “refolution” phrased by Timothy Garton Ash coined the term as a third scenario between the two ends of a spectrum, namely revolution and reform. In his words:

“[w]hen a new legal system is born out from a legitimacy crisis and due to the crisis the old order is collapsing and because the lack of coordination two or more power centers are formed, we talk about a revolution. When the change takes place either without a legitimacy crisis or the leadership can rule the situation and lead back the society to a state, where there are debates on the legitimacy but no crisis of legitimacy, we face a reform. When the transformation is kickstarted by a legitimacy crisis, but the coordination prevail with the effect of the legal system, however not maintained by the institutional power, but the cooperation between intra-institutional and extra-institutional forces, we can talk about a coordinated transition.”¹⁸³

Even though, the scope of this transformation was not imagined by neither of the three intellectual groups, the way it happened clearly stems from the spirit of their definition of reform.

4.6. Conclusions

After 1985 all the three critical intellectual groups strived to give a definition of reform. The process was motivated by the deteriorating crisis of Hungary and the regime’s inability to rule the situation. Furthermore, the reform processes starting with 1985 in the Soviet Union with Gorbachev’s emergence to power became important legitimization points. The period did not bring a common vision of the groups, which the process started at the Monor camping aimed for. The three groups phrased their own definition on how the dénouement of Hungary should take place and later these visions were unable to start a dialogue. This resulted from the break between the Beszélő-circle and the populist writers, who had diametrically opposing ideas on the strategy of how the reform should be pursued. While the former hoped to reach the renewal

¹⁸³ Kis, “Reform és forradalom közt,” 106.

through social pressure and forcing the power to compromise, the latter proposed a national coalition involving the political leadership of the country.

In 1987 three distinct programs became known to the wider public. All of these documents are stemming from the crisis perceptions of the given groups. The reform economist in their *Turnaround and Reform* aimed for the radical liberalization and deregulation of the economy with limited political reforms. The *Social Contract* published by the Beszélő-circle was seeking to end the praxis of the Kádárist system based on unspoken rules and individual concessions. The core principle of their text, the division of the public and civil law sphere based on a compromise wanted to evolutionally move towards constitutionality and pluralization. They put this political transformation as a precondition for reform. The populist intellectuals issued a declaration in September 1987 after the Lakitelek meeting, which established the Hungarian Democratic Forum. They strived to create a national unity through national cooperation and deliberation. In this process they wanted incorporate both the party and society, where they aimed to provide intermediation and a common platform. Even though, they did not formulated concrete policy proposals from the speeches delivered at the meeting is apparent that primarily they wanted to solve the crisis of the national spirit through the liberalization of culture, public discourses and education.

After 1987 neither the crisis nor the reform took place, which they earlier expected. Instead a third scenario, which in 1989 dismantled the state socialist regime through a negotiated transition. Even though, the transformation of Hungary did not happen along the programs of dénouement, which the three groups formulated, the coordinated transition clearly stems from the spirit of their ideas on reform. Besides strategic and personal reasons, maybe that is why the two main organizations grown out from these discourses, the MDF and SZDSZ, which could not restart the dialogue after 1987 could form a strategic cooperation in 1989 to start together and with other opposition groups the negotiations of the roundtable talks.

5. CONCLUSIONS

This thesis aimed to answer two research questions. On the one hand what different Hungarian intellectual actors and groups meant as a crisis of state socialism? And on the other hand how they imagined the way out, namely reforming the economic, political and social affairs of Hungary? Altogether, it can be said that, though with significant differences all the three examined groups of the crisis discourses perceived it as the crisis of Hungary's long-term socio-economic development caused by the political and social practices of the Kádárist system. The stake for the Beszélő-circle and reform economists was the backsliding or modernization of the country and the adaptation to emerging global process. The nationalist-populist writers framed it as the crisis of the nation and the decline of the national spirit. In the first half of decade emerged the pivotal question of the discourses, that is either reform will take place or Hungary's future will be doomed. Therefore, the three groups in the following years aimed to define what should be the reform and how the renewal should take place. Three distinct answers were born. The reform economists phrased the program of radical liberalization and restructuring of the economy paired with limited political reforms. The Beszélő-circle's program strived for constitutionality and rule of law as a precondition for economic reforms. The populist writers in their declaration aimed for a coalition of social forces, in order to create a national unity and a platform for common deliberation on the future of Hungary.

To properly contextualize the debates the second chapter of the thesis defined the ideological and conceptual components of Kádárisim, which the crisis discourses primarily criticized. The practices of the regime were born in the aftermath of the 1956 revolution and in many regards fitted well into the broader practices of destalinization taking place in the Eastern Bloc. Furthermore, it bore a significant continuity with the previous regime by keeping the central role of communist party. However, the trauma of the 1956 revolution inspired distinct practices of power, which made the Kádárist regime the most finely tuned version of post-

Stalinism in East Central Europe. The main tenets of the Hungarian system's legitimation building were the social compromise and the reform attempts. The Kádárist leadership ceased the earlier totalitarianizing attempts of Stalinism. This gave the foundation of the emerging social compromise, which meant increasing living standards in exchange of the depoliticization of the society. To maintain the legitimacy of this welfare socialism, the leadership had to consider reformers in order to avoid economic decline. The most important reform period, the New Economic Mechanism started in the mid-1960s aimed to introduce more autonomy to the economic sphere. Even though, the reform was overturned in the early 1970s its certain aspects remained, such as the second economy, which functioned as an important social valve. The limited nature of the reforms resulted in the fact, that the Hungarian system similarly to other countries in East Central Europe was prone to the typical crisis symptoms of state socialist economies. However, the Kádárist regime could avoid an acute crisis at the price of severe indebtedness. During the 1970s different critical intellectual groups emerged, which were first to point out the problems of the Kádárist regime. In their critique the democratic opposition, the nationalist populist writers and reform economist targeted different aspects of the regime's shortcomings. The lack of democratization, the inconsistent economic reforms and the atomization of the society and different endemics framed as decline of the national spirit all became the foundations for the crisis discourses taking place during the 1980s.

The third chapter pointed out that from the early 1980s to the mid-1980s there is a clear trajectory how the critical intellectuals discussed the crisis of the state socialism. At the beginning of the decade different intellectual groups started formulating their diagnosis on Hungary's current affairs and couple of years later these groups were already formulating ideas on what can be the way out. In the *Bibó Memorial Book* intellectuals from different ideological background coincidentally pointed out that it was the crisis of Hungary's long-term economic and social development. They argued that the root of the crisis was the political, economic

practices of the Kádárist regime. The symptoms stemmed from its uneven modernization, limited democratization and the atomization of the society, which all placed Hungary on a trajectory, which similarly to other periods could lead to catastrophes. These writings not yet posed the question of what is to be done. However, two years later a long polemic on the pages of *Beszélő* revolved around exactly this issue. During the debate emerged the crucial either-or question, which was formulated on the future of Hungary: either there will be radical reforms or the country's decline will be inevitable. For the meaning of reform yet had to be waited few years. Nevertheless, in 1985 became apparent that emerged two distinct interpretation of the crisis. While the nationalist-populist writers framed it as the decline of national spirit. In the language of the Beszélő-circle and the reform economist it was phrased in economic and political term, meaning Hungary's inability adapt to the radically changing global affairs.

The fourth chapter discussed the process of how all the three critical intellectual groups after 1985 gave a definition of reform. The process was motivated by the deteriorating crisis of the Hungary and the regime's inability to rule the situation. Furthermore, the reform process starting with 1985 in the Soviet Union with Gorbachev's emergence to power became important legitimization point. The period did not bring a common vision of the groups, which the process started at the Monor camping aimed for. The three groups phrased their own program on dénouement of Hungary. Later these visions were unable to start a dialogue. This resulted from the breaking point between the Beszélő-circle and the populist writers, who had diametrically opposing ideas on the strategy of how the reform should be pursued. While the former hoped to reach the renewal through social pressure and forcing the power to compromise, the latter proposed a national coalition involving the political leadership of the country.

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After 1987 neither the crisis nor the reform took place, which the three groups earlier expected. Instead a third scenario materialized, which in 1989 dismantled the state socialist regime through a negotiated transition. Even though, the transformation of Hungary did not happen along the programs of dénouement, which the three groups formulated, the coordinated transition clearly stems from the spirit of their ideas on reform. Besides strategic and personal reasons, maybe that is why the two main organizations grown out from these discourses, the MDF and SZDSZ, which could not restart the dialogue after 1987 could form a strategic coalition in 1989 in order to start together and with others the negotiations of the roundtable talks.

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