

Some Peculiar Ideological Features of the Soviet-type Economies to be Overcome

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I. The Merger of Politics, Ideology and Economic Management

The Russian model of socialism — as it is well known — was largely determined by the fact that parallelly with the socialist transformation economic backwardness had to be abolished, and a firm economic base for modern industrial society had to be established. If it is correct that any socialist transformation (even in the most developed industrial countries) can only be carried out by those in power, and modernization (even in a capitalist market environment) must have the active support of the state; the coincidence of the two processes will necessarily provide the political power, the state with an extreme role in the economy. Another historic feature of the Soviet model is the accumulation of all political power in the hands of one party, therefore party and state were practically inseparable. (In some socialist countries this state of affairs was in certain periods — and is up to now — sanctioned by law.) A necessary consequence of this inseparability was that the political and ideological sphere could pose as the almighty demiurge of the economy.

I will not deal here with the many — economic, political etc. — consequences of this state of affairs. Let me choose only one of them: the feedback on ideology, on the image of socialism

It is an old axiom of the literature on functioning of socialist economies that — as a consequence of overcentralization — decisions creep to upper levels of the hierarchy, which situation has numerous adverse effects. But in a Soviet-type economy top level is tantamount to the *political* level. Hence the illusion that in a socialist economy politics is not only almighty but it is also an integrating force of the economy. Some Hungarian sociologists, political scientists hold this view (Bihari, 1982). But this is only an illusion, the primordial role of politics notwithstanding. Politics cannot invalidate economic laws, and it will necessarily fail if it tries to

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do so. The illusion that it is politics that integrates and runs the economy is also deceptive. Let me refer in this respect to the distinction by Janos Kornai (1971: 176-87) between the autonomous and the higher functions and their control systems within the economy (an analogy he drew some one and a half decades ago from biology). According to this analogy, the autonomous functioning of every modern economic system based on division of labour is more or less the same: it means the routine repetition of economic activity, the labour process. (The best example seems to be public utilities in a modern society). Such autonomous functioning keeps the economy together and provides for human existence without recourse to commands or high-level decisions. The par excellence area of higher functioning is economic development — capacity enlargement, the change of production structure and macroeconomic proportions, the introduction of new technologies etc. In a Soviet-type economy the sphere of politics merges with (subsumes) these higher functions.

This merger/interwovenness of higher economic functioning and the political sphere which is caused — I should stress — by the objective nature of the system rather than by arbitrary decisions, has many adverse consequences. The gravest and most researched one among them is the blending of the two totally different systems of criteria and logics of decision-making in politics and in the economy.

The sole and most important criterion of economic decisions is efficiency. Political decision-making, however, aims at the establishment, maintenance, strengthening etc. of power. Of course, the two criteria are not necessarily conflicting, they may reinforce one another. Nothing can serve better the stability of political power than an efficient, dynamic economy; and vice versa: structural change of the economy enforced by political power can accelerate economic growth and thus further the attainment of a higher level of efficiency. But all this notwithstanding, the two criteria are different and their correlation is not inevitable. In the history of socialist economies there were some radical structural changes implemented on the initiative of the political and ideological sphere. But the main driving force behind such restructuring was creating a social and economic base for the new political power and not efficiency criteria at all. (That is why Stalin had to invent the economically unintelligible concept of "higher order efficiency") (Stalin, 1952: 59). The most telling example is the collectivization of agriculture based on political and ideological motives, a move whose dismal effects many socialist countries could not recover from through decades. But the two kinds of logics can diverge in another sense too.

Politics aims at maintaining the stability of power therefore it may

oppose, slow down economic restructuring necessary for efficiency. Those in power may recoil from the risk of social tension and choose instead the preservation of the old, obsolete structure. To prove this statement many examples could be cited from the last one and a half decades history of socialist countries.

But for our theme another, much less investigated consequence of the merging of political, ideological and economic decision-making is of prime importance. the political and ideological sphere interprets economic problems within its own value system and it verifies its economic decisions in its own terminology. That is why *economic decisions acquire an ideological and political meaning*. Georg Lukács, the outstanding marxist philosopher used to say that Stalin was quick to create ideology out of short-term interests, actual political decisions. This remark of Lukács was correct. Perhaps not to such an extreme extent and not for cynical personal reasons but, due to the operation of the inherited social institutional system, even today policy alternatives, structural decisions, forms of corporate organization are stylized as inherent features of socialism from the very moment of their introduction. In the followings I shall deal with some "features" of socialism which are in effect no more than ideological interpretations of individual decisions, rational only in the actual setting of the time but irrational under changed circumstances. If — due to the peculiarities of the Soviet-type system — economic rationality must acquire ideological interpretation before adopted then the process will be slow on one hand and once rational but now obsolete solutions, institutions would take on — false — ideological value, an almost sacred character on the other. This is why a concept of socialism, encompassing many incongruous and accidental elements often conflicts with today's drive for progress and economic rationality.

No newly invented concept can solve this conflict however diligently propagated and inculcated into the masses. For if praxis does not live up to ideals the result is a confuse social consciousness, the relativization of values rather than a new value system. To solve this conflict, its causes i.e. the fusion of the economic decision-making and the political and ideological sphere must be eliminated.

II. Closed Economy as an Ideal

Socialist economy envisaged as a closed economy, a preference for reduced international relations was also the logical consequence of the actual circumstances of emerging socialist societies. Soviet Russia, surrounded by a hostile environment had no other choice, and seclusion in

her case was not irrational either. Being a huge country with enormous human and natural resources she could and had to build up a complex economy. Both political necessity and economic rationality were amalgamated in the all-embracing Stalinist theory of "socialism in one country" which became the ideological justification in eliminating the opponents within the party.

Interestingly, this political-economic-ideological peculiarity of Soviet development was in accordance with a possible interpretation of Marxian economics, and so pragmatic political dealing got a theoretical background. I have in mind the contradiction originating in the well-known Marxian thesis of the withering away of commodity production under socialism. We do not need to prove that both Marx and Engels were true internationalists. They thought of socialism as full internationalization of the economic and spiritual activity of mankind. As early as in *The Communist Manifesto* they enthusiastically greeted the multiple contacts, even "universal interdependence of nations" that replaced — as a result of capitalist industrialization — the previous local and national seclusion. (Marx, Engels, 1848: 39) At the same time, the Marxian-Engelsian vision of socialist economy with a central body assessing needs in physical terms and distributing goods and factors of production accordingly rests on the implicit assumption that the economy is closed, self-supporting. Otherwise the total and continuous satisfaction of needs would be impossible. (If we drop the closedness/self-sufficiency condition three hypothetical solutions may be sought of: 1. central accounting and distribution in physical terms is a world-wide system; 2. subsistence economies exist within nation states but there is a world *market* with its own laws what is a link between them; 3. trade between national economies is of a barter type as between primitive tribes. All the three are rather absurd.)

The assumption of closed economy, of course, was only an implicit consequence of the thesis on termination of commodity production. Marx and Engels never came (they could not possibly come) to this conclusion so much contradicting their *Weltanschauung*. But it is quite symptomatic that their disciples, the German social democrats of the late 19th century made a programmatic statement to this effect.⁽¹⁾ National seclusion con-

(1) In one of my earlier studies (Szamuely, 1974: 24-27) I gave a minutious account of how Karl Kautsky, the orthodox Marxist, author of the Erfurt party programme of 1891 explained in his commentary on the programme that trade, even international contacts in general between countries have to "shrink considerably" in socialism as national economies become self-sufficient.

demned by Marx and Engels thus became part of the Marxist tradition or at least an offshoot of it. (We ought to recognize though, that the ideology of seclusion is not a peculiar communist feature, but can also be found in the different trends of many Western socialist parties — the British Labour Party, French socialists etc. — and of the New Left.)

Marx's own method of economic analysis has also contributed to the conception of socialist economy as a closed one. When analysing reproduction of social capital Marx used several simplifying assumptions. One of them was neglecting foreign trade. The famous schemes of simple and extended reproduction in the second volume of *Das Kapital* therefore describe reproduction in a closed economy. The original idea of Marx was to eliminate this restriction later and to deal in subsequent parts of his great economic work with foreign trade and the world market. However, these parts were never written. Nevertheless, with Marx closed economy is only an abstraction (and a sensible one at that) to ease exposition. But later — as it is well known — Marx's schemes of reproduction became the theoretical basis on which macroeconomic planning and balances were built. Material balances in physical terms, which are the main pillars of this system have the task of balancing domestic supply and demand. Foreign trade traditionally has a subordinate role in these balances: imports are a *supplementary* source to ease shortages and exports earnings have the only role of financing imports.

The Marxian methodological principle thus was easy to integrate within the concept of a closed socialist economy in which no commodity production takes place, and also contributed to the phenomenon of socialist countries establishing a development strategy and attached planning and management systems in isolation from the outside world. Today, however, it is first of all a petrified social and economic practice and partial interests connected with them that maintain and strengthen this ideal of inward-looking socialism, since the original political and military considerations — the hostile environment in superiority being replaced by a rough balance of forces — are no more valid.

Nevertheless, in ideology, propaganda and in long-term policy objectives of socialist countries separation, isolation from the world economy and the world market remains to appear as some kind of positive *value*. References to the necessity of defending "economic independence", and recently even of scientific and technological "invulnerability", are familiar to all. Translated into the language of economics — in today's world of ever stronger interrelations, in Marx's and Engels' words: "universal interdependence of nations" — this means the restriction of participation in world-wide division of labour.

Let me remark that this process — the loss of market share, the ousting of socialist countries from world markets — has been going on, on its own due to inertia of the old development strategies and economic practice for years already.

Table 1. The share of European CMEA countries in world trade (%)

	1950	1960	1965	1970	1975	1980	1982	1983	1984	1985
Export										
CMEA TOTAL	6.8	10.1	10.5	9.8	8.9	7.8	9.0	9.7	9.2	8.9
of this										
Soviet Union	3.0	4.3	4.4	4.1	3.8	3.8	4.7	5.0	4.8	4.6
Eastern Europe	3.8	5.8	6.1	5.7	5.1	4.0	4.3	4.7	4.4	4.3
Import										
CMEA TOTAL	6.3	10.3	10.5	9.6	10.1	7.9	8.4	8.9	8.5	8.4
of this										
Soviet Union	2.3	4.2	4.1	3.6	4.1	3.3	4.1	4.3	4.1	4.0
Eastern Europe	4.0	6.1	6.4	6.0	6.0	4.6	4.3	4.6	4.4	4.4

Source: Data before 1975: László Csaba's calculations based on the UN Monthly Bulletin of Statistics (Csaba, 1986: 220); from 1980 the author's calculations, based on UN Monthly Bulletin of Statistics, June, 1986.

From the table one can discern that foreign trade expanded fairly rapidly after the destruction of World War II and an isolationist period of Cold War and the share of European CMEA countries in world trade peaked in the mid-sixties. (The high 1975 figure for imports is not a healthy phenomenon; rather a sign of indebtedness.) Since that time, however, a slow but steady loss of market share was underway, held up for some time in the early 1980s by the rocketing Soviet oil prices (but this had no impact on the position of the six small CMEA countries). The share of the six trade-dependent small CMEA countries (dubbed in the table — inaccurately — “Eastern Europe” for the sake of brevity) went back to the trough of 1950. Within this the share of Hungary in world trade, being 0.65 percent in 1938 and 0.7 in 1970 fell to 0.5 in 1980 and was hardly more than 0.4 in 1985,⁽²⁾ i.e. our share today is only two thirds of that before the war.

When evaluating these figures we have to bear in mind that they comprise intra-CMEA trade, too. If we consider only trade with industrialized (OECD) countries, the share of the CMEA shrinks to somewhere between 2 and 3 percent. Even in small, neutral European countries, which tradi-

(2) According to figures by Béla Kádár (1986: 89).

tionally have close links with socialist countries and where discrimination is out of question, the latter's share is in the range of 10 (Austria) to 20 (Finland) percent.

The public is unaware of these facts in socialist countries because the "success propaganda" operates with growth of production and share of socialist countries within world industrial and other production etc. figures. Even if we disregard the fact that these production statistics are largely inflated (over and above the problems inherent in every international comparison) it remains true that *socialist countries play too small (and diminishing) a role in world trade and in worldwide division of labour compared to their productive capacity*. This has serious consequences in at least two aspects.

First, concerning production, science and technology, socialist countries are less able to profit from international division of labour — at present the main driving force of progress — than the rest of the world and the trend is worsening. Consequently, socialist countries need much more material and human input in order to obtain the same results, i.e., the efficiency of development is substandard. Low efficiency damages competitiveness, increases the lag behind world level thus further narrows the possibility of participating in the international division of labour. A *vicious circle* arises that can only be broken if economic policy, economic management and — last but not least — the deformed system of values, falsely believed to be socialist is changed at the same time.

Second, if the loss of market share cannot be halted — as it seems today — one has to face the prospect of the worldwide position of socialism, acquired in the three post-World War II decades, being eroded. In an era of global military balance and a nuclear stalemate following from the threat of mutual destruction — the influence of the two world systems is increasingly determined by economic factors: the ability to provide goods, aid, credit, technology etc.

To sum up: closing the economy, isolating it from the outside world can no more be treated — neither explicitly, as it was formerly, nor implicitly, as it is today — as an inherent trait of socialism, as a value in itself, because it contradicts both to the modernization character of Marxist theory and the very goals — "economic independence", "steady rapid growth", "economic invulnerability" etc. — it had originally to serve. One of the objectives of the reforms on the agenda in socialist countries by for at least three decades now, has been to change exactly this situation, i.e. "open" towards the world economy. This opening does not mean that exports should be increased forcefully, "cost what it may", which is a wrong method even for balancing the current account on the short run. It

is the whole economic system that must be changed if it must rely on such campaigns in order to muddle through. But the long history of reform experiments shows that all reforms are necessarily doomed to failure as long as they are forced to emerge among the conditions of orthodoxy of a socialism model erected in an other historical period, under different circumstances, based on theoretical assumptions of dubious quality. Unless this situation changes, the vicious circle cannot be broken.

III. The Development of Heavy Industry as a Politico-Ideological Value

Eastern European nations, late-comers in the industrialization process had to modernize, industrialize their economy parallel to socialist reconstruction of society. Socialism promised a fast close-up and it is quite natural and justified that the profound structural changes brought about with the lifespan of one generation-backward, mostly pre-industrial societies turned into industrial ones — were attached to the socialist system in the public's mind. (Let me remind you that similar, fast modernization was unheard of in capitalist setting before the 1960s. Then of course came Southern Europe and the countries of the Far East).

In Eastern Europe socialism therefore was identified with rapid industrialization and inevitably (although by no means spontaneously) followed the well-known ideological feedback: *rapid industrialization become tantamount to socialist "construction", a characteristic trait of socialism, a politico-ideological value.*

But this industrialization was a peculiar one. It is not the textbook truths on the differences between socialist and capitalist industrialization (their sources, methods, course, objectives etc.). What I have in mind, but some other traits which are hardly mentioned, if mentioned at all, in the textbooks:

- that this model of industrialization is — due to reasons mentioned above — autarkic, isolationist; its goal is not world market competitiveness but the satisfaction of domestic needs;

- that industrialization was essentially "heavy-industrialization" and within it "defence-industrialization". From the very beginning a much stressed motive of industrialization was to enhance defense capability. Whether this motive is justified from a (foreign) policy perspective or not (as far as its proportions are concerned), we have to be aware that efficiency criteria were secondary in this industrialization drive; modernization as a goal was pushed into the background and made dependent on military considerations; the elimination of backwardness itself and catch-

ing-up with developed capitalist countries was transformed into the establishment of equal or superior military capabilities;⁽³⁾

— that, as a consequence of the two above mentioned peculiarities of industrialization, the objective of development was, on final account, to establish all raw and basic material capacities necessary to operate a heavy (defense) industry independent of the outer world. It is characteristic to this concept of industrialization that Stalin in his February 1946 speech (treated as a fundamental programme document not only in the Soviet Union but in all Eastern European countries for a decade) narrowed down long-term development strategy to quantities (in million tons) of four raw and basic materials: iron, steel, coal and oil. It is equally characteristic that in this programme operating exclusively with physical quantities, a product of such strategic importance as grain was not mentioned.

In Hungary the slogan of the first five-year plan started in 1950 was to build up a "country of iron and steel". This slogan was a telling symbol of the Stalinist industrialisation model which brought out also its irrational-

- (3) This can best be demonstrated by the famous and widely quoted statement of Stalin on the reasons of forced industrialisation. The statement was made on the 4th February, 1931 national session of economic managers. "To slow down the rate of growth means falling behind. And who falls behind is beaten... The history of old Russia is... full of such beatings due to backwardness. She was beaten by the Mongol khans. She was beaten by the Turkish beys. The Swedish feudals. The Polish and Lithuanian noblemen. The British and French capitalists. The Japanese barons. Everybody beat her because of her backwardness. Military backwardness, cultural backwardness, industrial backwardness, agricultural backwardness... We are 50-100 years behind the developed countries and have to catch up within 10 years. Either we do that or we will be crashed". (Stalin, 1951: 39-40). Fifteen years later, in his electoral speech, looking back on the distance covered he could declare with satisfaction that the Soviet Union turned into an industrial country in the thirteen pre-war years. The sense and objective of industrialization was formulated in the same way as before: "The party knew that the war is imminent and the country cannot be defended if it has no heavy industry. Therefore we had to start to build up heavy industry immediately. Any hesitation in this matter was equivalent defeat. The party did not forget Lenin's words who had said that without heavy industry the country's independence, the Soviet system cannot be defended." (Stalin, 1946: 15). In the same speech after outlining the long-term (15 years) development programme of heavy industry, which provided for a tripling of industrial production he justified the programme with one small sentence: "This is the precondition to be sure that our country is secured against anything unexpected". (Stalin, 1946: 19).

ity in a small landlocked country in the middle of Europe and the 20th century where — apart from labour — all the necessary conditions for such a project were lacking. However powerful military, social, political and — on a second place — economic justification this programme could have at the time and place of its original inception the establishment and perpetuation of such a production structure is devoid of any sense in post-World War II Central and Eastern Europe and especially in the last third of the century.

The problem is not only that all internal and external sources of extensive (quantitative) development are exhausted (low wage labour set free by agriculture, energy and raw material imported from socialist countries in increasing quantities) but that the character of economic growth has changed all over the world. Modern technologies with low material — and energy intensity (electronics etc.) devalued extraction and basic materials production and also low skilled labour. Newly industrializing countries became main providers of mass products of medium technology (textile, footwear, household appliances, chemicals, steel products, cars), taking away traditional markets of Central and Eastern European countries.

In such circumstances to maintain and enlarge so-called smoke-stack industries which were 40-50 years before the very symbols of modernization, economic and social progress (let us remember that not so long ago the symbols of socialism, figuring on posters, stamps and grammar school textbooks were the foundry, the mine, the power plant) means stagnation, decay, marginalization, sacrifice without any hope of things turning for the better, the squandering of national income and wealth.

All this notwithstanding, in Hungary and in other Eastern and Central European socialist countries a large (in Hungary the preponderant) part of investment resources are spent on the basic materials and energy sectors. What is behind this unbelievable stubbornness in economic policy? Certainly not ignorance or unawareness of developments in world economy (this latter was possibly true for the new leaders and managers of the late 1940s and early 1950s).

There can be two possible reasons:

1. **A certain stratum of society has a stake in perpetuation of the established economic structure.**

This is a natural and understandable phenomenon. It is common in Western countries, too, where workers of so-called crisis industries frequently join forces with their employers to obtain government subsidies, tax relief, protection against foreign competition. They too employ attrac-

tive political and ideological arguments in defense of jobs. But behind their "class militant" behaviour the real purpose is to have the budget, i.e. society, the taxpaying fellow workers to pay for the maintenance of their incompetent workplaces. True, with mass unemployment of the last decade it is almost impossible to distinguish structural enemployment from cyclical (transitional) one, therefore every claim for the maintenance of employment seems to be rational and justified.

But here the parallel ends. With socialism, especially in countries of "real socialism" labour shortage and not unemployment is the rule and this will not change with — in reasonable time — despite rumors to the opposite. In order to approach the present labour market situation of Western countries, socialist countries have to raise labour productivity by 2,5-3 times. Even by optimist forecasts, this is not an imminent "danger", even if the most radical reform concepts are fully implemented.

Therefore employment does not figure high on the list of arguments of Hungarian and other Eastern European "protectors of industry". Rather they refer to quasi-economic interests and ideological considerations. Quasi-economic arguments can be stability of provision, international obligations, capacity utilization etc. I call them quasi-economic because what is at stake is usually some artificially created monopoly positions whose abolition would benefit consumers, or the consequence of some previous wrong investment decision in which case society would profit — or better to say: lose less — by quick withdrawal and redeployment of capital as opposed to dragging on old burdens. The list of ideological arguments is even longer: from "glorious revolutionary traditions" through the advantages of the larger-scale enterprises, to outright political demagoguery on "defense of achievements of socialism".

In reality the only "achievements" under threat are the position of high and medium-level economic managers, government officials, political leaders. Through past social and economic development heavy industry has gained priority in both financial and moral sense, its executives have great personal power, social prestige. For decades this sector has been the source of new cadres for government and party leadership and vice versa. The heavy industry "lobby" has therefore resources, formal and informal power unmatched by any other sector. This is one of the main, self-generating reason for the priority development of heavy industry for four decades. The amazing inflexibility of development strategy is caused not simply by the inertia of the decision-making machinery but by strong group interests that were successful in presenting themselves as national, macro-economic interests and even as the interests of the worldwide socialist community.

2. The perpetuation of the old image of socialism as a legitimization factor also has its role in the prolonged development of heavy industry and within it of defence and material sectors.

Paradoxically, this latter sector is — despite being a sunset sector on world level — the most “successful” in Soviet-type economies. This can be explained one, by its small product range, the homogeneity of product quality, great volumes, all of which made this sector relatively fit for a central planning and management in physical terms and volumes. Two: products of the material sector could relatively easily comply with quality and transportation requirements of the world market. Thrid: these products are relatively far away from the consumer with its objections thus the controversy over quality can be the least publicized here. Four: direct and indirect military output of this sector is — as is well known — more or less of the same quality than that of industrial countries (due to special attention given to the military sector).

For reasons already discussed “heavy-industrialization” in present-day socialist countries was identified with the construction of socialism. The strategy of this industrialization in most cases was not based on economic rationalization in most cases was not based on economic rationality. And because all of its the economic decisions in all countries without exception were hotly debated repeatedly in ideological disguise. Therefore, in order to review the role of heavy industry, the revision of highest level political decisions and the underlying ideology which explained, interpreted and legitimated them is needed. Such move requires tremendous effort, determination, courage and united willingness on the part of the highest political leadership, since it includes some inherent risks. It is quite understandable that such decisions never come easily if they ever come. The heavy industry “lobby” can therefore assert its interests relatively easily.

That is why a reform relying on economic rationality cannot be successful in the realm of industrial policy if the ideology and socialism concept is not revised however risky such a revision may be.

IV. Some Lessons for Hungarian Economic and Social Policy

Hungarian economic and social history of their four decades after liberation may broadly be divided into two periods. The first 20 years were those of radical socio-economic change, with the sphere of politics (and the value system on which it relied) as its driving force. This period of revolutionary changes in Hungarian society ended somewhere in the middle of the 1960s. Economic reform started at that time set out from effi-

ciency goals and tried to direct Hungarian society towards a performance based value system. Looking back one can diagnose that the political and ideological sphere, insisting on the socialism image of a former period, and the functioning of social institutions was not in accordance with developments in the economic sphere. This on one hand caused confusion in minds, and on the other a standstill in the reform process. The final result was an odd compromise in the economy: extensive development farther pursued in big industry, isolation from the world market, the policy goal of "CMEA-wide autarky" maintained and the structure of industry left conform with objectives of a previous era.

This is why world market changes of the 1970s found an unprepared economy and society and hit so hard. In the second period (up to the end of the 1980s) determining impulses come from the world market, from the external economic relations and Hungarian economy's reactions are merely defensive, social stability is preserved but at the expense of modernizing the economic structure. Inappropriate adjustment to rapid structural changes in the world economy and subsequent slow-down of economic growth led to the widening — or at least not narrowing (to compare development levels between countries is always a dubious undertaking) — of the gap between Hungary and industrialized countries. What is an unequivocal statistical fact, however,— and what I have already demonstrated in this paper — is that Hungary's export positions (world market share) have deteriorated and so did those of other CMEA countries.

From this necessarily follows that the main driving force of social development in Hungary must be the economy in the future. This follows not only from treathening signs of falling behind in terms of world economic performance but also from increased "sensitivity to economy" in a society where living standard will stagnated if not fall for at least a decade as is forecasted today. The economy will function in an environment of international competition to an increasing extent and it has to obtain the assistance of other social spheres in order to survive. In the light of this situation the objectives of the politico-ideological sphere, of international political activity, of opinion-framing for the mass media, of education and social policy have to be reconsidered and subordinated to the above mentioned goal. In order to reach accord it has to be realized by the whole of society, that we cannot preserve our socialist values, social achievements, in short: the stability of the socialist system if we are not able to modernize the economy in line with world market competitiveness criteria.

Naturally, we should first of all decide what socialist values ought to be preserved. I made an attempt in this paper, if only in a *negative* way: by

pointing at elements of the socialism image that are generalizations of unique historic experiences and therefore of dubious value; elements which should be get rid of in order to go ahead. My treatment of such elements was not exhaustive. I choose those ones that are not considered enough by social scientists or whose judgement is not uniform in socialist countries.

A farther task is to add new values and elements to our socialism image which it did not contain before or were lost, worn away in the process of history. Some such problems chosen at random are: social and economic self-government; the right of different property forms (private property included) to co-exist in socialism; the autonomy of the individual in the collectivist economy; performance principle versus solidarity, social care etc.

Such questions are easier to ask than answer. But if we never ask them, they surely can never be answered.

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