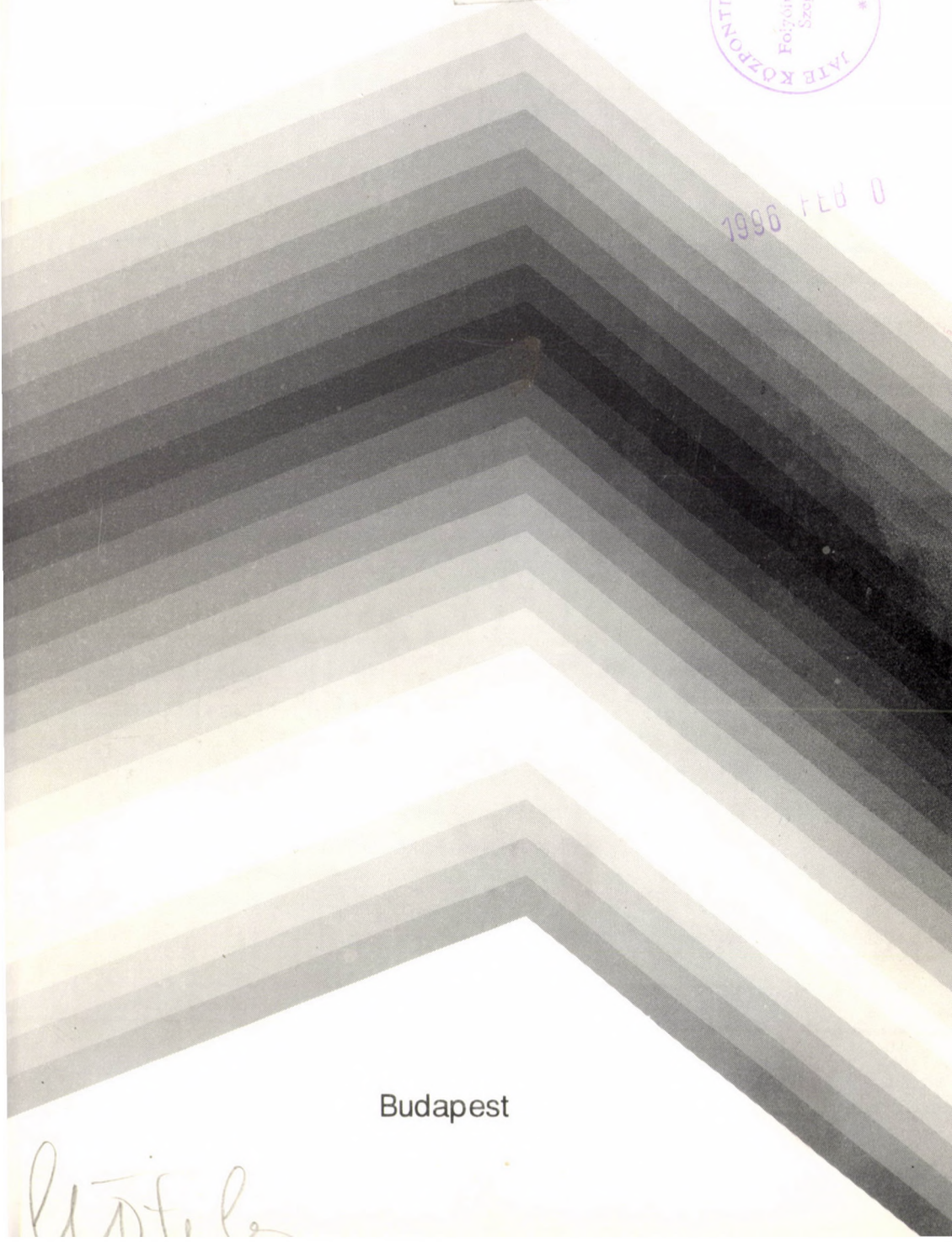
REVIEW OF SOCIOLOGY



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PREFACE

The primary task of the Review of Sociology as the periodical of the Hungarian Sociological Association is naturally to serve the purposes of communication within Hungarian social science. As a consequence of the commonly known isolation of our language, regarded to be a difficult one (presumably affecting even the English translation) the international community of social scientists cannot easily hear about these publications. Although Hungarian sociologists have a considerable number of contributions to the international periodicals of the profession, we believe that occasionally it is helpful to come forward with an English-language number edited by Hungarians to offer a cross-section of the issues preoccupying Hungarian social science.

In 1994 our issue published on the occasion of the ISA congress held in Bielefeld presented some of our younger colleagues who have not yet made their international debut. The good reception of that issue encouraged us to address the public of the ESA congress of Budapest with an English-language issue as well. This issue differs from the previous one. The papers selected analyse transformation or crisis taking place in our country and region and affecting every segment of the society interpreted in a broad sense of the term. The reader will see that the authors figuring in the issue do not represent the same stand theoretically, methodologically, or in respect of their ethical and political values. We did not aim at projecting the processes from one aspect. We are of the view that at present no single approach can claim to offer a complete and comprehensive interpretation and explanation of this historic change.

The individual papers speak for themselves – we do not wish to summarise their statements. Several of them are comparative analyses. We wish to call attention to the contribution of Hungarian sociologists working outside the country as members of a minority (Bíró *et al.*). A further merit of this issue is that two papers help the reader in understanding the special historical background of Hungarian social science (Tamás, Heller).

We hope to contribute to the success of the ESA congress with this issue, and to its outcome, which should be, at least in a scientific sense, *fusion* and not *fission*.

Contents

Rudolf Andorka, Bruce Headey, Peter Krause

ECONOMIC AND POLITICAL IMPERATIVES IN SYSTEM TRANSFORMATION: HUNGARY AND EAST GERMANY 1990–1994.

Two ideal types of the system change

The collapse of the Communist systems in East-Central Europe in 1989–1990 was unexpected for everybody: the citizens, the politicians and the social scientists. As Z. Brezinski, who was perhaps the first and best aware of the fact that a revolutionary situation was beginning to develop in this region (Brezinski 1988), stated after the change of system, the real events surpassed all earlier predictions on the victory of the Western system (Brezinski 1992). It is not surprising then that neither politicians nor social scientists had clear ideas and detailed programmes about what to do after the collapse of the Communist system, what kind of policies will be introduced and what their consequences would be.

Soon after the change of system two more or less opposite strategies were formulated: 1. The *'shock therapy'* implied that the transition to a market economy based on private ownership of the overwhelming part of productive assets ought to be implemented as rapidly as possible, i.e. price should be deregulated at once, the protectionist measures controlling foreign trade should be abolished immediately without concern for the number of enterprises going bankrupt or for the resulting level of unemployment, the productive assets owned by the state should be privatised as soon as possible, and the 'paternalist' social policy of the Communist system should be scaled down, as it prevents the actors of the economy from behaving in a way that conforms to the demands of the market. 2. The *'gradualist'* transition strategy was based on the recognition that a very rapid changeover to the harshest market conditons might cause such a steep decline of the standard of living for a large part of the society that it could undermine the legitimation not only of the market-oriented reforms and of the privatisation of state-owned assets, but also of the already established democratic political institutions, and even of the system change. To avoid this delegitimation, the transition to market conditions ought to be gradual, even at the price of a later start for the economic upswing expected from the transition to a market economy. According to the proponents of the sock therapy, this gradual approach brings the danger that in consequence of the long stagnation of the economy, the legitimation of the new economic and political system will be lost in the medium term. On the other hand according to the proponents of the gradualist therapy, the delegitimation caused by the shock might in the short term result in the repudiation of the market economy and of political democracy. In a somewhat simplified formulation we might

say that in the case of the first strategy the economic imperatives dominate, while in the second strategy, political considerations, the wish of the politicians not to lose support for themselves and for their policies among the electorate, play a dominant role.

On the basis of these considerations two ideal typical strategies or scenarios of the change of system can be formulated: *the scenarios or strategies dominated by 1. economic imperatives and by 2. political imperatives.* (Figure 1.)

It should be emphasised that in this paper we would not like to express any value judgement on these two scenarios. We shall also refrain from classifying the transition or the strategies of different East-Central European countries into these ideal typical scenarios. In the reality of transition processes the elements of the two strategies are mixed and the proportions of the mixture are changing almost from year to year. We shall also refrain from linking the two ideal typical strategies to the names of particular social scientists, political advisers and politicians, among others because the standpoints of the different actors have also changed in recent years.

Here we shall examine on the basis of the household panel surveys in Hungary and Eastern Germany and other surveys, which strategies played a role in these two former Communist countries and what their consequences have been for the incomes of the population, employment and unemployment, the satisfaction of the citizens, their psychological well-being and the legitimation of the new economic, social and political system.

Sources of data: the household panel surveys

The conditions are very favourable for Hungarian–Eastern German comparisons as in both countries a series of household panel surveys using similar questionnaires and identical methods have been conducted since the system change.

The idea that the changes of incomes, employment and living conditions should be investigated by panel surveys, i.e. annually repeated interviews of the same households and persons, was born in the Institute for Social Research of the University of Michigan in Ann Arbor. The panel surveys are obviously especially well adapted to analyse the durability or only temporary character of poverty and well-being, of advantageous and disadvantageous living conditions and of unemployment (Duncan 1984). The panel survey has been conducted in the United States since 1968.

The panel method was gradually taken over by researchers of other countries, including economists and sociologists of Western Germany from 1984 (Hanefeld 1987; Krupp, Hanefeld 1987; Krupp, Schupp 1987). The data of the panel surveys provided good possibilities to follow the dynamics of income changes on the individual level and to give useful information for the development of societal policies (Rendtel, Wagner 1991; Hauser, Hochmuth, Schwarze 1994; Hauser, Ott,

Wagner 1994; ott, Wagner 1995). In 1984 the sample of the Western German panel comprised 5921 households and 13,919 adults living in these households. Questionnaires were filled out on the households and on each of the adult members living in them.

On the basis of the good experiences in Western Germany, immediately after the system change a similar series of surveys was initiated in the Neuen Bundesländern (referred to in the following simply as Eastern Germany). The sample in June 1990 comprised 2179 households and 4453 adult persons.

When after a longer period of planning and after obtaining financial support from the Hungarian Research Foundation, the Hungarian Household Panel Survey was begun in 1992, we made extensive use of the foreign experiences with panel surveys, especially the example of the panel survey in Eastern Germany. This was motivated by the consideration that since the changes happening in Eastern Germany after 1989 will be similar in many respects to the changes in Hungary, the posibility of exact comparison might lead to interesting conclusions. It was assumed that the questions and methods used in the Eastern German survey will be useful also in Hungary.

Three waves of the panel survey were conducted in Hungary, in April–May 1992, 1993 and 1994. (Csik, Tóth 1992, 1993; Tóth 1994.) The fourth wave is being conducted at the time of writing this paper. The households in the sample were selected at random, but to diminish the costs the sample is territorially concentrated. In 1992 2059 households and 4542 adults (more exactly persons aged 16+) were interviewed. In addition 1228 children aged 0–16 lived in these households, so that the data on 'total population' refer to 5770 persons. In the nature of panel surveys, the interviewed population constantly changes: persons who die drop out, in addition dropouts occur in consequence of outmigration (if the given person for some reason cannot be found at his or her new place of residence) and of refusal to be interviewed, while on the other hand children are born into the households in the sample, new spouses 'marry in' or enter the households in other ways. In consequence of these changes of the sample, in 1994 questionnaires were filled out on 1814 households, 4028 adults living in them and in addition 1054 children lived in the households, so that their total population was 5182. The data are always weighted so that the composition of the sample correponds to the composition of the population of Hungary. When longitudinal data are used, i.e. when the changes of the characteristics of households from 1992 to 1993 and to 1994 are presented, obviously only those households and persons can be included who were interviewed in all three years, but weighting is used also in the case of these longitudinal data.

In addition to the data of the household panel surveys, we also use data from the German well-being surveys (Habich, Häder, Krause, Priller 1991; Habich 1994), the New Democracies Barometer surveys (Rose, Haerpfer 1994; Seifert, Rose 1994) and statistical data.

In some cases we refer also to the similar data of the Altern Bundesländer (reffered to in the following simply as Western Germany), in order to compare the two former Communist societies to a society which has lived in a capitalist or 'social market' system for decades.

Economic and political background

Although both Hungary and Eastern Germany belonged to the 'socialist camp' before 1989, the conditions in the two countries differed to an important degree. First of all the economic development level and – in consequence – the average per capita personal income in Eastern Germany was much higher than in Hungary. On the other hand in Hungary since 1968 market economic conditions had been slowly introduced with several setbacks, but in the medium term clearly spreading, while in Eastern Germany the system of central planning or command economy was maintained almost unchanged till the collapse of the system. In consequence the citizens of Hungary were gradually becoming acquainted with the market economy and learning to accommodate to its demands and impacts. Also related to the greater role of the market, personal freedom was wider in Hungary, oppression was less severe and the political and police control of everyday life was less intensive.

The system change also happened rather differently. In Hungary the dissatisfaction of the great majority of the society and the resulting political pressure and the willingness for reform on the past of an increasing part of the power elite were all factors in bringing about the change of the system. Therefore the expression coined by T.G. Ash (1990): 'refolution' is pertinent for Hungary: the change was partly a revolution, partly a reform process. In Eastern Germany the power elite resisted reform or liberalisation of the system till almost the last moment, so that the system collapsed overnight under the influence of the well-known opening of Hungary's Western frontier for the Eastern German refugees who wanted to emigrate to Western Germany, and following mass demontstrations in Eastern Germany, and most of all under the influence of the recognition that the leadeship of the Soviet Union was no longer willing to maintain the stability of the Communist system in Eastern Germany by armed force. Eastern Germany was soon united with Western Germany and in consequence could rely on Western German help in solving its problems of transiton, while Hungary – not having a 'Western' part – had to achieve the change of the system as an independent country, i.e. alone.

At the time of the change of regime, in Hungary after the formation of the government in May 1990 and in Germany after the unification treaties in spring and summer 1990, the strategies of the two countries, or more exactly of the two governments, seemed to accept the strategy of the gradualist approach, while the unification of Germany seemed logically to imply a very rapid transition, an

immediate adoption of the Western German social market system in Eastern Germany.

As a result of the German unification, the political decisions concerning Eastern Germany are taken by the German Parliament where the representatives of Eastern Germany hold only slightly more than one fifth of the seats. In consequence of the unification, Eastern Germany shared the financial resources of the much more populous and much wealthier Western Germany. It is an indication of the amount of financial help orginating from Western Germany that in 1992 the German government provided 218 billion Deutschmarks (in addition to the tax revenue from Eastern Germany) to the public sector of the Eastern Bundesländer. This sum is several times higher than the total foreign debt of Hungary (in 1994 Hungary's net debt in convertible currencies was 17.7 billion dollars), which it inherited from the Communist system and which is considered to be one of the greatest obstacles in the way of an economic upswing. About one third of the private consuption of Eastern Germany was estimated to be financed from the federal budget, i.e. from Western German sources (OECD 1992).

In contrast, in Hungary obviously the Parliament elected by the citizens, and the government formed on the basis of the election results decides on the political issues. Foreign help did not come in net terms; in fact, the dept service on the credits drawn in the Communist period resulted in a substantial income outflow to foreign countries. The debt service was covered partly (in some years) by the surplus of exports over imports, partly by the inflow of foreign capital and by the increase of foreign debts, which, however, did not increase the incomes of the population.

In Eastern Germany the GDP declined abruptly – in 1990 by 19 per cent, in 1991 by a further 31 per cent – immediately after the system change (DIW 1993, Ehrlich, Révész 1992). One of the causes of this decline of the GDP was that the setting of the exchange rate of Eastern and Western marks at a price level very favourable for the Eastern German mark made a large part of the Eastern German state-owned enterprises non-competitive on the world market in consequence of the high wage level. They also lost their markets in the former socialist bloc in Eastern Europe. The GDP, however, began to increase in 1992 and continued to rise till 1994 at a relatively high rate (6–7 per cent per year).

In Hungary the GDP fell much less abruptly, – its level in 1993 was about 20–21 per cent lower than in 1989 – but the decline lasted much longer and in 1994 there was only a relatively slight increase of the GDP (2 per cent). Hungary's economy continues to be plagued by the debt service, the negative balance of foreign trade in 1993 and 1994 and the deficit of the state budget.

The process of privatisation too was rather different in the two countries. In Eastern Germany the Treuhand was established to privatise the state-owned enterprises. By 1992 71 per cent of the enterprises given to the Treuhand had been privatised, but only 23 per cent of the total number of employed persons worked in

these enterprises. The privatisation of the biggest enterprises encountered obstacles and the Treuhand was unwilling to stop completely the operation of the big state-owned enterprises that were generating deficits (Headey, Krause1993).

In Hungary privatisation proceeded somewhat more rapidly. In consequence of the privatisation of state-owned enterprises and the growth of new private units the share of employment in completely and partly private units was the following (Kolosi, Bedekovics, Szívós 1994):

	Employment in	
	completely	partly
	private units, %	
1992	26	9
1993	29	12
1994	33	13

In order to understand the existence of the 'partly private' category it should be remarked that during the transition various combinations of private and state-owned units were created, that are according to Stark (1994) innovative adaptations that combine seemingly discrepant elements – bricolage – more than architectural design." On the other hand the very strict law on bankruptcies was implemented rigorously in Hungary, leading to the closure of numerous big state-owned enterprises.

The research question we would like to answer might be summarised in the following way: how did the overall *similarity of the transition* from a command economy and from the totalitarian system to a democratic system on the one hand, and the *differences of the actual process of the economic transition* influence the similarity or dissimilarity of the social changes in the two countries? Which are the similarities and the dissimilarities and which of them seem to be more important?

Demographic changes

Although before the system change the demographic indicators of Eastern Germany and Hungary seemed to be quite similar – and rather different from the Western European, among them the Western German demographic patterns – after the transition the demographic developments have become rather different.

Zapf and Mau (1993) wrote – with a question mark – on a demographic revolution in Eastern Germany" in view of the unprecedentedly sharp decline of the marriage rates and of the fertility rate (Tables 1 and 2). The total first marriage rates (sum of the age-specific first marriage rates, i.e. the number of persons out of a total of 1,000 marrying by the end of their life, if the age-specific rates of the given

year prevail during the lifetime of a cohort) declined to less than half of their level in 1990, while in Hungary the decline – from a higher level in 1990 – was much less substantial and almost no decline occurred in Western Germany. The total fertility rate (the sum of the age-specific fertility rates, i.e. the number of children born to one woman during her reproductive period, if the age-specific rates of the given year prevail during the lifetime of a cohort) declined in Eastern Germany to about half of its value in 1990 and in 1992 was by far the lowest ever experienced in the history of mankind, while in Hungary it declined relatively slightly and is still more or less on the average level of Western Europe. In Western Germany the level of fertility remained essentially on the level of 1990.

We cannot present an unquestionable explanation of the *sharp decline in the marriage and fertility rates in Eastern Germany and the relative stability in Hungary* since the transition. One possible explanation would be that Eastern German couples are rapidly adopting the Western German pattern of later marriage, later childbirth and fewer children per marriage, and the rapid changes of timing are causing a temporary decline of the yearly cross-sectional rates. Another possible explanation might refer to the economic hardships caused by the transition, which might either cause a postponement of marriages and births or lead permanently to a lower willingness to marry and to have children. Still we cannot explain why these hardships have not caused a similar sharp decline in Hungary. It might be mentioned that in Eastern Germany some benefits given to families with children were abolished in consequence of the adoption of the Western German welfare system, while in Hungary the family benefits were maintained, although their real value somewhat declined due to the inflation.

Changes of personal income

The most spectacular differences are visible in the dimension of the income changes in Eastern Germany and Hungary. In Eastern Germany the average per capita real income has increased since the system change. The average real household equivalent income increased by 9.1 per cent from 1990 to 1991 and by 7.0 per cent from 1991 to 1992. Although there were considerable fluctuations on the level of individual household (Table 3), on the whole the 'winners' were in the great majority as compared to the 'losers' (Headey, Krause, Habich 1993). Taking together the whole period from 1990 to 1992, 65 per cent of the households were better off in 1992.

At the time of the unification in July 1990 the average wage in Eastern Germany was 33 per cent of the level in Western Germany; by spring 1992 it had already attained 55 per cent of the Western German level. The real earnings of employed persons increased from 1990 to 1991 by 33.6 per cent, while the GDP declined by 31 per cent (DIW, 1993; Schwarze, Wagner 1993). The cause of the rapid growth of

real wages was that the employers and the government did not resist the demand of the trade unions for the rapid equalisation of the wage level in Western and Eastern Germany.

The households of pensioners achieved even higher growth of their real income than the households of the active population. The income of two-person pensioner households in 1992 was 177 per cent of their income in 1990 (Berger *et al,* 1993). The cause of the improvement in the income of pensioners is that the German state accepted the Eastern German pension claims with the 'one eastern mark is equivalent to one western mark' calculation formula.

Those who lost their job were, however, in serious danger of pauperisation. If both spouses stopped working after 1990, the deterioration of the standard of living was substantial (Table 4).

On the whole it might be concluded that in Eastern Germany the development of the incomes of the population was influenced predominantly by political imperatives, namely the goal of the government to gain or not to lose the support of the eastern German citizens for the unification. For this reason, incomes were increased by massive transfers from Western Germany, ignoring the economic imperatives which would have required an increase parallel to the growth of productivity and efficiency in Eastern Germany.

Although the Hungarian government formed after the parliamentary election in spring 1990 claimed to follow the strategy of gradual transition and of defending the standard of living of the society, it was unable to prevent the decline of the income level of the great majority of the population. Not having data on the incomes of the same households before and after the transition, we are able to analyse only the changes that happened after the transition. Comparing the income data of the 1992 wave of the Household Panel Survey with the retrospective income data of the interviewed households in 1991, it might be estimated that almost half of the population suffered a loss of per capita income and about a third of the population increased its income (Table 5, Kolosi, Sik 1992). It might be estimated that the percentage of 'losers' and 'winners' was similar from 1989 to 1994, although the subjective evaluations of the interviewees on the changes of their income gave higher percentages of 'losers,' probably because those whose real income remained more or less unchanged also tend to feel that their income declined.

In Hungary the 'losers' are not only those who do not have a regular job – although these categories are very substantial also in Hungary – but in addition, children and the population of Gypsy ethnicity, amounting to about 5 per cent of the total population (Table 6).

Thus the transition in Hungary was governed, intentionally or not, by economic imperatives, as no financial resources from abroad were available to prop up the income of the population. *The trend in the income of the population was completely different in the Hungarian and Eastern German society* undergoing the transformation.

One might conclude that contrary to the expectations in 1990, in consequence of the economic and financial possibilities and constraints, the Hungarian society went through an income decline that was assumed to be the corollary of a shock therapy, and Eastern Germany enjoyed an increasing income, which was originally considered to be contrary to a shock therapy and more characteristic of a gradual transition.

Income inequalities

Income inequalities, measured by the quintile distributions, increased only slightly in Eastern Germany since the change of the system (Table 7). In consequence the inequalities are much lower than in Western Germany. The main cause of the almost constant level of income inequality in spite of the change of the system is the strong redistributive impact of government in Eastern Germany through taxation and social transfers. The most important component of these transfers was the pensions paid in Eastern Germany, but financed partly from the resources of Western Germany.

On the contrary, in Hungary the income inequality increased strongly immediately after the change of the system and continued to increase in the following years. It might be added that according to the 1994 wave of the Household Panel Survey the inequality increased to a considerable degree also from 1993 to 1994. In consequence, income inequality seems to be already higher in Hungary than in Western Germany.

The development of inequalities presents a similar tendency if they are analysed by the more refined measures of the decile ratios and Gini coefficients (Table 8).

The changes in the inequalities of income were rather different from those expected in 1990. *In Hungary the inequalities increased as was expected in case of a shock therapy, while in Eastern Germany they remained almost unchanged as was expected to happen in case of a gradual transition to the market economy.*

Unemployment

Open unemployment was essentially unknown in both socialist societies before the system change. The absence of unemployment was explained by the general scarcity of everything, among others of manpower in consequence of the 'soft budget constraint' (Kornai 1980), characteristic of the state-owned enterprises in a command economy. After the change of system unemployment increased rapidly. The unemployment rate, however, does not reflect the full picture of the loss of jobs, as a considerable part of the formerly employed population retired, often

before the normal retirement age, partly on disability pension, while others – mostly women – simply withdrew from the labour market into the households.

According to statistical data the loss of employment was greater in Eastern Germany. From November 1990 to June 1994 the number of employed persons declined by 28 per cent. The unemployment rate calculated according to international statistical practice attained 14.7 per cent in 1992.

In Hungary the number of employed persons declined from 1989 to 1993 by 22 per cent and the unemployment rate calculated according to international statistical practice attained13.2 per cent in 1993 and began to decline slightly in the second half of 1993. In the sample of the Household panel Survey in 1992 44.6 per cent of the persons aged 16 and more were employed, 34.7 per cent were pensioners, 3.7 per cent were on child care allowance, and 9.3 per cent were dependent. In 1994 43.5 per cent were employed, 38.3 per cent were pensioners, 4.0 per cent were on child care allowance and 10.0 per cent were dependent. It can be seen that the number of employed persons declined and the total number of persons on social income and dependents increased. The percentage of unemployed was 5.7 in 1992, 7.2 per cent in 1993 and declined slightly to 5.2 per cent in 1994.

The employment conditions in the two countries might be best compared on the basis of the household panel data: in Hungary 58.7 per cent and in Eastern Germany 66.0 per cent of the population aged 16–64 was employed, i.e. – contrary to the macrostatistical data – *the problems caused by the loss of employment were more serious in Hungary.* This might be explained by the fact that the German government applied different measures to encourage employers to maintain part of the working places and provived extensive possibilities for shorter working time and learning new skills.

Thus although unemployment increased strongly in both countries, the consequences of the loss of jobs seem to be more serious in Hungary, as it might be expected in a more shock-like therapy and Eastern Germany was somewhat more protected against the consequences of the reduction of employment.

Dissatisfaction, psychological problems, anomie and alienation

The 'hard' data on income and employment indicate that the deterioration of living conditions since the transition has been much more serious in Hungary than in Eastern Germany. It is, however, not self-evident that this deterioration caused a higher level of dissatisfaction in Hungary than in Eastern Germany and therefore the threat of delegitimation of the system change is greater in Hungary than in Eastern Germany. In the questionnaire of the Hungarian Household Panel Survey several 'soft' questions were included, which figured in the German *sozio-ökonomisches* Panel questionnaires, and which tried to explore satisfaction, psychological problems, anomie and alienation. The information from 'soft' questions is obviously

less reliable than the hard data, because opinion and attitudes are influenced not only by the objective situation but also by cultural patterns. We nevertheless considered it worthwhile to compare Hungary and the two parts of Germany to see whether the factual differences are paralleled by differences in satisfaction, the incidence of psychological problems, anomie and alienation.

The level of average satisfaction seems to be on the overall higher in Western Germany than in Eastern Germany, and higher in Eastern Germany than in Hungary (Table 9). The only exceptions among the dimensions of satisfaction presented in Table 9 are the state of the natural environment and public security. Both Eastern and Western Germans are somewhat less satisfield with the environment than the Hungarians. Eastern Germans are more concerned about public security than Hungarians. Dissatisfaction with the income, the standard of living and the respondents' life is higher in Hungary than in Eastern Germany, reflecting the differences which were found on the basis of the 'hard' data. It is, however, striking that the high dissatisfaction in Hungary extended also to the evaluation of the possibility of citizens to have a voice in political decisions concerning themselves, i.e. to the satisfaction with the democratic system.

The comparison of dissatisfaction in Hungary and the two parts of Germany seems to prove that the level of dissatisfaction is more or less positively correlated to the factual standard of living and life cirsumstances. The changes in time, however, indicate the opposite, In Eastern Germany satisfaction declined from 1990 to 1991, and increased in the following years, together with the average standard of living (Noll 1994). On the other hand in Hungary the level of dissatisfaction did not increase from 1992 to 1993 and, indeed, declined from 1993 to 1994, although the factual standard of living and the life circumstances continued to deteriorate in these years (at least up to the time of the survey in 1994, i.e. April). It must be concluded that the level of satisfaction does not depend only on the factual level and changes of the income and of the life circumstances. That, however, does not mean that the information on the level of dissatisfaction can be neglected, as – although including the influence of subjective factors – it expresses very real social facts. Therefore the fact that *dissatisfaction is higher in Hungary than in Eastern Germany, but similarly to Eastern Germany tends to decline,* should be considered an important information for the evaluation of the Hungarian and Eastern German way of transformation.

The higher dissatisfaction with the household income level is obviously related to the perception of the changes of the household income since the pre-transition period (Seifert, Rose 1994).

In Hungary the great majority of the respondents considered that their household income is worse than 5 years earlier, while in Eastern Germany the great majority considered it better (Table 10).

The dissatisfaction with the level of income is, however, correlated not only with the changes of income in recent years, but also with the distance of the present

level from the desired level, which might be interpreted as the actual level in a neighbourning country seen as the reference society. In the case of Eastern Germany that is obviously Western Germany: that explains why the Eastern Germans are more dissatisfied with their present income than the Western Germans, although their income level improved recently much more than the income level of the Western Germans (Tables 9 and 10). On the other hand the high level of dissatisfaction in Hungary might be the consequence not only of the decline of the income level, but also of the distance from the Western European, or more concretely from the Austrian level which has served for many years as the reference level for Hungarians.

In addition, the future expectations concerning the improvement of the standard of living (Seifert, Rose 1994) are more pessimistic in Hungary than in Eastern Germany: the time in which a satisfactory income level will be attained is longer in Hungary than in Eastern Germany, while in Western Germany almost half of the respondents considered their actual level already satisfactory (Table 11). *Thus expectations concerning the future development of respondents' ecomonic conditions are more pessimistic in Hungary than in Eastern Germany.*

In both the German and Hungarian surveys questions exploring psychological well-being, anxiety, anomie and alienation were included on occasion (Table 12). The main conclusion seems to be that the *Hungarians more often suffer from the symptoms of psychological problems,* such as exhaustion, nervousness, depression, trembling, than the Eastern Germans, and the Eastern Germans more often than the Western Germans. The only exception seems to be anxieties, where a higher percentage of the Eastern Germans stated that they were repeatedly plagued by anxieties than in Hungary.

The indicators of anomie and alienation show similar differences: *Hungarians seem to be more anomic and alienated* than Eastern Germans, and the Eastern Germans more anomic and alienated than the Western Germans, with one exception: the Hungarians less frequently feel that they have little possibility of alleviating their worries, as though Hungarians felt that they are more able to fight the conditions causing worries. This might be related to the fact that Hungarians are much more prone than the Germans to break rules of everyday behaviour if necessary. It ought to be added that anomie and alienation were already widespread in Hungary before 1990. It might be hypothesised (Andorka 1994) that the crisis of anomie and alienation in the Hungarian society has developed since the 1950s and was an important or perhaps *the* most important factor of the collapse of the socialist system in 1989–1990. From other data it might be guesstimated that the crisis of anomie and alienation has not deepened since the regime change but remained more or less on the same level. Nevertheless we consider that this crisis should be seriously taken into consideration when investigating the perspectives of overcoming the problems of transformation.

Thus *the Hungarian way of transformation resulted in more widespread dissatisfaction and psychological problems and was accompanied by a higher level of anomie and alienation* than the Eastern German way.

Legitimation of the market economy and democracy

Finally we try to investigate how the German and the Hungarian way of transformation influence the legitimation or delegitimation of the goals of the transformation, namely the market economy and the democratic political system. In other terms, whether the decline of average income and of the standard of living, the growth of inequalities, the higher dissatisfaction with the income level, the more widespread psychological problems and the more intensive crisis of anomie and alienation in Hungary are leading to a delegitimation – or more exactly: a more widespread delegitimation – of the market economy and of democracy than in Eastern Germany.

Since these problems were not explored or only marginally raised in the household panel surveys, we use here the data from another series of surveys, the New Democracies Barometer surveys (Rose, Haerpfer 1992,1993,1994) and the similar Ökopol survey in Eastern Germany (Seifert, Rose 1994; Seifert 1994; Habich, Seifert 1994).

In these surveys the respondents were asked to evaluate the present (1993) economic and political system, the system of 5 years ago, i.e. the socialist system, and the system expected to be in existence in 5 years time, i.e. in 1998, on a scale ranging from +100 (very good) to –100 (very bad). Hungary was one of the few former socialist countries where the socialist economic system was evaluated on the average positively (+32), the present economic system negatively (–23), and the future system positively, but less positively than the socialist system (+24). In Eastern Germany the socialist eonomic system in evaluated negatively, the present system moderately positively and the future system much more positively. The evaluation of the political systems in Hungary is even more exceptional: the socialist political system is evaluated slightly positively (+12), the present system somewhat less positively (+2) and the future system more positively than the socialist system (+32). In Eastern Germany the socialist political system is evaluated moderately negatively, the average of the evaluations of the present system is closer to 0, while the future system is evaluated moderately positively (Zapf 1994b).

From these data it seems that in Eastern Germany the present system has a higher legitimation than the socialist system and the future development of the system is viewed optimistically. In Hungary, in contrast, the present system seems to be deligimated as compared to the socialist system and also the future expectations are not better than the evaluation of the socialist system, or, more exactly, the future political system is expected to be better, but the future economic

system worse than the socialist system. It ought to be added that these evaluations were obviously influenced by the fact that in Hungary the economic conditions were relatively good during the 1980s, so that Western observers often called it the system of 'goulash Communism' (due in large part to the country's growing foreign indebtedness) and the political conditions were relatively tolerant. Nevertheless one cannot avoid the suspicion that the answers of the respondents to these questions evaluated not really the economic and political system as such, but rather the given economic and political conditions in the second half of the 1980s and in 1993.

When we consider the opinions of the respondents on specific characteristics of the market economy and of democracy, then the differences in legitimation between Eastern Germany and Hungary are far from unambiguous (Table 14). Hungarians are somewhat more approving of incomes differentiated according to achievement, similarly divided on the question of individual responsibility versus the active role of the state, somewhat less positive about private entrepreneurship and only slightly less approving of parliamentary democracy than the Eastern Germans. On the other hand both societies are somewhat less pro-market and less pro-democracy than Western Germany. It seems that the majority of both the Eastern Germans and the Hungarians prefer a private market economy linked with a rather large role of the state in social policy. *The market economy and the democratic system seem to be legitimated in both Hungary and Eastern Germany.* Thus the rather negative evaluation of the situation in 1993 should not be interpreted as a sign of delegitimation of the market economy and democratic system.

This finding obviously does not imply that they could not be delegitimated in the future in Eastern Germany and Hungary. In that case the different political background factors could lead to very different developments in the two countries: Eastern Germany, being part of unified Germany, where the great majority supports the market and democracy, could not return to the command economy and to an authoritarian system, while this possibility cannot be excluded in Hungary, if the majority of the society becomes completely disenchanted with the market economy and democracy.

Conclusion

Before formulating our main conclusion on the basis of the data presented in our article, we would like to remind readers of the problems of our data. The 'hard' data on the incomes themselves might not be entrely exact. No income survey of the population is free from conscious and unconscious omissions. Even more doubts might arise concerning our 'soft' data on satisfaction, psychological problems, anomie and alienation and political opinions. The international comparison of these data is especially problematic. Not only is it difficult to translate exactly the survey questions, but in addition different cultural patterns might exist in different societies

on the proper answer to such a statement as 'I am usually unhappy.' We nevertheless hope to be able to formulate some reliable and relevant conclusions on the changes in Eastern Germany and Hungary since the regime change.

Concerning the first question in the introductory part of this article it could be said that *the Hungarian transformation was nearer to the strategy dominated by economic imperatives and the Eastern German transformation was nearer to the strategy dominated by political imperatives.* This conclusion is far from trivial, as in Eastern Germany the socialist system collapsed in the space of a few days, the old political elite was completely replaced by a new elite which partly came from Western Germany, and the programme of the Christian-democratic–Liberal coalition government seemed to imply a radical implementation of the transformation. On the other hand in Hungary the negotiations between the old and new political elites played an important role in the regime transition. A large part of the old elite was able to maintain its privileged position in the political, economic and cultural elite (or to reconvert its position from the political elite into the economic elite) and co-operated in the transformation. The programme of the government formed after the parliamentary election in spring 1990 seemed to be nearer to the gradualist strategy.

Hungary had, however, no other choice than to follow the transformation path dictated by the economic imperatives. Lacking foreign financial help it could not, even if it tried, alleviate the decline of income and growth of unemployment. A slower decline of income and growth of uneployment would probably have lengthened and deepened the crisis. This strategy necessarily resulted in a high level a dissatisfaction, the loss of popularity of the government coalition and in the victory of two opposition parties at the parliamentary election in 1994. On the other hand the German government was able to counterbalance the negative income consequences of the decline of the GDP during the first years of the transformation by income transfers in order to ensure the satisfaction and political support of the Eastern German voters. Refraining from value judgements on the two strategies, we would like to point simply to the fact that the post-Socialist governments have to face very difficult decisions: they ought to ensure both long-term economic prosperity and the legitimation of the system, but these two goals demand sometimes opposite policies in the short term.

The Hungarian scenario dominated by the economic imperatives resulted in higher dissatisfaction, more widespread psychological problems and anomie and alienation, than the Eastern German scenario dominated by political imperatives. *The higher dissatisfaction in Hungary, however, has not yet resulted in a more widespread delegitimation of the market economy and the democratic system.* Obviously we are not able today to predict the end result in about 10–15 years of the two transformation strategies.

On a higher theoretical level we might conclude, agreeing with W. Zapf (1994a), that it was an illusion to belive in 1989–1990 that the path and the end result of

development of European or simply East-Central European countries is predetermined, that they will rapidly develop toward a modern market economy, democracy, the welfare society and mass consumption in the next years. Not only successful modernisation, but also the breakdown of modernisation are real possibilities. Not only development, but also stagnation and regression are real alternatives. They face alternative development paths; there is no historical determinism which would lead them necessarily toward modernisation or stagnation or economic regression and the return to an authoritarian political sytem. They are at a crossroads and the present developments and decisions, without seeing their long-term consequences, might determine which alternative transformation path they will follow in the medium-term and long-term future. Thus the choice of strategies is crucial, but at the same time full of risks.

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Figure 1 **Two scenarios of system transformation: economic versus political imperatives**

Economic imperatives: short-term scenario	Political imperatives short-term scenario
Rapid privatisation; declining employment, higher unemployment	Slow privatisation; programmes to maintain high employment levels
↓	↓
Declining wages and household incomes, except for a minority who rapidly succeed in the private sector	Wages and household incomes maintained or increased faster than sector productivity
↓	↓
Increasing gross and net income inequality	High levels of income equality maintained
↓	↓
Public dissatisfaction with declining living standards and income inequality; pessimism about the future	Public dissatisfaction with incomes and living standards minimised; optimism about the future
↓	↓
Support for the government and for the legitimacy of the market and democracy at risk	Support for the government and system legitimacy maintained
Medium-term scenario	Medium-term scenario
Competitive advantages maximised; economic prosperity; political support and system legitimacy	Competitive advantages not maximixed; economic prosperity less likely; political support and system legitimacy endangered

Table 1 **Total first marriage rate*, Hungary, Eastern Germany and Western Germany**

Country	Gender	1980	1985	1990	1991	1992
Hungary	male	767	798	770	701	648
	female	986	858	771	704	598
Eastern Germany	male	798	701	580	280	290
	female	812	739	600	310	290
Western Germany	male	644	585	600	570	570
	female	656	598	640	620	640

* Sum of age-specific first marriage rates, i.e. number of men and women per thousand marrying during lifetime.

Table 2 **Total fertility rate*, Hungary, Eastern Germany and Western Germany**

Country	1980	1985	1990	1991	1992	1993
Hungary	1.91	1.83	1.87	1.87	1.78	1.69
Eastern Germany	1.94	1.73	1.45	0.97	0.76	} 1.30
Western Germany	1.45	1.28	1.45	1.42	1.39	

* Sum of age-specific fertility rates, divided by 1,000, i.e. number of children born to one woman during her reproductive lifetime (15–49).

Table 3 **East Germany: household income fluctuations 1990–92**

Income change	Per cent age of households*
Better off both years	33.4%
Better of 90–91, worse off 91–92	25.7%
Worse off 90–91, better off 91–92	28.1%
Worse off both years	12.8%
	(100.0)

* 65.3% of households were better off in March 1992 than in May 1990.

Table 4 **East Germany: effects on disposable incomes of partners continuing or stopping work by 1992***

Employment status in 1992	Percentage change in income	Percentage of respondents
Both partners working	+ 25.0%	(60.1%)
Head working, partner not	–0.9%	(21.5%)
Head not working, partner working	–1.1%	(9.0%)
Both not working	–19.9%	(9.4%)
		(100.0%)

* Analysis is confined to household in which both partners worked in 1990 and were still under 65 (i.e. normal working age) in 1992.

Table 5 Hungary: changes of per capita household income 1991–1992

Income change	% of persons
Nominal income lower than in 1991	8.8
Nominal income higher, but real income lower than in 1991	36.7
Real income more or less unchanged	22.3
Real income increased by less than 25%	16.5
Real income increased by more than 25%	15.8
Total	100.0

Table 6 Hungary: percentage of households below 50 per cent of the average equivalent per capita income, 1994

Type of household	Percentage below 50 per cent of the average
Number of children in household	
No child	8.5
One chid	10.3
Two children	8.4
Three or more children	29.5
Number of active earners in household	
No active earner	15.6
One active earner	7.6
Two active earners	4.2
Three or more active earners	5.6
Number of unemployed in household	
No unemployed	7.4
One unemployed	18.4
Two or more unemployed	57.1
Ethnicity of household	
Gypsy	46.2
Not Gypsy	8.2
Total households	10.0

Table 7 **The changes of income inequalities: quintile shares of equivalent income, Hungary, eastern Germany and Western Germany**

Quintile	Hungary			Eastern Germany			Western Germany
	1991	1992	1993	1990	1991	1992	1992
Lowest	9.1	9.1	9.3	11.8	11.6	11.4	9.5
2	14.3	14.3	13.6	16.1	16.2	16.4	14.0
3	18.0	18.0	17.1	19.3	19.0	19.2	17.8
4	23.1	22.7	21.6	22.9	22.3	22.6	22.8
Highest	35.5	36.0	38.3	29.8	30.4	30.5	35.9
Total	100.0	100.0	100.0	100.0	100.0	100.0	100.0

Table 8 **Measures of equivalent income inequality in pre- and post-transition, Hungary, Eastern Germany and Western Germany**

Priod	Year	Hungary		Eastern Germany		Westerm Germany
		Decile ratio*	Gini	Decile ratio	Gini	Gini
Pre-transition	1987	2.50**	0.21**	.	.	.
	1990	.	.	2.37	0.18	0.27
Post-transition	1991	3.27	0.26	2.41	0.19	0.26
	1992	3.30	0.27	2.41	0.19	2.26

* The income of the 90th percentile divided by the 10th percentile.
** Estimated from Atkinson and Micklewright (1992).

Table 9 **Satisfaction with selected dimensions of life, Hungary, Eastern Germany and Western Germany**

Dimension of satisfaction	Average satisfaction*							
	Hungary			Eastern Germany			Western Germany	
	1992	1993	1994	1990	1991	1992	1993	1993
Person's own life so far	5.8	5.5	6.6	6.0	6.1	4.9	6.9	7.9
Person's standard of living	4.6	4.5	4.9	6.3	5.9	5.8	6.3	7.5
Income of the household	3.6	3.7	4.0	5.6	4.7	4.9	5.8	7.1
Public security	.	5.1	.	3.4	.	.	3.6	5.0
Possibility of citizens to have a voice in political decisions	.	3.8	.	.	.	.	4.3	5.2
State of natural environment	.	5.0	.	.	.	.	4.8	4.8

* Measured on a scale from 0 (= very dissatisfied) to 10 (= very satisfied).

Table 10 **Subjective comparison of household income at present at present and 5 years earlier, 1993**

Present household income as compared to the income 5 years earlier	Hungary	Eastern Germany	Western Germany
Better	7	61	33
More or less identical	16	21	34
Worse	77	18	22
Total	100	100	100

Table 11 **Future expectations regarding household income, Hungary, Eastern Germany and Western Germany, 1993**

When will the householdincome attain a satisfactory level?	Hungary	Eastern Germany	Western Germany
Already satisfactory	4	15	48
In 1–5 years	20	29	11
In 6–10 years	18	23	8
In more than 10 years	14	10	6
Never	16	13	13
Do not know	28	10	14
Total	100	100	100

Table 12 **Indicators of psychological problems, anomie and alienation, Hungary, Eastern Germany and Western Germany, 1993**

Indicators of psychological problems, anomie and alienation	Persons mentioning the given symptom, per cent		
	Hungary	Eastern Germany	Western Germany
Anxiety			
Often exhausted	81	43	39
Constant anxieties or worries	20	26	17
Continously nervous or over-excited	31	14	10
Usually unhappy or depressed	57	16	10
Often trembling	21	7	6
Anomie and alienation			
Nowadays those who wish to achieve something have to break rules	39	12*	.
Hardly able to find his way in matters of everyday life	25	10	3
Hardly able to alleviate worries	16	48	28
Often feels lonely	12	7	4

* 1990

Table 13 **Evaluation of the economic system at present, 5 years ago and in 5 years time, Hungary, Eastern Germany and Western Germany, 1993**

Evaluation of system	Hungary	Easterm Germany	Westerm Germany
Economic system			
Present better than past, future better than present	15	41	2
Present better than past, future worse than present	2	29	3
Present worse than past, future better than present	61	21	54
Present worse than past, future worse than present	22	10	40
Total	100	100	100
Political system			
Present better than past, future better than present	24	24	2
Present better than past, future worse than present	5	30	3
Present worse than past, future better than present	46	21	43
Present worse than past, future worse than present	25	25	52
Total	100	100	100

Table 14 **Attitudes toward the market economy and democracy: Hungary, Eastern Germany and Western Germany, 1993**

Attitudes	Per cent agreeing with given statement		
	Hungary	Eastern Germany	Western Germany
Individual achievement should determine how much people are paid (as opposed to: incomes should be made more equal)	69	58	66
Individuals should take responsibility for themselves (as opposed to: the state should be responsible for everyone's material security)	40	40	68
An enterprise is best run by private entrepreneur (as opposed to: state ownership is the best)	76	86	90
Would disapprove if parliament were suspended and parties abolished (as opposed to: would approve)	75	79	87

Zsuzsa Ferge

IS THE WORLD FALLING APART? – A VIEW FROM THE EAST OF EUROPE*

The background

For decades talk was about convergence – for instance between the first and the second, or the first and the third world. It was not always very clear what was converging, but since Fukuyama's influential book on the end of history there seemed to emerge a sort of consensus suggesting that the focal point of convergence (or the ultimate design of history) was the liberal market economy. The collapse of totalitarian state socialism** seemed to justify this view insofar as the newly liberated societies all started to move towards a liberal democracy and a market economy – or at least they had a reform movement endorsing this objective.

It might have been assumed that convergence would not limit itself to the 'shell' or form of the societies involved, but would affect substantive issues such as the role or the rule of law, the way of preserving freedoms, the quality and standard of living (even if nobody was naive enough to believe that a significant improvement could be expected in human relationships or in moral matters).

What may be observed in reality is a more complex, multi-faceted movement. On the one hand there are tendencies of globalisation, including global issues, global movements, global organisations. This seems to be particularly true in case of the economy where a supranational market seems to develop, complete with international and supranational agents, agencies and institutions, and entailing a world-wide competition on a global market. On the other hand, alongside this said process of globalisation or integration, processes of fragmentation, polarisation or disintegration are gaining ground. As Norbert Elias put it: Human beings are at present involved in an immense process of integration which not only goes hand in hand with many subordinate disintegrations but can at any time give way to a dominant disintegration process" (Elias 1991: 165).

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** These systems are widely called communist societies, and the present stage is hence named post-communist. Since, in my view those societies were not communist in any proper sense of the word, I do not follow the common practice here.

Disintegration may take different forms and may be triggered by varied causes. One of its aspects is the increasing income gap between the groups of more or less 'developed' or developing countries. The scarcity of resources, in its turn, defines the chances of any given country to join the mainstream, and the chances of the population of this country to lead a life which is presented (among others by the globalised media) as worth living.

The Social Summit of the United Nations, which met in March 1995, dealt extensively with the plight of the Third Word. The reason for this preoccupation is clear on the basis of the most rudimentary statistics: the destitution of the majority in those countries defies the imagination of most of those who only read, write or talk about it. A relatively recent publication of two supranational agencies presents detailed data on 127 out of the some 200 countries now in existence (out of which 70 are very small, or are unable to produce reliable data.) (See World Development Report,1993.)

The Earth now has 5.4 billion inhabitants.

– 3.1 billion, close to 60% of mankind, live in the 40 poorest countries, with a per capita GDP of USD 350 a year (only around USD 100 in Mozambique, Tanzania and Ethiopia);

– 1.4 billion, around 26% live in the 62 middle-income countries with a per capita GDP between USD 700 and 7000; and

– 0.8 billion, 15% in the 22 richest countries. In the last group, the average per capita GDP is USD 21,000, with Switzerland at the top, having USD 33,600 per head per year.

The bottom has, thus, about 300 times less than the top. The implications are manifold. The average life span of the poor countries is 25 to 30 years less than in the richer countries; two-thirds of their adults are illiterate; famine looms large; infant mortality is high; the children are forced to start to work at a very young age; children or young girls may be sold to the more fortunate; and so forth. The country studies presented at the Social Summit make a grim reading indeed.

In addition, even in very poor countries, and in many (middle income) countries of Latin America, income inequalities within the country are far higher than in the first or the former second world. In the European region, East and West alike, around 1990, the poorest fifth (lowest quintile) of the population got about 5 to 8 per cent, and the richest quintile 35 to 45 per cent of the total personal income, which means a 5 to 8-fold difference between the two extreme groups. Meanwhile in countries like Tanzania, Kenya, Honduras, Panama or Brazil, only perhaps 2 per cent of all income found its way to the poorest fifth, while the richest fifth got over 60% – 25 to 30 times more. And these extremes are very large groups – more refined data (about the lowest and highest 1 or 5 per cent) show even more staggering differences between rich and poor both among, and within, the countries.

Compared to the predicament of these poor countries, or of the poor in very unequal countries, and from a bird's eye view, one should not waste breath on the problems (if any) of the developed countries. And one should not be too much concerned about the countries of Central and Eastern Europe either, whose troubles connected with their past and the transition are much discussed. After all, the per capita GDP in the transition countries is around USD 2500; their life expectancy is shorter 'only' by 8 to 10 years as compared to the top group, and illiteracy is practically absent.

The problem is that one cannot always stay high enough to have merely a bird's eye view. And, as one gets closer, there are disquieting tendencies both West and East.

In the developed market economies there are many signs of social disintegration, such as the emergence of hard-core, long-term unemployment, increased homelessness and the like. The usual explanation is the economic crisis or economic decline. Unfortunately, the explanation seems to be flawed. In all the high income countries growth – if not always smoothly continuous – was positive between 1980 and 1991. In those 11 years, their already high GDP increased by close to 30 per cent. Admittedly, this growth is slower than in the golden decades after the war, but it is not decline, not even stagnation. While the yearly average growth rate was 2.3% in the high income economies, it was only 1.2% on the world level, and negative in many poor and middle income countries as well as in the former 'socialist' group. However, the 'trickle-down effect,' which presumes that everybody is profiting from expanding resources ('what is good for the Rockefellers is good for everybody') is not forthcoming.

In the first three decades following the Second World War, the inequalities of income and consumption have decreased at an accelerating rate, with many positive impacts on the quality of life (from radically decreasing poverty to increasing life expectancy). It is this tendency which seems to have reverted since about the mid-seventies. Between 1980 and 1991, in 11 countries out of the most affluent 18, income inequalities have increased (Atkinson 1994; Joseph Rowntree 1995). The slow growth in income inequalities may have dramatic repercussions at the edges. Wealth is becoming more self-assured and self-justifying, and poverty may reach unprecedented extremes, with tendencies of fatal marginalisation. Up to now, the worst outcome seems to be the 'consolidation' of a so-called underclass in the United States, a group with no present and no future, representing a constant danger to society, and justifying increasingly harsh feelings and punitive welfare measures against the undeserving poor. To emphasize again, in all of those countries economic growth was significant. *In short: the rich countries did not become poorer – only their poor did so.*

One can argue in many ways about this outcome. Economists are prone to justify it in terms of slowed-down (if not negative) growth, or the sharpening of international competition, or foreign debts which require servicing. In their view, all

these factors require and justify efforts to curb central redistribution. It seems to me, though, that political and psycho-sociological reasons are more compelling than the economic ones.

In my reading, the main, direct reason of the turnaround is the dissolution of the post-war welfare consensus alongside the emergence and the successful breakthrough of the New Right. Of course, the victorious march of the New Right, in other words, the metamorphosis of the dominant values of the long post-war period needs also explaining. This issue is extremely complex, and we do not yet know which factors have contributed to this seminal change in the spirit of times. I shall just venture to give some hunches which may have relevance also for countries in transition.

The post-war consensus was partly based on the solidarity forged through the common suffering of people during the war, and the common privation after it. Such feelings cannot be passed over to the next generations: they faded away. The values of the French revolution – originally those of a bourgeois society – lost their attraction because, first, they were expropriated by the Bolshevik variety of 'socialism,' and then corrupted and discredited by it. This development weakened the drive of post-war western democracies to reconcile by various compromises the conflict-ridden relationship between equality and freedom. With the weakening, and then the collapse, of the 'socialist' block the challenge represented by it also waned.

These changes in the basic values fuelled a backlash on behalf of the taxpayers. They increasingly revolted against levies imposed on them which, on the one hand, covered services which they needed less and less, having become affluent enough to pay for them on an open market, and which, on the other hand, paid bounties to those unsuccessful on the market, including the idle, the scroungers, all sorts of useless and undeserving creatures. In order to justify this revolt, a set of criticisms could be levelled against the welfare state. Government failures – the heavy and overcentralised bureaucracies, the rigidity and impersonality of the services, the self-interest of the administration – were all pointed out, and they were often justified. It could be added that the welfare state costing so much was a failure: for instance, after all those years of heavy spending poverty was still rampant. And inasmuch as it had successes (for example, in the very significant reduction of the extent and depth of poverty, in the improvement of the health status, of the educational level, of the housing situation of the population or of the human capital) these could be attributed to factors other than public intervention. It could be surmised that they were the 'natural' outcome of economic growth – the 'trickle down effect' itself.

The demand of ascending forces was to restore the uninfringed role of the market, to rehabilitate the autonomy of the individual able to fend for him/herself, and, in order to accomplish this, to minimise the role of the state (and of taxation). When Mrs Thatcher pronounced her famous statement that there is no such thing

as a society" (quoted by Squires 1990: ix), she expressed these feelings alongside with their implications for public matters. If there is no society, it does not make sense to talk about the common or the public good, or about the state's responsibility in these matters.

The new ideology prompted vast efforts to cut the welfare state back, to pluralise, to marketise, to privatise, to reactivate the family's role in caring for its members, to stop one-sided largess when people (such as the long-term unemployed) could get something for nothing. The problem is not only that unemployment, even long term unemployment, has become massive or that homelessness appeared on a larger scale than ever before. The combined effect of increasing inequalities and the withdrawal of state responsibility is that – with the ideology that help should go to the needy – the most needy may fall entirely through the so-called safety net. With growing poverty, social assistance had to escalate. But this is a very costly solution. Hence the endless efforts to lower the standards of assistance (on grounds that high assistance is an additional disincentive to look for work); and to squeeze out people from the rolls on grounds that they do not deserve the help of the community because they do not do everything in their power to help themselves. The United States is leading the way: in its newly proposed legislation, particularly in the Personal Responsibility Act, many forms of assistance may be transformed from rights to discretionary handouts, or the time a person may spend on assistance in his/her whole life may become severely limited (Piven 1955). This means that legislation will make legal absolute destitution, the complete lack of right to even the most meager livelihood. (No doubt, in the US and elsewhere, the practice of not giving help to those deemed to be undeserving always persisted to some extent. However, the practice was not supported by legislation.)

In other words: social rights are losing ground. According to the optimistic view of Marshall in the fifties, social rights were to become as natural a part of the fabric of a modern market economy, as civil and political rights, and were to promote 'social citizenship,' integration and participation. The opposite of this prediction may be closer to the truth.

Up to now, however, the efforts to make significant welfare cuts remained, to a large extent, unsuccessful: welfare spending in practically all the countries has slightly increased or has remained unchanged. Also, the attacks on the 'big redistributive systems,' the universal and the social insurance schemes, have had continued support from the electorate so that only the fringes were gnawed away. But it has accomplished quite a few things. Among others it made the Left, old and new, look outdated, and put it on the defensive. By the same token, it made the New Right respectable, and its ideas influential – at least among large and vocal segments of the citizenry.

(a) The bad timing of the transition

The collapse of state socialism came too late – and not only because it meant that those living in it had to live for too long in a bad political and economic system. From the perspective discussed here it came late because at its advent the welfare consensus was over, and the ideas of the New Right were gaining ground and respectability everywhere. At the time of the revolutions of 1956 (Budapest), or even of 1968 (Prague), the 'left' values of the Enlightenment could still play an important role, and 'existing socialism' could be denounced as a sham and criticised as such in the name of 'socialism with a human face.' In 1990, in the new international climate this was no more possible: the rejection of the system had to go all the way.

It is not too hard to understand why many groups of the former totalitarian systems espoused so promptly and without reservation the systemic change which was based on the wholesale rejection of everything 'socialist' and on the adherence to the most important tenets of the new right. In the West, the better-off groups started to rebel because, for instance, progressive taxation harmed their interests. But Bolshevism violated incomparably more seriously former rights, firmly embedded age-old privileges. It wanted to annihilate the basis of existence, and often the physical existence itself, of all former elites, the owners of all forms of capital – physical or symbolic.

Since physical annihilation could not fully succeed, the survivors, or their descendants, started to recapture their former position. Various analyses (Andorka 1995; Kolosi *et. al.,* 1991; Szelényi 1992) show that many of those who arrive now at the top are coming from families which owned a significant amount of (real or symbolic) capital before the war. Their ranks were swelled by large segments of the technocratic elites of late state socialism, or by the entrepreneurs of the newly emerging black economy (if it was allowed to exist), who felt increasingly frustrated with the limited opportunities to acquire wealth. Thus, all the above (often overlapping) groups – the heirs of the prewar elite, and the new technocrats and the new entrepreneurs – were ready to accept a new system of values and a new ideology (redefining the role of the state, the individual and the market, sanctioning the legitimacy of unfettered inequalities, etc.).

It would not be true to say that the whole population identified with this position. At the time of the fall of the old regime, there was undoubtedly mass support for the abolition of the former economic and political system. Still, all opinion polls suggest that pure capitalism, especially in its nineteenth-century form, was not what the majority of citizens expected from the Velvet Revolution (e.g., Myles and Brym 1992; Zaslavskaia 1992; Heinen 1993; Sági 1993). Their expectation corresponded, rather, to a market economy that promises affluence with low levels of social inequality and

unemployment – apparently a sort of Swedish welfare state written large" (Myles and Brym 1992: 29).

b) Overall deterioration

However, events took a different turn. It is now recognised by practically everyone that the transition is more painful than anybody supposed it would be. This is true even if we ignore here the toll in death and suffering of the ethnic conflicts and civil wars – results of repressed hatred, of the driving force related to newly found identities, of reviving nationalism, or other, even more obscure causes. All countries are undergoing a period of deterioration of living standards and conditions. Data about the fall of production, the rate of inflation, or of unemployment are widely known, and sometimes staggering. (The exception is the Czech Republic which had the advantage of not having inherited foreign debts, and where, despite all neo-liberal rhetoric, state involvement with the economy has remained up to the present significant, preventing mass bankruptcies and large-scale unemployment.)

Studies about the human or social dimension of the aftermath of the transition are slowly becoming available. In one of them, it is stated that The mortality and health crisis burdening most Eastern European countries since 1989 is without precedent in the European peacetime history of this century. It signals a societal crisis of unexpected proportions, unknown implications and uncertain solutions" (UNICEF 1994; v). One tragic sign is the excess mortality of about 800,000 people, with the highest increase in mortality having been recorded for male adults in the 20–59 age group. The causes are manifold, but widespread impoverishment and social stress are both of utmost importance.

Poverty – unlike in the West – did not come gradually, but escalated rapidly. According to the UNICEF, until 1991 the Czech Republic and Hungary experienced a relatively slow deterioration, while the rise was explosive in the other countries, particularly in case of the children. (Romania is also an exception in the sense that the situation was already very bad in 1989.) The relative advantage of Hungary has probably diminished in the last years. Since 1993, the downward shift of the middle strata has accelerated; and the poor, having exhausted their physical and mental reserves, have become poorer.

Table 1 Estimates of poverty in the countries of Central and Eastern Europe (in % of the relevant population) 1989–1992.

	1989 (Bulgaria = 1990)	1992 (Hungary = 1991)
Bulgaria (Poverty line = 45% of 1989 average wage)		
Total population	13.8	53.6
Adults	11.0	53.7
Children	17.7	59.9
Czech Rep. (Poverty line = 35% of 1989 average wage)		
Total population	4.2	25.3
Adults	4.4	22.6
Children	4.2	38.3
Hungary (Poverty line = 40% of 1989 average wage)		
Total population	14.5	19.4
Adults	12.3	18.5
Children	20.6	27.0
Poland (Poverty line = 40% of 1989 average wage)		
Total population	24.7	43.7
Adults	19.7	40.1
Children	32.3	61.8
Romania (Poverty line = 45% of 1989 average wage)		
Total population	33.9	51.5
Adults	29.8	47.2
Children	41.2	62.8
Slovakia (Poverty line = 40% of 1989 average wage)		
Total population	5.8	34.1
Adults	4.2	27.0
Children	8.8	51.1

(*Source:* UNICEF 1994: 2)

The basic gain of the transition is freedom in many meanings of the term. It seems, though, that the gain in freedom does not counterbalance (at least for some time and in the majority of cases) the losses. One of the fist losses was the wholesale delegitimation of the past practiced by most first governments. The social and psychological consequences of the 'social amnesia' forced on people are complex and diverse. The loss of individual and collective historical roots creates a cultural vacuum undermining people's sense of continuity (all the more so because it happened the second time in the life-span of many. The Bolshevik regime followed exactly the same practice in connection with the system thrown over by them.) And if the history of one or two generations is wiped out, their identity, the meaning of their life is called into question. The delegitimation of all professed values of the former system leads to a psychological vacuum and creates grave anxieties. In the

former Soviet Union, the loss of the empire, and of the national pride connected to it adds to this turmoil (Crawford and Thompson 1994).

On top of the unexpected psychological trauma came the loss of basic, existential securities. Whether there was a so-called shock therapy or not in a given country, practically all of them have gone through the shock of the collapse or of the fundamental change of various institutions including health, education, or the ownership structure (hitting closely, for instance, former members of agricultural cooperatives); that of suddenly high unemployment; of two-or three-digit inflation; of the weakening or loss of the calculability of the future of children; or even of that of being able to maintain the present flat or making ends meet. The erosion of all these securities, combined with the rapid deterioration of public safety, aggravated stress – especially that of the middle-aged or younger generations endorsing most responsibilities.

The UNICEF has collected, in 9 countries, 29 indicators about the quality of life, ranging from school enrolment to mortality rates. Out of these, there are only two indicators which show some consistent improvement (maternal and 1–4 mortality rate). By contrast, 72 per cent of all collected indicators reflect a usually significant deterioration. In some cases, the downturn may be seen as a 'normal' and direct consequence of impoverishment (which may occur everywhere when there is an economic downturn), such as the decline in calorie intake, or even the spread of tuberculosis. But in most cases poverty alone cannot explain the new troubles, and certainly not in such a short time span. These indirect consequences – such as the rapid drop in nuptiality and in fertility, and the equally rapid increase in mortality in general and in violent death (suicide and murder) in particular – point to the tragic weakening of the joy of, or interest in life, of the value attached to life in general, both of self and of others. In Cornia's words in the UNICEF Report, there is a 'social adaptation crisis.' Out of its many components, I should then emphasize the sense of loss, fear from the future, the lack of hope of a not-too-distant better future in case of a sizable minority.

(c) Response to increasing needs

The remark that transition came too late implies also that the new troubles are not addressed at the proper time, in the proper way, and with adequate instruments – mostly because of the world-wide change of the ideological tide. As already stated, the reality of social policy has changed far less in the vast majority of the Western countries than requested by the New Right. But the voice of the advocates of the new trends reverberates much more strongly than that of the majority trying to defend the solidaristic institutions. The divergence between mass aspirations and practical politics in a democratic society is a well-known problem even in the West, but it cannot be treated here in detail (see for instance Elias 1991).

Over and above the West, whose support was strongly hoped for, and is largely missing, two actors could offer significant help: the state, and the community or civil society. But because of the pervasive new ideology, the state tries to withdraw from its former responsibilities, or the responsibilities which have been endorsed by Western welfare states. The slogan of the 'minimal state,' strongly advocated by the strongest supranational agencies, implies that the citizens should cope alone as much as possible, turning to the state only 'as a last resort.' In practical terms this means, on the one hand, that former universal benefits (such as the family allowance) are increasingly abolished and transformed into 'last resort' assistance. On the other hand, social insurance – essentially pensions and health care – are being scaled down both in coverage and standards. Those who fall out of its coverage should also turn to assistance. Those who are dissatisfied with the low standards, should turn to the market.

Indeed, one of the alternatives offered is the market. The switch from an asphyxiated central planning to a market economy has been a prime objective of the transition. In case of many needs, the market is in fact the adequate tool of need satisfaction, and it indeed 'delivers the goods' in real as well as figurative terms. It is also a good solution for the 10 to 20 per cent minority who have been the real beneficiaries of the transition, and who are now able to pay extravagant prices for services which used to be public, such as private health, private schools, or private pension insurance. A growing number of the remaining 80 per cent are unable to pay even decent market prices. This problem is exacerbated because the price subsidies have been abolished so that with a liberated foreign trade the consumer price level is almost at a par with the West, while the wages and pensions have remained almost at their former, very low level. Thus, with escalating fees (for instance in child care institutions) or with escalating prices (in case, for instance, of school books or drugs), or again with the closing down of institutions (in Hungary for instance close to 50 per cent of available places in the crèches have disappeared), the number of those who lose access to these goods and services is swelling.

The other alternative is the community or civil society. The new approach suggests that if people cannot help themselves, and if the state is not available, they should help each other on a much larger scale than they currently do. This help can take on many forms, from individual alms-giving to organised self-help. Unfortunately, support on the scale required would be out of the depth not only of the most often invoked family, but also of the informal, the non-profit or the voluntary sector taken together; and even in the richest society with long traditions of civil movements. The countries in question are not only poor and lacking many of the virtues of an established democratic society. They also lack the across-the-board solidarity which could be the basis of massive and non-demeaning help. The reason is, to a large extent, the social background of the new propertied class (already briefly described) and their ideological inclinations explained by

this background, and the long oppression and suppression of the pursuit of their interests.

Under the new conditions, their unfulfilled aspirations could, at last, be gratified. Reliable data about the new distribution of wealth are missing. Income distribution data (albeit also rather unreliable because of the unusual proliferation of the non-legal economy) give nonetheless some insight into the new trend of growing income differentiation. For instance, in 1988 the multiplier between the lowest and the highest income decile was 4.6. The same indicator (derived from similar, but not fully comparable data) amounted to 6.7 in 1992, and to 7.4 in 1994. The last figure is high even according to Western standards. The increase in inequality did not occur gradually. The gap between the poorest and the poor (the 1st and 2nd decile), and that between the well-to-do and the rich (the 9th and 10th decile) have contributed disproportionately to the increase of income inequality, meaning that the distance between the two extremes and the rest of society is growing. (Central Statistical Office 1990: 113; Andorka *et. al.*, 1994: 58).

The same tendency is illuminated by the increasing dispersion of salaries and wages, which also show in some more detail who may be the winners and the losers. The hierarchy of the occupation did not change with the transition (an interesting fact in itself), but difference between the averages of the highest and the lowest paid professional groups has passed from 2.5 in 1988 to over 4 in 1994. Again, the last multiplier is rather high by western standards. (See Table 2.)

Table 2 **Personal income or salary of selected occupational groups**

	1988 (CSO)	1992 (TÁRKI)	1994
All wage earners	**1.00**	**1.00**	**1.00**
Top managers	1.92	2.38	2.66
Middle management	1.36	1.74	1.71
Professionals	1.22	1.25	1.33
Skilled workers	1.00	.86	.85
Unskilled workers	.76	.74	.66
Top/bottom group	**2.51**	**3.22**	**4.06**

(*Source:* Central Statistical Office 1991: 24; Andorka *et. al.*, 1994: 60).

The facts presented above, point, then, to overall deterioration and increasing inequalities. The inequalities are generated partly by the old, partly by the new structuring forces (see Ferge 1995). Out of these, power is more pluralistic, more democratic, and therefore less unequal than it used to be. Meanwhile, the opportunities to accede to two other resources generating structural relationships, namely ownership and knowledge, are becoming increasingly unequal. Access to relevant, marketable and convertible knowledge is likely to be more and more conditioned by the already available resources of the family. It may remain or become slightly more flexible if, or until, the need for well and highly trained professionals is increasing. Chances of the acquisition of important private holdings are, however, rapidly diminishing, because the third 'original capital accumulation' is more or less over. It implied this time the expropriation of the former state ownership – a large part of which was, originally, private. The new owners, as already suggested, come for the most part from the upper strata of the previous two regimes.

The new structuring forces, ideology and social policy do not offer much chance to those who are not heirs to any form of capital. Whether impoverishment and hopelessness will remain part of the landscape and lead, ultimately, to the formation of an 'underclass' (Katz 1993), or whether the gap will be smoothed and result in a 'normal' unequal structure is, by now, an open question. The way the question is formulated leaves some doors ajar for deliberate societal action to counteract the spontaneous social forces. But whether these opportunities will be used by the powers that be or not is also uncertain. (Deliberate state intervention trying to curtail expansion of the market forces or the unbridled lust for gain of the new entrepreneurs is difficult because of two reasons. It goes against the new ideology, and it recalls the totalitarian system, which endeavored not only to restrain, but also to smother all spontaneous movements and the pursuit of individual interests.)

All in all, current trends are not reassuring in this respect. The danger of the formation of a marginalised underclass looms large at least in some countries with ethnic minorities who are easily scapegoated (like the Gypsies in Hungary or Slovakia), and/or with the residualisation of social policy, which, by 'helping' only the poor, will increase the gap between rich and poor, strengthen the intolerance against those who can maybe never reward what they get, and thereby gradually erode the willingness to give, and the standards of assistance. This scenario (based, unfortunately, on historical precedents and sociological truisms, and therefore not a figment of imagination) obviously contributes to the disintegration of society.

(d) Popular feelings

Without putting into doubt the necessity or the potential long-term advantages of the transition, the present outcome is not exactly what the majority in countries undergoing transition have bargained for. Of course, the worse the former system was, the higher the satisfaction with the new, but the current difficulties have also an obvious influence on opinions. According to preliminary, as yet unpublished survey data, the degree of satisfaction, in declining order, is the following: former East Germany – the Czech Republic – Poland – Slovak Republic – Hungary. The ratio of those assessing the new system as better than the former one is between 50 and 60 per cent in the two best satisfied countries, but much lower in the three others. (See Table 3)

Table 3 **Percentage distribution of the opinions about comparing the past and the present regime (February, 1994)**

The present	Czech Rep.	Poland	Hungary	Germany (East)	Slovak Rep.
Much worse	9.4	18.4	25.8	5.4	23.3
Slightly worse	14.0	20.6	25.2	13.9	27.9
Same	18.9	17.1	22.6	22.6	16.4
Slightly better	34.3	32.8	21.2	41.1	27.4
Much better	23.4	11.1	5.2	15.5	5.1
Total	100.0	100.0	100.0	100.0	100.0
(N =	979	1011	939	1038	976)

[*Source:* Survey on Social Consequences of the Transition (SOCO), carried out under the auspices of the Institute of Human Studies (IWM) in Vienna.]

Incidentally, it is repeatedly confirmed by survey data that Hungary, after having been the 'most cheery barrack in the camp' has become the most gloomy one. The easiest, but probably not entirely false explanation is that the Hungarians might have been the best prepared for the economic and political transition, expected from it the most in a short time, and were deeply deceived on all accounts.

The gloom does not envelop everybody equally, though. A Hungarian survey shows that the majority of the best qualified, and among them the entrepreneurs do feel that they have gained with the transition, and are optimistic about the future. Without going into a thorough analysis of the detailed data, it may be interesting to point out, first, that the evaluations made in 1993 are very close to those gathered in Hungary in the early eighties. In both instances the 'fifties' (the high point of

Stalinism in Hungary) were judged as the worst period in the past, worse – in case of workers, too – than the prewar system. In both cases the 'eighties' were assessed as the golden age. The difference between the former and the present survey is that the future is now seen with more pessimism. Significantly, both unskilled and skilled workers think that their lot will be worse in the future than it used to be in the dark fifties. It has to be stressed again that not only the really old, but also the not so young (those over forty) are much more pessimistic than their younger counterparts. (See Table 4)

Table 4 **The evaluation of the situation of the family in different historical periods, according to the head of the household's socioeconomic group (Mean of self-placement on a 7-point 'ladder')**

	Unskilled worker	Skilled worker	Lower white-collar	Professional, manager	Total total
Before the war	2.75	2.97	3.48	3.29	3.09
In the 'fifties'	2.66	2.81	2.83	2.83	2.79
Late seventies/ early eighties	3.56	3.81	3.91	3.87	3.79
At present	**2.74**	**3.01**	**3.17**	**3.53**	**3.11**
In 3 years	2.15	2.47	2.94	3.54	2.76
(N =	130	217	93	156*	596)

* The group of self-employed or entrepreneurs was under 20, and therefore too small to be presented separately. However, all the relevant data show consistently that they are more satisfied and more optimistic than the salaried professionals or managers.

(*Source:* Panel survey 1991–1994, funded as Research 2140/90 by OTKA, carried out at the Department of Social Policy of Eötvös University, directed by the author.)

While Hungarians may be more pessimistic than others, uneasy feelings or dissatisfactions are widespread in most countries, even in those which are at the spearhead of reform, where there are already tangible positive outcomes, and in which social peace does not seem precarious. On the basis of the unpublished data of the ongoing IWM survey some hunches may be offered as food for thought. The dismantling of the social security system is clearly unpopular: a vast majority in all the countries still firmly believes in state responsibility in many fields, not only in primary education, but also in health services, offering decent pensions, or even in making jobs available for all. The inter-country differences are rarely significant (albeit the Czech Republic gives almost consistently lower scores than the others). The rank-order of the responsibilities is practically identical in all the countries, with

significant differences between domains. But even when the citizens endorse a high level of responsibility (as in the case of the care and maintenance of small children, first homes), the share of the state remains still important. (The grading goes from 1 to 5. An equal sharing of responsibilities would yield an average of 2.5. All the means presented are significantly higher than 2.5.)

Table 5 **To what extent should the state endorse the responsibility for some services?**
(Means of the responses on a scale of 5 grades, 1 = low, 5 = high responsibility.)

Country	Health care	Child care	Primary educ.	Second educ.	Higher educ.
Czech R.	4.49	3.29	4.52	3.70	3.04
Poland	4.38	3.34	4.67	4.24	3.70
Hungary	4.41	3.55	4.30	4.15	4.03
Germany	4.61	3.65	4.50	4.41	4.22
Slovakia	4.58	3.57	4.50	3.89	3.27
All countries	4.50	3.48	4.50	4.09	3.66

Country	Costs of children	Decent pension	First home	Available jobs	Handicapped people
Czech R.	3.16	4.52	3.68	3.85	4.71
Poland	2.82	4.59	3.53	4.34	4.69
Hungary	3.68	4.64	4.21	4.49	4.43
Germany	3.81	4.72	3.24	4.57	4.55
Slovakia	3.33	4.70	4.03	4.37	4.65
All countries	3.36	4.63	3.72	4.33	4.61

The 'overshoot' of the reforms is clearly observed in case of income differentials for instance. While only a small minority (10 to 20 per cent) think that income differentials were too high at the end of the eighties, this is an opinion shared at present by 70 to almost 90 per cent of the interviewees, and the Czechs are no exception.

One set of data compares the importance attributed to various freedoms, and the extent to which they are assured. Another set does the same with various types of securities. Out of the results some elements are worth mentioning. While (according to some survey evidence) freedom was valued more or as highly as security around the time of the transition, by now the importance of all types of security is significantly higher than that of the various types of freedom. In case of

most securities (especially income security, job security, the security of the future of children) people feel that they are both of utmost importance and extremely threatened, and this feeling is shared by all the countries involved. But, contrary to our expectation, they feel that the freedoms, particularly political ones such as the freedom of the press or freedom of opinion, are not too secure, either – even though freedoms are thought to be much less threatened than securities. The message is that it is not only the economy (or the market) which is not offering a solution to people's basic problems. Many feel that democracy, or the rule of law, is also somewhat shaky.

Finally, in all countries only a small minority expects the improvement of their income or social situation in the next three years – and a somewhat bigger minority expects further deterioration. The combination of these two feelings suggests that people assume that inequalities will continue to grow. On the basis of their judgment about current inequalities, this development will not meet with general satisfaction either.

Of course, subjective feelings and conjectures about the future are not facts. They reflect moods, expectations or apprehensions. In some cases they may become self-fulfilling prophecies, in others they may increase tensions, or may represent a warning to government to become more responsive to people's aspirations. There is much cause for concern about the future, though, even if we ignore the worst eventualities such as the escalation of civil wars, or the realisation of the threats of armed intervention to protect the rights of Russians living outside Russia.

One cause for concern is the current approach to economic and social policy. All the governments in power assume, and enforce politics conform to this assumption, that the restriction of inner consumption (and, especially, the scaling down of welfare redistribution) offers the only road to economic development. Central redistribution is a major target, because it is judged to be too high if compared to the developed countries with more secure economic growth. According to this tenet, economic development needs investments, and funds to invest can only be secured if consumption is curtailed.

The weakening and dismantling of welfare arrangements and social security are proceeding rather successfully despite popular discontent. Whether the funds thus released will promote economic growth propelling these countries in the direction of 'Europe' is, to say the least, less sure. But one set of facts should not be neglected. There are in the world a few countries with high economic standards and a relatively good social welfare system. And there are, by far, many more which have neither economic growth, nor a social policy worth mentioning, and where, therefore, deep social cleavages, poverty and social disintegration loom large. The question is, what are the odds that with restrictive monetarism we shall manage to join the group of the happy few as against the odds of joining the unfortunate many?

The second concern stems from the discrepancy between popular expectations as against real outcomes. In quite a few countries with already two elections, Poland and Hungary included, the citizens voted the second time for (more or less) reformed socialists in the hope of gaining back some of the securities lost. The socialists – singly or in coalition with others – do not seem to deliver the goods. The question is what will be the citizenry's reaction if their hopes are again deceived? There are not many alternatives left. Out of them, right-wing (if not extreme) populism is a possible answer – representing a genuine threat to the newly won democracy, to everything which has been, or may be, gained by the collapse of totalitarianist socialism.

The two elements combined (possibly even with some economic growth) produce a scenario which is usually called 'Latin-Americanization.' There is, in other words, a danger that the turn taken by the newly liberated countries will be less similar to the post-war development of Western Europe than to the model offered by the least fortunate countries of Latin America.

I want to draw only one conclusion. Without economic growth, the countries in transition are lost. But if budget equilibrium and the pursuit of an (absolutely uncertain) economic growth becomes the single-minded political purpose and makes the governments forget both about democratic politics and the most basic interests of the electorate, then at least one should be honest. It should, then, be acknowledged, that the new society is geared neither towards the improvement of the conditions of the majority, nor towards an altogether more just and more free society, but towards promoting the unfettered freedom and self-interest of those who accept, adjust to, and can make use of, the new opportunities; who can use democratic freedoms to make the market operate to their advantage.

This tendency is in marked contrast with the efforts deployed in Western Europe after the Second World War, when governments and citizens agreed in attempting to promote economic growth *via* the mitigation of the shortcomings of the market and the development of human resources. These steps have proved to be benefical both for economic growth and social peace. More generally, as the historian Iván T. Berend points out, Bismarck's Germany and the Scandinavian countries early in this century embarked on the road towards a welfare state when they started their successful attempt to close the development gap. The success was to a large extent due to the welfare politics mobilizing immense social resources" (Berend 1995). It is doubtful whether the path now followed in the 'new democracies,' which ignores both sets of historical experiences, may secure lasting social peace based on democracy, and promote the reduction of the development gap.

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THE PRICE OF PRIVATISATION

Decline and fall after 1989

After the decade of recession and the fall of state socialism some people had hopes in the fast regeneration of agriculture, in the acceleration of its integration into the world market and Western Europe. As contrasted to these expectations, the trend of decline has not changed in Hungarian agriculture; instead we are witnessing deep crisis which, though it characterises the entire economy, hits agriculture with particular force. As agricultural growth slowed down in the last decade of state socialism until stagnation was reached, it was collapse which began after 1989. Taking the level of 1988 as 100, the gross agricultural production dropped to 90 per cent, then to 84 per cent by 1991, and to 66 per cent by 1992. 1993 was a particularly devastating year: agriculture was able to produce hardly more than half the output of the last year prior to the systemic change (KSH and OECD data, quoted by Kovách 1994a; 1994b). Decline was of equal force in vegetable and fruit production and in the field of animal husbandry, where only 65 per cent of the gross production value of 1988 was produced in 1992. In 1988, for instance, 8,700,000 pigs were held, while in 1992 this figure was only 5,700,000. The number of cattle fell from 1,700,000 to 1,300,000 during the same period. The figures show that de-collectivisation caused greater damage in production than collectivisation had done at the turn of the sixties.

The decline of production in the first four years was primarily the consequence of the fall in domestic demand. The growth of agricultural exports did not stop during this period despite the disintegration of the COMECON; its decline only started from 1993 onwards. In 1991 the export of agricultural goods grew by 14 per cent if compared to the previous year, and increase remained similar in 1992 as well. Between 1988 and 1992 the food consumption of the domestic market fell by 20 per cent, largely because of the fast loss of the value of real wages.

The income-generating capacity of production also deteriorated significantly. While the rate of inflation was around 20 to 30 per cent, food prices went up only by 10 to 20 per cent. Facing the problems caused by diminishing profits and shrinking markets, the agricultural producers reduced their investments. One of the consequences has been the drastic drop in the utilisation of fertilisers: it fell to 15 per cent of the quantity used in the first part of the eighties, and now corresponds to the Mongolian level of 1975. The purchase of machinery dropped from the 1985 level taken as 100 per cent to 25 per cent, and – as the most precise indicator of the crisis – ten per cent of arable land remained uncultivated in 1992 and again in 1993. Crop averages have also fallen to the level of decades earlier, for instance

the yield of grain production per acre dropped to three-fifths of that of the mid-eighties. Data of employment by agriculture show an even greater fall than in production. In 1988 agricultural units employed 1,080,000 people, whereas in 1992 their number was only 650,000, and 350,000 in 1992 (Kovách 1994a). Withdrawal of money by the state also exceeded every previous extent. In 1988 agriculture paid 43 thousand million forints more to the state budget in the form of taxes and other forms of monetary payments than the amount received by way of subsidy; this difference was 110 thousand million in 1992, and grew to 130 thousand million in 1993. There were a number of reasons for this agricultural crisis.

The accumulation of the internal contradictions of state socialist agriculture

In an earlier writing we analysed (Harcsa, Kovách, Szelényi 1994) how the internal contradictions of collectivised agriculture were sharpened and accumulated in the eighties until it was soon revealed that the successes of the sixties and seventies were built upon sand, and agriculture was unable to accomplish a technical and technological renewal and structural change. By the late eighties the shortage of capital, a reform of property, a distorted structure of operation, the problems of the system of incentives and an ecological system which had lost its balance, demanded major changes, but none of these were introduced. The unsolved structural contradictions of collectivised agriculture are also responsible for the grave crisis of the nineties.

The crisis of the agricultural economy is part of the crisis of transformation, the international economic trends, including the collapse of the COMECON markets, the crisis of the Common Market caused by over-production and the resulting protectionism, have a prominent role in its emergence. In the following we wish to study the special institutional and political changes in the post-socialist period which have contributed to the crisis of agriculture. Decisive transformations have taken place in two fields: ownership relations changed in the wake of privatisation and reprivatisation; the earlier system of export subsidies and price supports was ended with economic liberalisation and there was the deregulation of agricultural exports. We attempt to show what kind of disadvantages and damages have derived from these measures and changes; at the same time the question of whether creativity in the Schumpeterian sense of the term derives from the collapse is left open, together with the one about what would be needed to lay the foundations of the new track of growth. Our only remark in this context is that only the signs of collapse and decay are conspicuous for the time being, and it is far from clear how stabilisation and growth can start.

Changes of the ownership structure. Restitution and reprivatisation

The post-socialist regimes made numerous decisions which have had direct impact upon the collapse of agricultural economy. The strategic decisions and part of the new legislation have specifically reflected the objectives of the Hungarian Christian national coalition, but the new East European governments and Parliaments of the post-socialist period have made a number of similar decisions in relation to the agricultural sector. Each East European government has committed itself to an entire agricultural privatisation and the dismantling of every form of public ownership. The programme of restitution and reprivatisation had to be realised somehow because of political commitment, which caused the producers of the agricultural sector to perceive a desire for vengeance (on the East European agrarian privatisation see Kovách 1994c).

In Hungary Parliament has regulated the transformation of co-operatives and agricultural privatisation in the commonly known way. As contrasted to the other post-socialist countries, here the Acts on the transformation of co-operatives and on restitution were not passed with a parliamentary consensus. The opposition parties did not share the programme of the governing coalition, but the coalition was not uniform in respect of transformation either. According to the agricultural politicians of MDF, the top political leadership subordinated the practical solution of agricultural restitution to considerations of the coalition, which was mostly adjusted to the interests of certain circles of the smallholders (see the interview made with László Sárossy). But whatever was the case, restitution and the Act on co-operatives made a fundamental contribution to the crisis of transformation, hence the entire political elite, playing a role in transformation, irrespective of party affiliation, has a universal responsibility even if not to an equal extent. One of the characteristic features of the years after 1989 is the programme, determined by ideology rather than *realpolitik*, focusing on privatisation and on opposition to state and co-operative ownership. The decisive ideology was that the state and co-operative sectors essentially have to disappear and this political message was fully understood by the leaders of economic enterprises and co-operatives. The management of enterprises and co-operatives, if some profitable and productive companies are disregarded, started to transfer state and co-operative property into private ownership which led straight to the collapse of the socialised sector; debt was left with state companies, and co-operatives, which lost part of their means of production, had no access to resources of investment, were unable to renew their technology and their best managers and experts went to the private economy. The general trends of disintegration had an even stronger effect in agriculture. As contrasted to the leaders of big enterprises, the politically divided agricultural management, under the attack of political opponents fiercer than that directed at any similar objective (blaming the 'green barons'), was unable to lobby successfully. Agricultural privatisation had preceded the privatisation of the other sectors of the

economy all over Eastern Europe and the same happened in Hungary as well. This in itself may not have caused insoluble problems, were it not accompanied by an agricultural policy aiming at the restriction of agricultural production, reminiscent of the economic policy of the early fifties when the idea was to drain every possible resource from agriculture and pump it into other sectors of the economy so that growth could be ensured. Government regarded agricultural co-operatives as socialist institutions to be wound up. Co-operatives not only had to transfer almost half of their land to purposes of restitution, but their entire wealth was privatised, and that too with unfortunate technical arrangements which ultimately did not favour any of the parties interested, with the exception of the market rivals of Hungarian agriculture. The majority of those who have got restitution, did not receive wealth sufficient for private farming, the top and middle-level leaders of co-operatives and the better skilled workers started their 'flight' to private farming.

The cutting down and partial elimination of agricultural subsidies and protectionist assistance to exports

Post-socialist economic policy is monetarist everywhere. There is no post-socialist government with an industrial policy and there is no post-socialist government with a strategic vision of what branches of the economy should be given support, or at least temporary protection. Post-socialist economic policy often goes beyond even the somewhat academic economic rationalism of the Chicago school. It is not very surprising that the Hungarian economic policy-makers – like their East European associates – have radically decreased subsidies earlier granted to agriculture, which usually remained below the agricultural income paid to the treasury, and stopped a large part of agricultural export subsidies, while the cost of agricultural production, and energy prices in particular have rocketed. Hungarian or Polish agricultural policy has favoured free competition, while the Western European and North American opposite numbers of the agricultural producers continued to enjoy high state subsidies. For instance, the price of petrol rose three-fold in Hungary and our agricultural products had to compete with West European, American, or Canadian goods where changes of prices mean only one-third of the Hungarian burden and the producers could receive numerous forms of state support.

The crisis of credit had an extremely adverse effect upon the Hungarian economy. The Hungarian state has not only refused to guarantee the credit of agricultural companies, but even froze the land market to protect the restitution. In the absence of a state guarantee and mortgages, the banks stopped giving further credit and the co-operatives were unable to make new investments and were unable to counter-balance the amortisation of their machinery and equipment. Because of the lack of credit and cash they were unable to purchase suitable seed, or store the harvested grain and wait for better market prices.

The measures outlined above led to the total bankruptcy of weaker co-operatives, while the strong farms survived and continued to operate as co-operatives even at the beginning of 1994. Part of the co-operative leaders rather wanted to remain leaders in a big enterprise than to produce as owners of a much smaller private farm. Others had understood that it was impossible to halt the disintegration of co-operatives. After the winter of 1992 people left the co-operatives in droves, whereas others transferred the remaining part of co-operative property to limited companies, attempting to continue agricultural production with part of the former co-operative workers. Transformation, attaching names to property and restitution also allowed for a series of abuses, but the leaders of co-operatives tried to survive either as private producers, or together with part of the former team of the co-operative, in the space demarcated for them by legislation and by the measures of government.

Changes in agricultural ownership

1. Strategies and techniques of privatisation

1.1. The state farms

In 1989 there were 128 state farms in operation, cultivating about one million hectares, representing 10 to 12 per cent of arable land. The national-Christian right-of-centre government wished to privatise one hundred farms, and planned the continuation of 20 to 25 farms as model ones. Plans concerning the privatisation of state farms have only been realised partially by 1994. A process of rearrangement was started, but it rather resulted in the disintegration of farms into smaller units and not in privatisation, while the number of employees has been greatly reduced (Csite1994).

1.2. Agricultural co-operatives

In 1988 there were 1335 agricultural co-operatives in Hungary. In the first years of the change of the political system a few of the biggest ones split into smaller units, and despite bankruptcies and liquidations the number of co-operatives was 1870 in 1993. Decollectivisation was speeded up in 1993 and while the number of co-operatives increased, the land cultivated by them was reduced by 30 per cent and they rapidly lost a significant proportion of their employees. In 1988 the co-operatives employed 1,088,000 people and this figure shrunk to 250,000 by the summer of 1993 (Statistical Monthly Bulletin, quoted by Kovách 1994a). About two-thirds of the somewhat more than one million people used to be engaged in basic agricultural activities, the rest were employed in the subsidiary industrial and

servicing units of the co-operatives. Hence the loss of the number of people employed in agriculture is about 60 per cent, that is about 350,000 to 400,000 people. Eighty thousand of them became unemployed in 1993, the rest retired, found jobs elsewhere, or did not register as unemployed.

The extremely complex and involved privatisation of co-operatives was started in mid-1992 and was carried on by two techniques: restitution coupons and share in the enterprise acquired by naming the new owner.

The value of the restitution coupons was set by the gold crown value of land lost during the course of collectivisation. The value of one gold crown was set at 1000 forints. The former owners did not get the property back but received restitution coupons: up to 200,000 forints of gold crown value set degressively, the former owners were fully compensated, whereas restitution was partial above the value of 200,000 forints. Restitution coupons were used to compensate for fifty per cent of lost property between 200,000 and one million forints, and only ten per cent or less above one million forints. Members joining co-operatives without landed property received compensation in the form of shares in property to the value of thirty, and the employees to twenty gold crowns. Altogether two million families were entitled to receive restitution.

Of the 5 million hectares used by co-operatives, 1.9 million hectares were put aside for purposes of restitution. Already the Németh government had passed a resolution according to which co-operative property could be taken out of the co-op, but this opportunity was limited before restitution, because after collectivisation there was an Act ruling that land used by the co-operatives had to be registered as the property of the co-operatives.

The restitution coupons can be exchanged for land by bidding at auctions. It was the Committees of Land Settlement, set up by the local governments, which chose the plots of land for bidding. Nobody received his or her original plot of land, and could bid with their restitution coupons only for the pieces of land earmarked for the purpose. People who got their restitution coupons on the basis of landed property in the region concerned before collectivisation, as well as local inhabitants and employees of the local co-operative were eligible to participate in the bidding.

Although no systematically collected data are available, observations show that bidders were able to reach a preliminary agreement on the minimum price of 500 forints in three-quarters of the cases. The highest gold crown value known by us was almost 250,000 forints. By February 1994, 340,000 applicants received land to the value of 27.5 million gold crowns (Kovách 1994c). Bidding continued in 1994 and the less land available, the higher the starting value of bidding was. An agreement could be reached at the biddings in advance and there is no keen competition at the land auctions because restitution coupons can be sold for cash and can be used as a means of payment during the course of non-agricultural restitution.

Another procedure used for the privatisation of co-operative property is naming the owner of land, movables and immovable property left in the use of co-operatives, and the establishment of the proportion of ownership in the enterprise. The total value of co-operative property was 260 thousand million forints, representing 15 per cent of national wealth. Naming the owners and defining their share in the enterprise were done by the general sessions of co-operatives, hence the practice could differ from place to place. In some cases it was property originally brought in, elsewhere it was the active period of work spent there, or qualifications and position which mattered most. Nationally the active members of co-operatives got property coupons corresponding to 40 per cent of the whole, whereas 40 per cent was given to pensioners and 20 per cent to the outside owners. According to the Act on the transformation of co-operatives, the proportions had to be set by April 1992, and the termination of membership and the intention of taking out property corresponding to the value of the property coupons had to be announced by the end of the year. Thus ten per cent of co-operative property was privatised by the end of the year. Presumably this was so little because after January the 1st, 1993 no applications for taking property out were possible, and until then it was not at all clear that the economic activities of co-operatives would collapse. The former obligation of co-operatives to employ their members was terminated only in 1993, when 300,000 people left the co-operatives within half a year because of production hit by recession. These people did not leave the subsidiary branches but agricultural production and that too at a time when they could not take out their share of the business from the co-operative. Thus the full circle was completed. According to estimates, property to the value of ten thousand million forints was taken out of agriculture which was primarily exchanged for cash by people who had moved to cities and by pensioners who used the money for purposes of consumption.

2. New ownership, the institutional changes of agricultural production

The decisive changes started in Hungarian agriculture in 1993. During the first three years, after the conservative government announced their plans related to privatisation and to the constriction of the collective sector, relatively few signs of change were apparent. In early 1993, when the transformation of co-operatives was regulated by a new Act, new processes were immediately started. The most important consequence was the elimination of compulsory employment mentioned above and the subsequent reduction of employees by three hundred thousand. Employment by co-operatives has shrunk to the minimum, a new wave of privatisation was launched by a more intensive bidding for land, and a slow transformation of the size and structure of operational units began.

Privatisation of land

In 1994 private producers or their organisations used 30 per cent of land used earlier by co-operatives. If the proportion of land in private ownership before 1988 is added to this, then at least 35 per cent of arable land, that is about 2 million hectares may be cultivated by private farmers and their limited companies. A precise identification of limited companies causes difficulties; it is not clear whether they are organisations of private enterprise, or the management of co-operatives, relying on a more positive political assessment, have found a new legal form for the farms based on collective ownership which have changed little in their conditions of ownership and structure. The companies of mixed ownership are typical examples of the inconsistent privatisation, where banks, or companies of state majority ownership are the majority owners, the management has not changed, the structure and productivity of production even less, they are private in name only because of access to credit and of taxation. It is also difficult to say what the agricultural limited companies are. Are they companies set up by private individuals which have expropriated the former collective property, or did they want to separate the debt burdening the co-operatives from production by establishing such associations, thus trying to avoid bankruptcy? In such a case what happens is that the property of the co-operative, or part of it is 'salvaged' into a new limited company, while debt and the threatening danger of bankruptcy are left with the co-operative. Only a thorough and individual study can decide whether the given company is a means of privatisation, or it offers a chance for fending off and surviving attacks of political motivation.

In Eastern Europe, thus in Hungary as well, the actual ownership relations are often mixed up with the tag of ownership used because of the current political constellation. The formal changes of ownership rights at the time of collectivisation and nationalisation often hid who the real owner had been and who the user of agricultural property was. According to some opinions (Juhász 1973) for instance part of the large-scale farms were set up on the former latifundia, the land of which had at first been distributed among the peasants, then it was re-collectivised, and the new unit, now called 'socialist' big farms practically adapted the work organisation of the manor, at times even together with the old farm bailiffs. A similar continuity is possible now when the limited companies are organised, the reason being that the ideological campaign for the creation of private farms had only economic incentives and no other coercive means.

While these considerations are kept in view, the 1994 data of the new institutional structure are given in the following:

1870 co-operatives,
143 state farms,
2074 limited companies,
1,280,000 full time and part time family farms
(Data of the KSH, see in detail in Kovách 1994a).

The number of co-operatives has grown approximately by 30 per cent, while the arable land used by them has dropped by 30 per cent. The giant co-ops, uniting the land of several villages, were eliminated and replaced by much smaller ones. In 1994 only 250 co-operatives had more than 300 members. The privatisation of state farms also started with the development of smaller units.

The single major institutional change is the proliferation of the limited companies. In 1988 there were 64, and in 1994 more than 2000 in operation. The limited companies have a central role in agricultural privatisation. They are small organisations, approximately one thousand limited companies have less than ten, another thousand of them have more than ten employees each, but the majority employ less than twenty each. The limited companies have been typically set up by the pre-1988 middle-level leaders of the co-operatives. One-third of the top leaders (chairmen, deputy-chairmen, chief accountants, chief agronomists) retired, others seek their place in private economy. The subsidiary industrial enterprises, particularly the more profitable ones, were characteristically privatised by the leaders of co-operatives at the beginning of the formation of private economy as early as in 1989 and in 1990. A smaller part of the former upper leadership of co-operatives – their proportion is about 10 per cent – possess land sufficient for profitable private farming (23–34 hectares), which was acquired in different ways.

After 1989 the middle-level leaders of co-operatives also started their flight into limited companies as they had several reasons to do so.

– The co-operatives are not companies of limited responsibility, hence economic risk is incomparably higher in the co-operatives than in the limited companies. The major reason of founding limited companies was salvaging capital from the co-operatives while leaving debt in the collective farms. The initial limited companies were small enterprises, owned by the co-op leaders and their family members, who purchased, or rented the equipment of the co-operatives. They could purchase the tractors, combines and other means of production cheaply and the remaining debt from the credit taken for the purchase of machinery and other equipment by the co-operatives was left with the collective farms. The acquisition of livestock followed a similar route. Pigs or cattle owned by the co-operatives were acquired at a low price by the limited companies founded by half a dozen co-op leaders, or by assigning a name to property without payment.

– The middle-level co-operative leaders, again understandably, favoured the limited companies because there they were not obliged to employ the members of the co-operatives. There was another, not negligible advantage, namely that, as contrasted to co-operatives, the heads of limited companies are not elected, the employees cannot influence the decisions of the management, whereas the general assemblies of co-operatives could do so.

– After 1990 state economic policy preferred private production and discriminated against co-operatives as socialist organisations. Between 1990 and 1994 the Hungarian government was committed on an ideological basis to family

cultivation and so the limited companies, operating in an ownership form difficult to assess, could have better access to the state resources of development than the co-operatives.

Usually the limited companies do not own land, they do specialised work for which either ownership of land is not needed (repair of machines, mechanised work of cultivation), or they need only a small piece of land. An agricultural limited company would typically deal with food processing, do work with agricultural power machines, market gardening, cattle and pig breeding and similar activities, and it is only most recently, after the collapse of co-operatives, that limited companies engaged in grain and fodder production have appeared.

The agricultural limited company is the most important institution of transformation. According to formal law it is a private enterprise but it often has an interest in the survival of co-operatives as well. The limited companies have been set up usually by four or five people, and not necessarily with big initial capital (one million forints are required for the founding of a limited company which is not far from the annual income of an agricultural manager), and the means of production were rented from co-operatives. A limited company might serve the interests of the co-operative, as the only chance of access to credit, and an opportunity to retain places of work. It is possible that some of the limited companies legally established by individuals are the successor organisations of co-operatives. Actually the majority could be limited companies, which were set up to transfer collective property from bankrupt co-operatives and co-ops allowed to slide into bankruptcy to the limited company, at the same time in the majority of the cases the limited companies were founded not by a single entrepreneur, but by a group of individuals. The leadership of co-operatives could only take the more profitable part of co-operative property into private hands if they looked for coalition partners because of the strong community control of rural societies and their deeply rooted ideal of equality. For instance, the leader of a profitable co-operative cattle-breeding unit could not rent the stables and services of the co-operative without winning the head of the co-operative, or another competent decision-maker as an ally. The two of them still did not represent sufficient strength and expertise, they needed somebody else, generally the chief accountant, who would set a conveniently low rent or sales price on behalf of the co-operative, and also somebody else who could get the general assembly to vote for the contract advantageous to the limited company. The influence of the four of them and their cultural and financial capital was enough to launch a successful act of privatisation. It was not very difficult to make the co-operative accept that the dairy farm was a losing venture as shown by the figures of the chief accountant invoived in the game, and the most feasible way of preserving the employees' place of work was to rent or sell it cheaply to the limited company, which, as a private organisation, may even get credit. For the sake of legitimacy even a few workers of the dairy farm were included among the owners of the limited company. One of the consequences of the coalition and legitimation

necessary to privatisation was that sufficient expertise needed for successful operation accumulated in the limited companies. Privatisation thus executed has created ill-assorted ownership relations. Though co-operative property was transformed into private property, the new owners have a chance of economic success only if they can maintain the operation of the limited company collectively owned by them. They have acquired ownership which has collective features, as individual purchase is not really possible under the present conditions of earning and of the labour market.

The limited company represents the fourth type of economic and power relations of the participants of different origin of the agrarian society in the new, socialist and post-socialist period. In the co-operatives of the fifties and in the local public administration it was those of poor peasant origin who were in the majority (Donáth 1972). During the course of the second wave of the organisation of co-operatives even the middle peasantry joined the co-operatives, and many of the co-operative leaders of the sixties came from a middle peasant background (Márkus 1980; Orbán 1972). The seventies brought a new change. The new generation of agricultural graduates, two-thirds of them came from middle or rich peasant families, gradually replaced the earlier leaders who had no qualifications. The establishment of limited companies is the fourth power and economic formation of the groups of different origin of the agricultural society; it is a coalition which needs good skilled workers as well as technicians, in addition to the agricultural graduates, for the legitimation of privatisation and the success of production.

Social consequences

Transformation of the structure of social reproduction

The reduction of the agricultural population by almost 40 per cent is a uniquely dramatic change, which took place within a few months in 1993. In our view this process was the most certain sign of the redistribution of property in the rural settlements. Those who were squeezed out of the agricultural sector, not only lost their job, but also their property. One-third of the former agricultural population is definitely going to be the basis of rural poverty. The rapid fall of employment in the co-operatives as well as in the entire agricultural sector is accompanied by the loss of the actual control over property because property, or part of the business attached to a name could be taken out up to the end of 1992, but the obligation of the employment of co-operative members was abolished only from 1993 onwards, and by the time it became clear that part of the co-operatives would not carry on their activities, and that the leadership of the surviving co-operatives would not employ a significant part of the members, property left in the co-operatives could not be taken out. The significant property left with the co-operatives promises very little annuity-like income, the obligation to employ owners of parts of the business,

that is the members of co-operatives has been lifted; the ancillary farms producing significant income have also disappeared, because they were abolished by an Act parallel to the transformation of co-operatives. In principle the co-owner members of the business may exercise an influence through the resolutions of the general assembly how the management of the co-operative uses their common property; however, the possibility of control is rather meagre because of the legal limitations of separation from the co-operative and of the unlimited possibilities for manipulation on the part of the leaders. People squeezed out of co-operatives have lost their job while on paper they remain the owners of dead, immobile property, and they do not even have a chance left to counter-balance the radical fall of their income by earnings from small-scale agricultural production based on the institution of the ancillary farm and by its products for their own consumption. No matter who is going to be the winner of agricultural privatisation, one may justly compare the years 1992 and 1993 to the period of enclosures in England. About half of the co-operative members lost the possibility of disposing over land and their job in agriculture in the same year. Presumably it is the events of these two years which represent the biggest step towards the separation of agricultural producers from the means of agricultural production and from land which was perhaps even more effective than collectivisation. The result is the emergence of a stratum of agricultural proletariat exposed to competition in the labour market and to the employers without representation by an interest organisation.

The fall in the number of employees in the co-operatives also points towards the spread of economic rationalisation. A high rate of employment was accompanied by low productivity and could be maintained as long as state redistribution was able to allocate adequate sources to the agricultural sector and to the co-operatives. State subsidy meant partly resources taken away from other sectors of the economy by central redistribution and directly allocated to agriculture, and partly the regrouping of the income of subsidiary branches of production for the market by local redistribution to agriculture, which jointly allowed for high employment in agriculture. In 1993 it was this system of redistribution which disappeared, or at least its influence was greatly reduced. The central sources of redistribution were withdrawn from the economy, and were directed to the local authorities where they were supposed to cover social support and aid. The state budget did not gain with the cuts from agricultural subsidies, as the savings were redistributed when economic redistribution was transformed into welfare redistribution. This transformation has long been interpreted by academic public opinion as a precondition of economic reform.

Local redistribution: the revaluation of the power of local government

Changes in redistribution have enhanced the role of local authorities in the life and development of rural settlements. Though the concept of "local state corporatism" (Walder 1993), applied by Andrew Walder to the Chinese conditions, could not be used until most recently, the local governments have acquired a far greater role in the development of settlements. In 1990 there was the intention to direct the function of local governments from providential care towards entrepreneurial local government. In 1990 the opposition won the local government elections and the government attempted to corner its political opponents who had won seats in the local authority by cutting the central resources. As a result local authorities found it increasingly difficult to perform the tasks of the caring local government. As real resources were lacking, the local governments attempted to meet their tasks with enterprises utilising the valuable property transferred to them. Local state corporatism," or movement towards entrepreneurial local government is among the most significant changes of post-socialism. The social tasks and budget of local governments have grown with the decrease of economic redistribution. In state socialism it was the agricultural co-operatives which were the strongest organisations in the smaller and medium villages, but after 1990, with the decline of co-operatives, local authority was transferred to the local governments. (A volume, among others containing case studies of this process, is to be published in the near future in the Embourgeoisement series of the Institute of Political Science of the Hungarian Academy of Sciences under the title *Four Years in the Villages* in Hungarian.) In the first years of post-socialism there has been a significant development of the infrastructure, which was the most dynamic sector under the conditions of economic recession, and put local governments into a decisive position in the economy. In many settlements water supply was built, sewage system developed, telephone lines were installed, roads and pavements were built. The resources earmarked for infrastructural investment were distributed by a system of awards and the local governments could submit applications. The experts of the local governments know the system of applications, they know how to write proper applications and how to lobby effectively, and it is also the local governments, which have access to the resources of job-creating projects.

At Ásványráró, for instance, a village with 2000 inhabitants in the Szigetköz region the local government transformed one of its buildings beside the highway for industrial purposes as reported by Gabriella Farkas, an environmental expert, who knows the village well. A limited company dealing with embroidery was set up, with the local government as one of its members, lending the building to the limited company for use. With this step the local government has some income, its property, otherwise nothing but a dead asset, is utilised, and also extends protection to the limited company against bankruptcy, because the building has remained the property of the local government, as the limited company is only

renting it. The local government is at once an entrepreneur, owner and merchant-agent, which is very similar to what is described by Waldner and his associates about the Chinese villages as local state corporatism."

Our case study of Bajna (to be published in the volume *Four Years in the Villages*) has also shown that local power is shifting from the co-operatives to the local governments. The leadership of local governments have actively participated in the events of restitution and of the transformation of co-operatives, almost announcing a campaign against co-op leaders who come from elsewhere and not from Bajna. The co-operative, earlier regarded as a good one, has practically disintegrated, largely as a result of the actions of the leaders of the local government and of their relatives. While earlier practically all economic development of the village was associated one or another way with the co-operative, this role has been taken over by the local government. It was the local government which obtained the money for the development of water supply and a gas pipeline by a successful application, and naturally it is the leaders of the local government who select the entrepreneur to be given the contact. The mayor and the other leaders of public administration come from families of Bajna which traditionally have a high prestige. By occupying a new position in economic development they could strengthen their network of clientele based mostly upon their relatives.

Unemployment hitting rural settlements more than the urban ones has a significant role in the growth of the power of local governments, as local public administration has decisive functions in the handling of unemployment, in the distribution and control of aid, or in the creation of new jobs. This power is of extraordinary significance, since social differences are growing fast in the local societies because of the condition of the economy and the rapidly rising unemployment. The local governments are in the hands of the local elites and their clients, and though we have no exact data, the case studies show that agricultural and other unemployment hits the most vulnerable strata, the old, women, the unskilled and Gypsies most, hence at the time of the split of local societies the local governments, playing a pivotal role in economic development and in the handling of unemployment, can easily become the ones actively shaping the new class structure in the interest of the local elites.

The transformation of economic redistribution into welfare redistribution makes the operation of the economy rational, but this is taking place at a time when inflation is between 20 to 30 per cent. Inflation weakens the success of welfare redistribution, which is unable to counter-balance the price rises. Perhaps it is the system of economic redistribution which is most suited for this purpose, because the economic leaders have a better political position for fending off the adverse effects of inflation and for retaining the value of the redistributive sources obtained by economic actions and enterprises. At present, when rural poverty is the largest ever, and the situation of the subjected classes is very difficult, local agricultural management have lost all their possibilities for counter-balancing inflation.

Chances of survival. The enterprises

It is surprising for almost every one who knows the facts and figures of the recession and crisis of transformation, that, disregarding a few decaying villages, no outer signs of massive impoverishment are visible in rural Hungary. Part of the population have several possibilities to counter-balance the difficult conditions.

Many people who were threatened by unemployment, were old enough to retire. They are supported by their families and can actively work in the enterprises of their children, in small-scale agricultural production. Restitution coupons could also offer temporary help because income substitution could be obtained for a year or two by their sale. Similarly, the sale of the items of property, machines, taken out of the co-operatives after they were attached to a name, had the same function. Political restitution could help people entitled to it to a larger sum of cash than restitution for land, and their number is quite large, as even the former prisoners of war were given political restitution. According to observations it is from the youngest active age groups that most people start enterprises, and property in the form of housing, created in the seventies, may offer good initial conditions for this. New discount shops and mechanic's workshops are being opened in the front rooms of big village houses and in the garages. Black economy, particularly mediating trade, which has become an international one in several cases, also offers a chance to restricting impoverishment. Even then it is beyond doubt that rural society has been strongly polarised during post-communism. As contrasted to the lower third of the society, which is sinking ever lower and reaching the poverty of the Third World, the new enterprising elite and the new leaders of co-operatives, or other heads of companies do not have to fear such decline.

Agricultural family production, despite the ideology of the conservative government and the disintegration of co-operatives, has remained marginal. The number of officially registered private farms is 125,000, and has not changed; the number of those producing as part-time occupation, has become somewhat smaller (it was 1,400,000 in 1994). The size of the farms continues to be as small as earlier. According to the analysis of István Harcsa (1994) only 46 per cent of the largest 36,000 farms operate as full-time ones. The enterprises which have been included in the same survey, though they have represented producers of the largest volume, have shown a great distribution by the gross value of their output. In 1991 the annual gross production of three-fourths of these did not reach two million forints each, the gross production value of 20 per cent was between 2 and 5 million forints, of 3.9 per cent between 5 and 10 million, while a gross production value above 10 million forints was reached only by 2.1 per cent of respondents. Those enterprises with an annual production value of 22.5 million forints, have an estimated annual income around 5 million forints.

Private agricultural production, though it uses three times more land than earlier, and despite the fact that there is constant concentration taking place among private producers (Harcsa 1993), has contributed little to radical structural change if compared to the eighties, and there are fewer new structural elements in the entire agricultural production. Two-thirds of the land is still cultivated by the co-operatives, and only one-third by family farms. The most important change is the appearance of limited companies: at present this is the most dynamic economic unit. Hungarian agriculture still resembles the period of state socialism more than the Austrian, or North Italian agricultural systems. Private ownership and the market have had a bigger role, but this is not a capitalist market economy; it is a mixed economy based on the new, complex ownership.

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SOCIAL RESTRATIFICATION AND SOCIO-POLITICAL IDENTIFICATION

1. Systemic change and social restratification

Two popular findings, related to the influence of systemic change upon stratification, have been given almost equal weight and space in publicistic writings and perhaps even in social sciences in Hungary in recent years. One of them laid emphasis on the influence of systemic change on the ownership structures and on the spread of private ownership, and found the progress of embourgeoisement and the development of the middle classes. The other thesis pointed to polarisation, the decline of broad social strata, the crumbling of the middle strata. There has been no scientific confrontation of the two theses as yet. In our view the clarity of scientific vision is not served by these opinions running parallel to each other if their implications and interrelationships are not unfolded by social sciences.

In our paper we wish to touch upon these issues from a particular angle; hence it will undoubtedly be a limited approach. We address the topic primarily from the side of social identity and perception of strata on the basis of some new empirical data. However, it should be noted that clarity is greatly hindered by a rather 'soft' approach to the concepts and their frequent merge into each other. For instance, one such problem is the interpretation of embourgeoisement and the development of the middle strata as synonyms, as it can often be observed, or the lack of differentiation between the traditional ('petit bourgeois') and the new middle strata. As far as the former is concerned, in our view the processes of embourgeoisement and the growth of middle strata do not always run parallel to each other; the period of the accumulation of private capital does not always bring about a simultaneous strengthening of the 'bourgeoisie' and of the 'middle strata.' The concept of the 'middle strata' also comprises rather different social situations.[1] Even if we do not venture to make a more profound conceptual interpretation, we wish to indicate that – in keeping with a frequent usage of the concept in international literature – we link the traditional middle strata to small ownership, whereas the new middle strata is associated essentially to the 'white-collar workers,' the strata of employees.[2] In the

1 There is even less scope here for discussion of the fact that the concept of the 'middle strata' or 'middle class' by itself presupposes a level located above it. (Even if in everyday usage the 'middle class' is often merged into that upper level.)

2 On the dividing lines of these two kinds of middle strata, on their different patterns of linkages see F. U. Pappi (1981), based on the example of West German society.

Hungarian case the image is further complicated by the existence for several decades of the 'semi-petit bourgeois' of the second economy, which breaks up even the clear formula of the 'traditional middle strata.' As contrasted to the typical western tendency (where the 'new middle strata' have emerged parallel to the withdrawal of the traditional petit bourgeois strata but at the end of the day the middle strata as a whole have become broader due to the economic growth), there are opposite developments involved in our case. During the past decade the stratum of small owners and entrepreneurs has significantly expanded and its proportion has reached about 20 per cent of employees. While this traditional, or newly born social group has effectively strengthened the base of the middle strata, the typical semi-petit bourgeois of the 'Hungarian model,' those who profit from the second economy, have lost a great deal of their earlier position. And as far as the white-collar new middle strata are concerned, the way of life of a significant part of them has been shaken in recent years. This was partly caused by the moderation of the economic role undertaken by the state, and partly by the deteriorating economic situation (the decrease of the national product by about one fifth), at times even endangering the existential security of the members of this stratum. (Even if the data of the Central Statistical Office on the changes of the proportion of people able to save are rather summary, it is a telling figure that the proportion of households which have been able to save from their current income dropped from 70 to 37 per cent between 1986 and 1993).[3] In the final analysis it is contradictory processes that run counter to each other: even if the strata of owners and entrepreneurs are growing, by and large this is counterbalanced by the impulses deriving from the shrinking of the second economy and of the state sphere. It may sound somewhat paradoxical, yet it could be true on the basis of the above circumstances that the expansion of the 'old middle strata' has not been on such a scale that it could have compensated for the sinking of the 'new middle strata' (and the 'semi-petit bourgeoisie').

At the same time it is beyond doubt that the objective processes mentioned above do not entirely cover the conceptual sphere of the development of the middle strata. Changes taking place in the field of class consciousness may even influence the dynamics of the processes. Some researchers actually differentiate between the objective and the subjective aspects of the development of the middle strata. Even if the already indicated contradictions are considered, they believe that there is a mobility towards the middle strata on the plane of consciousness, of aspirations and

3 See Harcsa, I.: Megtakarítási és vásárlási szokások a háztartásokban. (Saving and Purchasing Habits in Hungarian Households). KSH, 1994.

the lifestyle set as a goal (so that the newly evolving frames of reference may also indicate the starting point of the future objective changes).[4]

Actually three types of approaches can be distinguished. According to the optimistic version, a broad-based middle class, constituting the pillar of modernisation as well as of democratic development, is evolving on an objective, as well as subjective plane. According to another, more reserved approach, which takes economic realities more into consideration, the development of the middle strata based on massive rise and economic independence is seen as less accomplished, but apparently definite signs are discovered in the field of habits and aspirations directed towards it. And finally a more sceptical interpretation does not sense a truly definite trend either in the direction of the development of the middle strata in the objective aspect, or even in the latter, more subjective ones.[5]

By now it may have become clear that our stand does not coincide with the optimistic version mentioned first. In the present paper we are looking for an answer to the question of which version of the latter two is more supported by our data. The difference of these views derives from the different assessments of the subjective factor; thus we wish to focus on the issues of social identity and the question of the perception of strata.

4 Such a logic is outlined for instance in Péter Róbert's paper entitled Középosztály, attitűdök, politikai preferenciák (Middle Class, Attitudes, Political Preferences) (1994/a).

5 In principle there could be even a fourth approach which would assume that the development of a broad-based middle class began after the systemic change, but for the time being it has not been accompanied by a similar reshaping of ambitions and lifestyle. This is however, noted only for the sake of logical completeness: the 'backwardness of consciousness' presumes a speed of modernisation and economic growth which cannot be expected even by the most optimistic observers. We have not come across such an approach in Hungarian social research.

2. Hungarian trends of identification by stratum

A simple but not negligible index of the growth of the middle strata is what proportion of people regard themselves as belonging to them. Of course the related empirical approaches are different, depending on the use of open or closed questions, and even the latter may differ in respect of the number of strata they distinguish. The different variants of the closed form are the most frequently found in the international literature. There is no uniformity in wording either; for instance, practice differs in respect of the use of the expressions 'class,' or 'stratum.' We tried to avoid the use of either the 'middle class,' or the 'working class' in our blocs of questions. Regarding the latter, we thought that the specific ideological connotations of the domestic terrain could lead to particularly strong distortions. And we have mostly used the formula 'middle strata' instead of 'middle class' because its meaning is free of the ideological shade of the 'historical middle class.' A further argument is also related to it, namely that the expression 'middle strata' allows for the identification of broader strata than the expression 'middle class,' which in Hungary too, also has the connotation of an exclusivity of estates. According to our initial assumption, the former gives a better opportunity than the latter one, to the presently rising strata to identify themselves at a higher level of status.[6]

We conducted a panel study in three waves between the end of 1993 and September 1994, focusing on the parliamentary elections of 1994. We approached class consciousness, regarded as a significant intermediary variable, by different methods based on international experience. In the first wave we used the five-grade scale (lower, working, middle, upper middle, upper strata) used in the West German surveys of the sociology of elections, and in the ALLBUS surveys. In the third wave we adapted the dichotomous indicator of the American National Election Study (though the expression 'class' was deleted here too: workers/middle strata). In addition we used a 20-tag identity bloc, adapted to the local conditions (two items of which – working and middle strata – were also chosen as a control).

The different methods have resulted in more or less similar results. What is no less significant is that a comparison by time also indicates a considerable consistency in class consciousness. We therefore studied the relationship between self-classification by the five-grade scale of December and the dichotomous categorisation of September. A relative stability of identification could be observed particularly in the 'lower segment.' About eighty-five per cent of those who classified

6 This choice – just as the possible opposite option – undoubtedly contains certain arbitrary elements. Perhaps the decision applied is justified in that its implications tend to make the assertion of the fundamental findings of the survey more difficult rather than easy.

themselves (along the five-grade scale) with the lower, working strata again indicated the workers (making their choice between two categories) three quarters of a year later. Coincidence is rather high also in the space of the middle strata, where it is about two-thirds.

An at least partial comparison with international data seems to be useful for the interpretation of the Hungarian data. At present an opportunity for this is offered by the ALLBUS question as the data of the large scale survey of 1991 (comprising the former FRG and GDR as well) are available. Before a consideration of the international experiences, one should keep in mind the significant differences in the occupational structures of the countries (in the FRG only about half of the employees are physical workers). Even so, the differences in Hungarian and West German self-classification are quite striking:

Table 1 **Subjective stratum identification in the former FRG, GDR and Hungary on the basis of the ALLBUS question (former FRG and GDR 1991, N = 1500 people each; Hungary 1993, N = 1000 people; in percent)**

	Former FRG		Former GDR		Hungary	
Lower	1		3		11	
Worker	24	} 25	57	} 60	45	} 56
Middle	62	} 75	37	} 40	41	} 44
Upper middle	12		2		3	
Upper stratum	1		0		0	
	100		100		100	

A far greater proportion of the citizens of the former FRG consider themselves as belonging to the middle strata than the Hungarians. This difference is only partly explained by the differences of social stratification. The differences of stratum-consciousness are perhaps best characterised by the fact that even the majority of those who have little school education and work as physical workers do not choose the category of workers among the West Germans (for example: 65 per cent of those having skilled worker's qualification have classified themselves under the middle strata). Presumably the characteristics of the FRG (beyond the structural

differences) are partly explained by higher general living standards extending in part to the lower strata as well and by the traditional cultivation of the 'welfare society of middle strata.'[7]

A comparison by time may even be more telling from the angle of the points of dispute outlined in the introduction. Then we may seek an answer to the question of whether a movement in the direction of the middle strata can really be identified since systemic change, at least on the level of aspirations. The above study of 1993 indicated a proportion of 44 to 45 per cent, which did not seem to be higher in 1994 either, though slightly different methods were used. Based on the dichotomous method, 60 per cent classified themselves under 'workers,' and 40 per cent under 'middle strata.' And in the case of the significantly looser choice by a series of items, 62 per cent of the respondents indicated workers as a group they felt themselves close to (and 15 per cent of them in the first place). Fewer people, only 50 per cent, selected the middle strata also on the basis of this method (and 10 per cent mentioned this kind of identification in the first place).

While the relevant data corroborate the finding that the identity of the middle strata has been unable to extend over the worker and lower strata until recently, they do not enlighten us as to some possible minor shift during the past four or five years, or earlier. (In principle it is conceivable that the data in question did not even reach 40 to 45 per cent in the early 90s). As we do not have direct sources, other studies may offer supplementary information. Such data (obtained by a method

7 Though they cannot be directly compared to the above data, it is worth recalling the American experiences as well. The results of the dichotomous (middle class/working class) self-classification are known from the NES studies (American National Election Studies 1992). In 1992 47 per cent of the adult population of the United States considered themselves as belonging to the middle class and 52 per cent to the working class. As noted in the following, the Hungarian distribution upon similar dichotomous questions was 40:60 per cent, which suggests a more moderate difference than in the case of comparison between the West German and Hungarian cases (particularly if it is remembered that the population is more or less halved between white-collar and blue-collar occupations in the United States as well). A further characteristic is that in America – as contrasted to the West German experience, and essentially similarly to the Hungarian – the skilled physical workers (despite their higher living standards) also identify themselves with the working class. However, it is an important difference, if compared to the Hungarian experiences, that representatives of the lower white-collar jobs, employees of offices and administrative jobs tend rather to occupy an interim place than to identify themselves unambiguously with the middle class. The interpretation of these facts would go beyond the limits of the present paper, nor are the available data sufficient (however, we do not exclude the possibility of these phenomena being related to the factors we have referred to in the case of the West German specificities, namely the relative situation of the lower classes, and the changes in the emphasis on the 'welfare society').

using almost the same wording as the ALLBUS question) were published by Péter Róbert on the basis of his researches conducted in TÁRKI.[8] The author measured a difference of 8 to 9 per cent from 1991 to 1992 in self-classification under worker towards middle strata and he interpreted this change as a remarkable modification of subjective aspirations. However, the significance of change was somewhat weakened by the fact that the same trend was broken in 1993 as indicated by the very same study. If the same sequence of time is supplemented by our own data from the end of 1993 (based on the five-grade ALLBUS question), the shifts which could be detected in the 90s seem to wither away even more. The following table is the result of simplification, whereby the lower and worker categories as well as the middle and upper strata are combined in one each.[9]

Table 2 **Changes of the subjective stratum-identification in Hungary in the 90s**

(1991, 1992, 1993 I: TÁRKI, 1993 II: MTA–ELTE KKCS)

Self-classification under	1991	1992	1993 I	1993 II
Lower + worker	56	49	53	55
Middle + upper	44	51	47	44
	100	100	100	100
N =	993	2998	1140	971

As three out of the four data almost coincide (on the basis of TÁRKI's study from 1991 and 1993, and of the KKCS survey at the end of 1993), the movement of 1992 can be regarded almost as 'warped.' Even if the survey recorded the actual situation exactly, it can be interpreted more as a situational consequence of the

8 See Róbert, P. (1994/a and 1994/b). The question used by TÁRKI differs in two points from the wording used by us: 1. Instead of the worker and middle strata here classes were mentioned. 2. Instead of the five-grade scale, six grades were employed as the lower middle class and the middle class were put separately. The first difference may attribute a bigger role to the current changes of the political climate (for instance to aversions attached to the ideological scheme of the 'working class') in this version – because of the stronger ideological content. The second difference – as there are four grades instead of three above the category of workers – may again slightly enhance the choice of the middle strata. The dual impact may, to some extent, be counterbalanced by the somewhat more exclusive connotation of the expression 'middle class' as contrasted to 'middle strata.'

9 The study of TÁRKI was based on six categories (lower class, working class, lower middle class, middle class, upper middle class, upper class).

changes of the political climate than as a starting point of lasting change in the field of social identification.

The results of studies, not expressly related to worker and middle stratum categorisations but rather to social identity and a sense of conflict from the time before the systemic change, from 1988, then from 1991 and 1993, are in tune with these conclusions. These questions wished to find out whether the respondents saw conflicts along certain hierarchical dimensions (physical-intellectual, boss-subordinate, propertied-unpropertied, etc.), and if so, which pole they were more attracted to. In 1993, just as at the time taken as the starting point, a significant majority of respondents identified themselves with the lower levels of the hierarchy in the case of conflicts, moreover, as far as the antinomies of physical-intellectual, and propertied-unpropertied[10] are concerned, identification even increased a little to the benefit of those who were below.[11]

An essential characteristic of the development of the middle strata (either in the objective, or in the subjective sense of the term) is what social determinants are hidden behind it. It is an important cornerstone of the ideas linked to embourgeoisement that ownership and economic position join (or may even become decisive) the traditionally leading dimensions of status, occupational and educational positions. We have done a regression analysis with the objective of studying this issue. The dichotomous question of worker-middle stratum (as the simplest one which, in our experience, can be explained to the greatest extent) was chosen as the dependent variable of the equation, and school education, affiliation to a physical/intellectual occupation, employment (or the condition of being unemployed), the condition of wealth[12], personal income and the total income of the family were taken as independent variables. In order to express the material condition and lifestyle, a few more detailed variants were included such as the

10 At this dimension we have applied the category 'poor' at the lower pole of the antinomy.

11 In 1993 the following distribution could be registered among those who sensed conflict at the poles of the above antinomies: physical 40, intellectual 14; poor 52; wealthy 8 per cent. In 1988 we could still register a distribution of 37–15 and 35–18 per cent respectively in these respects. From 1991 the pair entrepreneur-worker also figured in the bloc besides the others mentioned above. In 1993 40 per cent of the respondents said that they would rather side with the workers in the case of conflicts, and only 17 per cent said that they would side with the entrepreneurs. In 1991 these proportions were only 34 and 12 per cent respectively.

12 Presumably the further regression analyses in which the esteem some leading Hungarian politicians of the recent past are held in, were involved as indices of the political and ideological attitudes, can also be similarly interpreted. Of these a positive attitude towards János Kádár appeared as an explanatory factor towards the working pole, and respect for József Antall functioned similarly towards the pole of the middle stratum.

commonly employed control variables of gender, age and type of settlement. As we also assumed the effect of the social context and the family environment, we considered the school education of the spouse and the father. Finally we have included such indices among the independent variables as the HSWP and self-classification along the scale (of ten grades) of left and right because of the ideological implications of the subject. The following table presents the results calculated in respect of the middle strata, where only factors possessing a significant explanatory force are given.

Table 3 **Factors determining subjective identification with strata (regression analysis)**

	Beta-coefficient	Significance
Physical/intellectual	0.30	0.0000
School education	0.27	0.0000
Spouse's school education	0.13	0.0027
Scale of left/right	0.10	0.0039
Stereosystem	0.10	0.0052
Former HSWP membership	–0.08	0.02
Unemployment	–0.07	0.04
r^2	43%	

It can be clearly seen that it is the variables linked to occupational and educational hierarchy and to the cultural milieu which are dominant behind the factor of class consciousness under study. The concept of the middle stratum is characteristically linked to the white-collar society (to the 'new middle strata' to use the expression mentioned above). The following table indicates the formula clearly in a highly simplified way.

Table 4 Subjective identification with strata in the groups of physical and intellectual occupations (in percentage)

	Physical	Intellectual
Classifies self as belonging to		
workers	79	25
middle strata	21	75
	100	100
N =	568	276

Table 3 also clearly indicates that the factors related to wealth and income play only a secondary role from the angle of the index of identity involved (the index of wealth was not included among the significant factors, at the same time the significant possession of a stereo system itself is partly an indicator of culture and lifestyle. If the latter factor is left out of the model, the personal earnings would also be included among the significant explanatory ones, though with a somewhat less weight.) Thus by and large identification is still characterised by features resembling estates.

Well perceived ideological motives also colour the image. Self-classification along the (ten grade) left/right scale, as well as former HSWP membership point towards worker categorisation, and this can be interpreted as the subjective reflection of the previously cultivated model of political class. (Though less markedly, there are signs of opposite ideological effects as well, indicating the influence of the ideology of the middle class cultivated during the inter-war period.)[13] Finally the autonomous explanatory role of the factor of unemployment should be mentioned even if its weight is not a decisive one. This is also an important addition to explaining why the consciousness of middle strata cannot really be strengthened at a time when unemployment affects more than half a million people and the sphere of those involved or threatened is even broader.

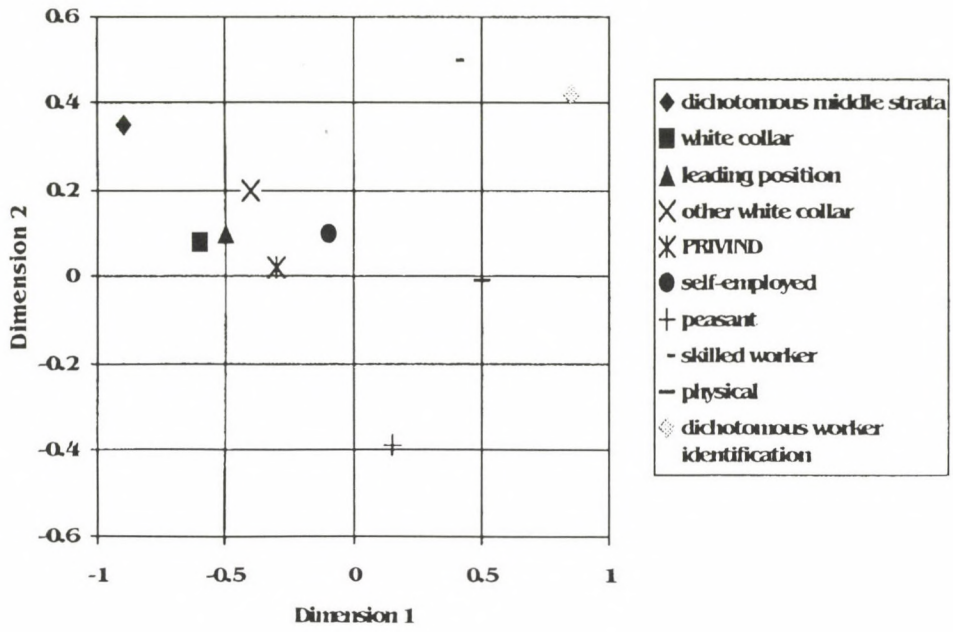
As it could be seen, the articulation along the physical/intellectual divide marks a very sharp separation in the field of identification. The contextual factors (such as the spouse's school education) do not result in a decisive change of character even if they slightly modify the picture. (For instance, a large majority of those skilled workers who had secondary education regarded themselves as workers and not as

13 Presumably the further regression analyses in which the esteem some leading Hungarian politicians of the recent past are held in, were involved as indices of the political and ideological attitudes, can also be similarly interpreted. Of these a positive attitude towards János Kádár appeared as an explanatory factor towards the working pole, and respect for József Antall functioned similarly towards the pole of the middle stratum.

members of the middle strata.) In addition to these, we found one contextual aspect which had a definite influence in this respect: it was the branch of activity. The industrial and building industry environment considerably enhances the character of workers, so much so that more than 40 per cent of those white-collar people working here chose the worker category. Whereas in the other branches, the blue-collar employees mostly employed in services, feel they are somewhat nearer to the middle strata and this trend is particularly strong in Budapest. Of the blue-collar workers who were not employed in industry or the building industry, who were not HSWP members, as many as 50 per cent classified themselves as middle strata.

At the same time the consciousness of middle strata is not particularly strong among the craftsmen and retailers of the traditional petit bourgeois strata: only 48 per cent of the 'self-employed,' mostly coming from the former, classified themselves under the middle strata and 52 per cent said that they were workers. The number of elements, not yet very high, does not allow for a deeper analysis (for instance the role of such factors as the number of employees, assets, or how long the respondent has belonged to this category and from what field he/she shifted to the new one). We have data from the first wave of the panel study which surveyed the interest of the different groups of the population in the various forms of privatisation (such as the purchase of land, launching an enterprise, etc. and the related plans). This factor was also included in the regression analyses similar to the above ones in the sample obtained by linking different surveys (though the sample was ultimately smaller because of dropouts). A significant though not very strong autonomous effect was seen. On this basis the index of participation in privatisation was also included in the further analysis which outlined the social map of the categories of workers and middle strata. A few basic social strata were also included in the model in the interest of a clearer picture. And in order to strengthen the picture of stratum consciousness outlined, we considered a few of the series of items of social identity which are significant in this respect.

Figure 1 Social strata and stratum identification in two dimensional space (OVERALS analysis)



At some points the figure indicates what was said even more strikingly. It clearly indicates the definite distance of not only the lower, but also the stratum of the skilled workers from the domain of the middle strata. As far as the latter is concerned, in addition to the white collar workers, people in leading positions, and office workers, the self-employed are only distantly linked to the 'middle strata' or 'bourgeois' tags. And even if the factor of participation in privatisation (which best approaches 'bourgeois' identity with the category of the self-employed) points in this direction, this influence is rather weak as yet. And its significant distance from the categories of skilled workers and peasants indicates that the acquisition of property by the lower strata as a social bridge leading towards the middle strata has been rather weak.

3. Identification with strata and political attitudes

Earlier analyses have already indicated the interrelationships of political-ideological factors with stratum consciousness. Thus the role of former HSWP membership, as well as a position occupied towards the left on the left-right scale, pointing towards identification with the workers, was clearly outlined. Of course an influence in one

direction only can hardly be assumed in this case too, as we can just as much speak about the way identification with a stratum influences political consciousness. For instance it is a traditional element of the development of the middle strata that a broad social base appears as a result of the process, which then consolidates the bourgeois set-up. It is an essential element of the idea that the evolving consciousness of the middle stratum stretches over the objective boundaries of strata, and integrates the lower groups aspiring for an upward social mobility, into the system of political institutions designed to balance interests by managing conflicts. The election arithmetic of the West European conservative and liberal parties is basically determined by the fact that the propertied strata are being pushed into the background to some extent: it is indispensable to their successful performance to have the circle of those who consider themselves to belong to the middle stratum expanded 'downwards' thus enlarging their potential voting public. International literature on the sociology of elections offers a number of examples of a closer relationship of subjective identification with party preferences than the actual situation within the strata would justify.[14]

These questions concerning the 1994 elections can be studied on Hungarian terrain from the data of actual electoral behaviour on the basis of the third wave of our panel study. Before turning to the topic of the choice of party, participation itself is not quite free of this element. Our earlier studies attributed a leading place to the factor of 'status consciousness' among the basic motives of the activity of participation. Accordingly voting citizens, having a definite social identity, feel greater responsibility towards this form of personal political action and this is particularly so in the case of voters with higher qualifications and a better financial position. Our present analyses have also yielded consonant results. As far as electoral participation is concerned, it turned out to be an autonomous explanatory factor if somebody was at least able to classify him- or herself under one of the working or middle strata.[15] In other words, a person who could identify him- or herself with a stratum showed greater activity in the elections.

In addition we also assumed that 'status consciousness,' as one of the basic motives of participation in the elections, was primarily linked to an identification with

14 Thus for instance according to a survey (ZUMA–ALLBUS) made in conjunction with the 1990 German elections, 44 per cent of those who had a skilled worker's certificate (on the former West German territories), compared to 54 per cent of those who classified themselves under the heading 'working stratum,' voted for the Social Democrats.

15 The existence of stratum identity proved to be a significant explanatory factor in respect of the first round of electoral participation (beta = .12, p = .0002) on the basis of regression analysis (where in addition to the variables of identity the usual objective characteristics figured among the independent variables). In other words, a person who could identify him- or herself with a stratum showed greater activity in the elections.

the middle stratum. This assumption proved to be right in the case of the first round of the elections (in the second round it was personal party preference, the chances of victory of the chosen party after the first round, which basically influenced participation).[16]

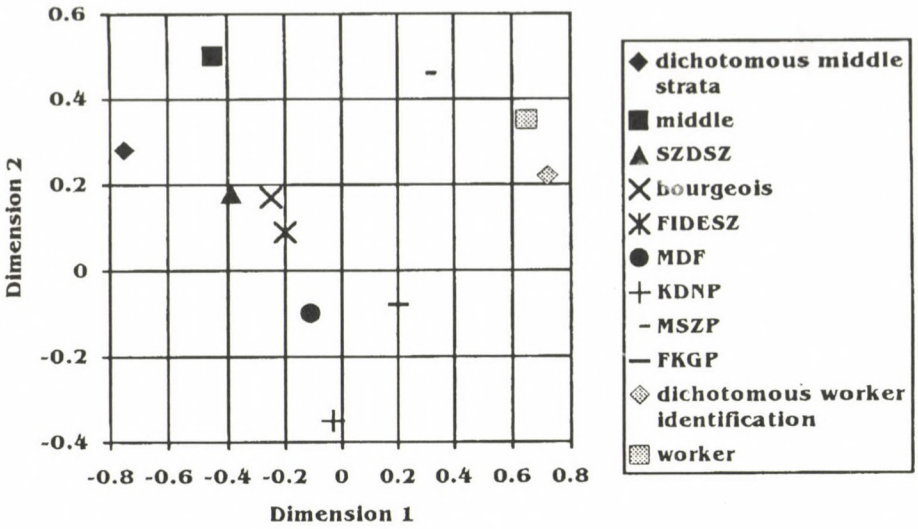
However, what effect – if any – stratum consciousness has on choice made among parties is not less interesting from the angle of our starting point. We made such an analysis concerning the six parliamentary parties (here also regression analysis was employed) where we tried to explain the choice of a party by the factor of identification discussed here, besides the basic socio-demographic variables (such as school education, occupation, gender, age, place of residence, type of settlement). Of the six parties, a significant interrelationship could be identified in the case of two: towards workers in the case of the MSZP, and towards the middle stratum in the case of the SZDSZ (Alliance of Free Democrats).[17]

This result, which was not too obvious – after all it is the two parties of the present coalition who are involved – was also checked by another analytical method. In applying the OVERALS technique (based on a multidimensional analysis by categories) the items of the series of identification tags mentioned above, which were the most important ones in this respect (working, middle stratum, bourgeois), were also included, in addition to the two categories of identification (working, and middle strata). The following figure was obtained.

16 According to the regression analysis the beta-coefficient towards middle stratum-consciousness was .12 ($p = .0012$).

17 The coefficients in question are the following (with a plus symbol in the direction of the middle strata, and with a minus symbol in the case of the working strata). MSZP: beta = $-.12$ ($p = .0012$); SZDSZ: beta = .10 ($p = .01$).

Figure 2 Voters of parties and stratum identifications in a two-dimensional space (OVERALS analysis)



The scheme outlined here corroborates the above described situation in its fundamentals. The proximity of those who voted for the MSZP to identification with workers is unambiguous (whether the dichotomous self-selection, or a choice among the tags is considered).[18] Though not so prominently, the proximity of the SZDSZ to the pole of the middle stratum is also proved. However, the OVERALS model further enriches our results. Voters for the SZDSZ are even more attracted to the tag 'bourgeois' than to the one 'middle stratum.' At the same time it is interesting that it is the followers of FIDESZ who are closest to the SZDSZ in this respect. Thus the scheme obtained practically corresponds to the same three-stranded distribution which (on the basis of the 1993 studies) could be observed in the ideological affinities of the voters of different parties (leftist – MSZP; liberal – SZDSZ, FIDESZ; rightist – MDF, KDNP, FKGP).[19]

18 In order to avoid misunderstandings it should again be noted that subjective self-classification is involved and not an objective belonging to a stratum. The ideological load of the issue may also have a role in the phenomenon that while the voters of the MSZP are basically characterised by an identification with workers in the field of subjective identification, objectively they are closer to the intellectual than to the physical stratum (with an opposite sign as shown by regression analysis, both factors are significant explanatory ones).

19 On this see our article 'Paletta fekete-fehérben' (Palette in Black-and-White) (1995).

The results outlined shed light on the dynamics of party political rivalry and the results of the 1994 elections from a special, hitherto less frequently applied angle. It is more or less unambiguous that the majority of the political parties primarily wished to address the middle strata with their images of a political future and campaign strategy. The image of the representation of workers' interests was relatively most attached to the MSZP among the parliamentary parties. However, the data of the studies published suggest that the processes of the development of middle strata are still far from having reached a 'breakthrough' in the Hungarian society. Presumably the changes of the sense of stratum was also one of the factors which have been less considered by the different actors of political life, although these changes actually significantly influenced the outcome of the elections.

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Péter Róbert

GETTING AHEAD: FACTS AND ATTITUDES OF NINE NATIONS*

1. The research topic

Looking for an answer to the question who is able to change social position and who is not able to become mobile is a relevant issue of mobility research. Indeed, social and psychological determinants of getting ahead can be outlined and investigated with regard to their role in the status attainment process. Indicating just two approaches of the problem the following statements can be formulated:

a/ Social origin determines individual possibilities, family background and family contacts influence chances of becoming mobile, moving upward on a social ladder, at most.

b/ Individual capabilities and personal ambition are the most important factors for those who 'want' to be mobile, 'are able' to move upward.

Of course, several other assumptions can be developed that may influence the mobility process. Chances for getting ahead probably differ for men and women, for those with a different religion or race, geographical mobility (migration) influences the possibilities, family composition and demographic features play a special role in the process, etc. (cf. Blau and Duncan 1967). In this paper, however, the two approaches mentioned above will be considered and investigated.

There are several studies to be cited focusing on this issue. A large part of the activity of the 'Wisconsin school' aimed to answer the question how family background and individual capabilities (intelligence, aspirations) influence the mobility process (Duncan, Featherman and Duncan 1972; Sewell and Hauser 1975; Sewell, Featherman and Hauser 1976; Hauser and Featherman 1977; Sewell and Hauser 1980). Jencks *et al.,* (1972, 1979) have also made substantial efforts to model the status attainment process with taking into account most of the determinants mentioned above. When reviewing this literature, Kerckhoff (1976) distinguished between *socialization models* which emphasize the importance of motivations, IQ, 'significant others' and *allocation models* which prefer to focus on

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family background characteristics and pay less attention to personal choices, motives, skills. In fact, the allocation – socialization debate is much more of a theoretical character since empirical evidence does not provide full support to any of these models. However, this paper does not intend to contribute to this discussion. It is going to deal with the problem on a different basis, taking a viewpoint which refers less to the real facts but more to the beliefs towards these facts. It focuses on the problem of how attitudes on getting ahead relate to experienced social (occupational) mobility.

There is a good reason to assume that attitudes and facts influence each other in some respect. Considering the psychological side of the issue, McClelland (1961) presented important evidence on the association between achievement orientation and (economic) success in the case of managers and entrepreneurs. With regard to social mobility he points out that we might expect that boys with high *n* Achievement being more willing to move about and try new things and also having more interest in getting ahead in the world would in fact show greater social mobility" (McClelland 1961:318). Similar conclusions can be drawn from studies by Crockett (1962, 1964) as well.

General theoretical support of assuming a link between success in (upward) social mobility and agreement with achievement attitudes can be gained also from Max Weber (1930). The Protestant ethos wants people to be ambitious, work hard, and consider success as a consequence of this behavior. It means, willingness becomes a factor of social mobility and is considered a crucial point for successful occupational achievement. Lipset and Zetterberg (1966) distinguished egalitarian and hierarchical societies on the basis that beliefs in individual capabilities and achievement are much stronger in the former than in the latter ones. Aspirations and orientations for getting ahead are stronger in the egalitarian societies, while in hierarchical societies people are more passive and feel their possibilities much more determined by their social origin.

Consequently, there are people who believe that possibilities and success in status attainment are mostly determined by family background and there are others who think that things mostly depend on their skills and knowledge and hard work. With respect to attitudes, these two approaches express two alternates for determining status attainment process. For the empirical analysis, however, these two alternates may be considered as one continuum. Indeed, this is one dimension with two opposite sides of the same attitude, where achievement is on one end of the continuum and family determination (ascription) is on the other. Empirically it is more than probable that both personal capabilities and a good family background are necessary for getting ahead. Although it may be true for real life, still this is possible to consider one of the two sides of this continuum as more important. Thus, people can be characterized whether they tend to accept the 'rule of achievement' or the 'rule of ascription' in society. Those who more or less agree or

disagree with the importance of both selection mechanisms take the middle positions in the continuum.

2. Data and measurements

Data used for this analysis are from the 1987 Module of International Social Survey Project (ISSP) on Social Inequalities. Countries involved in this survey were Australia, Austria, Germany, Great Britain, Hungary, Italy, the Netherlands, Switzerland and the USA. (See Table A1 in Appendix.)

The survey included a set of questions on importance for getting ahead during the life span. The twelve items were considered to cover three dimensions of the topic:

a/ ascription (wealthy family, educated parents, knowing the right people, having political connections)

b/ achievement (education, ambition, ability, hard work) and c/ discrimination (sex, race, region and political beliefs). Explorative principal component analysis on these twelve items indicated that discrimination was a separate factor for every nation. On the basis that this factor had less theoretical relation to the topic investigated here and these items were chosen only by a minority of respondents as important criteria for status attainment, they were left out from the analysis. A second test of the remaining eight variables revealed that the importance of education was not a consistent item: sometimes it belonged to the achievement, sometimes to the ascription dimension depending on which country was considered. Although this is an interesting result as such, namely that education is regarded as an achievement factor in the USA, the Netherlands, Austria, Australia, Great Britain and Switzerland, while it goes together with the ascription items in Hungary, Italy and Germany, from the viewpoint of this research it was better to leave out this variable, too. However, when education was dropped, the seven items produced an unbalanced structure: four measurements for ascription and three measurements for achievement. Since two items for ascription, knowing the right people and having political connections, correlated quite strongly, one of them could be left out and it was the political connection item. The final principal component analysis, based on six variables resulted in the same two factors with more or less similar loadings for the nine nations as well as for the general pattern. (See Table A2 in Appendix.)

The achievement-ascription continuum was based on this factor solution. Since the number of interviewed respondents varied for the different nations, instead of saving the factor scores, the six variables were simply added together in a way that the agreement with achievement items increased and the agreement with ascription items decreased the value on the new scale. Thus, finally, the achievement-ascription

continuum was based on the following 3–3 questions of ISSP 1987 Inequality Module:

How important do you think it is for getting ahead in life...
1) coming from a wealthy family?
   1. Essential
   2. Very important
   3. Fairly important
   4. Not very important
   5. Not important at all
2) having well-educated parents?
3) knowing the right people?
4) ambition?
5) natural ability?
6) hard work?

In the case of observed mobility, the data-set included a variable with nine categories for both fathers' and respondents' occupation. This 9 by 9 table served as a basis for computing different mobility types. The following six types were defined:

A. Mobility from manual occupations to the highest (managerial and professional) occupations.
B. Mobility from manual occupations to non-manual occupations.
C. Mobility from agriculture to industrial manual occupations.
D. Mobility from agriculture to non-manual occupations.
E. Immobility in the highest (managerial and professional) occupational categories.
F. Immobility in the lowest (agricultural and unskilled) occupational categories.

The mobility types were defined as dummies with code (1) if belonging to and code (0) if not belonging to the type. (For details see Table A3 in Appendix.)

The idea behind this typology was to have mobility types with more or less clear and consistent meaning instead of distinguishing simply between immobility and mobility (i.e., on the diagonal and out of the diagonal) or upward and downward moving (i.e., over and under the diagonal). These types would have been too rough and heterogeneous while the present typology is more concrete even if it does not cover all cells of the table but focuses on certain combinations. (See Table A4 in the Appendix for the distribution of the typology by respective countries.)

In addition to the achievement-ascription scale and the six variables for the observed (occupational) mobility, further dummies were computed for the nine nations. Unfortunately, the limitations of the data-set (e.g., no measurements on

personality, IQ, aspirations, etc.) did not allow a more complete comparison of facts and beliefs. Due to the availability of variables, the research focuses on the relation between occupational success (or failure) and attitudes towards getting ahead during the life span.

3. Hypotheses

The aim of the paper is to present evidence of association between attitudes towards getting ahead and experienced social (occupational) mobility. Hypotheses in this respect can be formulated on both general and on national levels.

Hypothesis 1. There is a positive association between mobility and achievement and a negative association between immobility and achievement which means a positive relation between immobility and ascription. Those who have experienced successful mobility will believe much more in the importance of achievement for getting ahead. On the other hand, those who turned out to be unsuccessful in mobility will believe much more in the importance of ascription during the life course. Formulating the same thing from the opposite perspective, those who consider achievement as an important factor for getting ahead tend to be more successful in the mobility process; and those who disagree with the importance of achievement and consider social origin as the essential determinant for getting ahead tend to be less successful in the mobility process.

Hypothesis 1.1. If distinguishing between different kinds of successful mobility types, *hypothesis 1.* holds to a higher degree for those who became non-manuals or succeeded to reach one of the top professional or managerial positions compared to those who succeeded to leave the agricultural sector.

Hypothesis 1.2. If distinguishing between immobility on the 'top' and on the 'bottom' of the society, the reproduction in the agricultural laborer or unskilled manual worker category can be considered as the real unsuccessful experience. Thus, *hypothesis 1.* holds much more for them.

Hypothesis 2. With respect to national variations, the following assumptions can be formulated for the nine countries investigated here:

Hypothesis 2.1. Belief in achievement versus ascription will be stronger in the USA, Australia and Great Britain. Especially the USA and Australia can be characterized

as countries where the 'self-made-man' ideology and myth can be quite strong. Great Britain may belong to this group as the third Anglo-Saxon nation.

Hypothesis 2.2. A relatively strong belief in achievement can be assumed for Germany and the Netherlands. This concept is based on the Weberian or Protestant ethos which is more characteristic of these countries compared to other European ones. Great Britain may be counted in this group as well.

Hypothesis 2.3. To the contrary of the former assumption, Italy as a strongly Catholic country may be a nation with stronger belief in ascription versus achievement.

Hypothesis 2.4. Finally, the three Central-European countries (Austria, Hungary and partly Switzerland) will be placed somewhere in the middle of the achievement versus ascription continuum. It is especially hard to predict the place of Hungary, the only socialist country (at the period of data-collection) investigated here. People in Hungary work very hard in the second economy, they spend more time with working activities than people from other countries in Europe according to comparative time budget surveys, and this would allow to think that they really believe, it is worthwhile to work hard and be ambitious. On the other hand, people in Hungary are usually very dissatisfied with the success of getting ahead and this fact can easily make them to believe much more in ascription.

In respect of country specific differences on attitudes towards getting ahead, using the same data-set, Kolosi (1989) performed a cluster analysis and found that the USA, Australia, and Great Britain were close to each other; the Netherlands and Switzerland formed the next group; Austria, Germany and Italy formed another group; and Hungary remained separate. This result suggests a somewhat different grouping for these countries but the cluster analysis was based on all of the original twelve items of the ISSP survey.

4. Analysis

4.1. Methods

From the viewpoint of methodology this analysis faces a special problem, namely that association between attitudes and experienced mobility is investigated, while the causal relationship between the two phenomena is not obvious. Thus, it is not an easy task to decide what the dependent variable is and what the predictor

variables are. Do we want to predict attitudes on the basis of experienced mobility or do we want intergenerational mobility to be explained by attitudes? There are two ways of arguing.

a/ Attitudes are consequences of facts – they are based on social events. Those who experienced success in mobility have an opinion that their success is due to their special skills and hard work and not because of the good family background they might have. Similarly, those who were not successful in the status attainment process will probably feel that their failure is a consequence of their less favorable social origin and not of their smaller ambition or weaker abilities. This causal order of the phenomena, leading from mobility experiences to attitudes, would be supported by psychological arguments (e.g. Festinger 1957; Jackman 1972).

b/ Based on the achievement motivation theory mentioned earlier, however, it is possible that the attitudes have causal influence on success or failure in social mobility. This would mean that those who believe in the importance of ambition and hard work for getting ahead will be more successful, while others who believe in ascription, the determining role of social background, will be less successful during the life span. For a proper test of the latter causality between attitudes and experienced mobility, attitudes ought to be measured before starting the career. Considering the formal sequence of time, our data do not meet this requirement because they do not reflect an earlier period, attitudes and present status were measured at the same time. Indeed, this is a weak point of the analysis. Our data are more suitable to test the previous argument.

Still, it is possible to assume that these attitudes towards achievement versus ascription may be very stable and those who considered achievement items as being important for getting ahead at the time of data-collection, had the same attitudes in the past, before starting their career. Similarly, those who consider ascription items as being essential for getting ahead, had the same opinion in the past at the beginning of their career, too.

Thus, for the empirical analysis, the first argument means that the achievement-ascription scale is the dependent variable and the mobility types are used to explain it. The second argument means that the mobility types are the dependent variables and the attitude scale is the predictor for them. Since theory supports both arguments, both options are modelled in the paper using the variables in a different way and fitting models with opposite causal order. For the first case, when the achievement versus ascription attitude is to be explained, regression analysis is applied; for the second case, when the intergenerational mobility is investigated, logistic regression is performed. In both cases the models are controlled for country effects and interaction effects are also included.

4.2. Results

Table 1 displays results of an analysis of variance on the attitude scale by nine nations. According to the MCA table, achievement seems to be the most important for getting ahead in Australia. Australia is followed by Great Britain and the USA, but positive deviations from the grand mean are much less in their case. The Netherlands is the fourth country in line, followed by Hungary which represents the average. For Switzerland, Austria, and Germany the results indicate stronger agreement with ascription than achievement. As assumed, Italy is the closest to the ascription end of the continuum: Italians believe in ascription much more than achievement. All these figures are more or less in line with the former hypothesis about the main effects on national level with the only exception to the place of Germany. Based on this result, countries were reordered and in the next analyses Italy was considered as a reference category.

4.2.1. Predicting the achievement-ascription attitude

In this part of the analysis the effect of mobility types is investigated on the achievement-ascription attitude scale. Three models are fitted for analyzing the main effects, controlling for the country effects, and finally taking into account the interaction effects. (Table 2 summarizes the fit of these models.)

Table 1 **National variations in achievement-ascription attitude (Multiple Classification Analysis)**

Grand mean		14.49	
Country	N	Unadjusted deviations	Eta
Australia	1586	1.38	
Germany	1306	–.91	
Great Britain	1164	.59	
USA	1477	.54	
Austria	883	–.81	
Hungary	2444	.06	
Netherlands	1470	.14	
Italy	991	–1.83	
Switzerland	917	–.34	
			.30
Multiple R Squared			.090
Multiple R			.300

Analysis of variance: Significant at .001 level.

Table 2 Summary table of statistical fit of the regression models

Df	Sum of squares	Mean square residual	R square	F-test M2–M1	F-test M3–M2
Model 1.	6	317.49	7.86	.004	
Model 2.	14	5825.43	7.26	.081	98.4
Model 3.	62	6333.46	7.24	.088	1.46

Model 1. includes only 6 dummies for mobility types
Model 2. includes 6 dummies for mobility types +
8 dummies for the countries
(Italy is reference)
Model 3. includes 6 dummies for mobility types +
8 dummies for the countries
(Italy is reference) +
6 * 8 = 48 interaction effects

Table 3 Influence of mobility types on achievement-ascription attitude

Stepwise Solution

Variables in the equation

Variable	B	SE B	Beta	T	Sig T
INTOP	.293	.111	.034	2.646	.0082
INWCOL	.192	.080	.031	2.413	.0158
(Constant)	14.529	.035		418.740	.0000

Variables not in the equation

Variable	Beta In	Partial	Min Toler	T	Sig T
TOPREP	.015	.015	.648	1.453	.1463
BOTREP	–.015	–.015	.637	–1.437	.1508
AGRMAN	-.019	–.019	.645	–1.808	.0706
AGRWCOL	.017	.016	.606	1.530	.1261

Enter Solution

Variables in the equation

Variable	B	SE B	Beta	T	Sig T
INTOP	.294	.111	.034	2.651	.0080
INWCOL	.120	.087	.019	1.376	.1688
TOPREP	.129	.126	.011	1.020	.3077
AGRMAN	–.216	.114	–.021	–1.899	.0576
BOTREP	–.152	.098	–.017	–1.555	.1199
AGRWCOL	.229	.150	.017	1.530	.1260
(Constant)	14.565	.043		338.523	.0000

The first model with six mobility types, when applying a stepwise procedure, led to limited results: only two mobility types, moving into white-collar jobs and moving into managerial and professional occupations turned out to be significant. Both variables have a positive effect on the attitude scale, indicating that achievement is considered as being important for getting ahead by those who belong to these mobility types, in accordance with the former hypothesis (See Table 3).

When all six mobility types are forced into the equation, the only significant variable is the mobility into the professional and managerial occupations. Considering that mobility types overlap somewhat by definition, it is not surprising. Although this result shows that immobility or outflow mobility from agricultural positions can be considered less as predictors for achievement-ascription attitudes, the negative sign of these variables still indicates that – in line with the assumptions – those who belong to these types believe in ascription more than in achievement.

The second model includes the mobility types controlled for the country effects (See Table 4). With respect to explanatory power, this model shows a significant improvement compared to the earlier one. The stepwise procedure confirms that agreement with the achievement items is significantly stronger in the eight other countries than in Italy. If controlled for this effect only one significant mobility type remains in the model and this is the mobility into white-collar occupations indicating a small effect for achievement orientation. This result means that, when controlled for the national differences, the explanatory power of the mobility experiences becomes nearly insignificant. When all of the mobility and country variables are forced into the equation, only the country effects turn out to be significant.

The third model adds the interaction effects to the earlier variables. According to the statistics of fit presented in Table 2, however, this model does not bring any significant improvement; therefore results are not presented in details. In general, only the country effects are significant, while either mobility patterns or interaction terms are insignificant predictors in the model.

Table 4 **Influence of mobility types on achievement-ascription attitude controlled for country effects**

Stepwise Solution

Variables in the equation

Variable	B	SE B	Beta	T	Sig T
AUSTRALIA	3.105	.153	.367	20.244	.0000
USA	2.327	.152	.283	15.309	.0000
GREAT BRITAIN	2.306	.156	.260	14.821	.0000
HUNGARY	1.690	.146	.235	11.546	.0000
NETHERLANDS	1.820	.154	.212	11.815	.0000
SWITZERLAND	1.330	.162	.133	8.184	.0000
GERMANY	.858	.157	.094	5.464	.0000
AUSTRIA	.893	.166	.085	5.374	.0000
INWCOL	.262	.062	.042	4.196	.0000
(Constant)	12.764	.132		96.331	.0000

Variables not in the equation

Variable	Beta In	Partial	Min Toler	T	Sig T
TOPREP	–.003	-.003	.242	-.285	.7756
BOTREP	–.014	-.014	.242	-1.313	.1894
INTOP	.013	.011	.242	1.020	.3076
AGRMAN	-.016	-.016	.242	-1.543	.1229
AGRWCOL	.020	.019	.242	1.859	.0631

Enter Solution

Variables in the equation

Variable	B	SE B	Beta	T	Sig T
AUSTRALIA	3.104	.153	.366	20.223	.0000
USA	2.327	.152	.283	15.306	.0000
GREAT BRITAIN	2.302	.156	.260	14.777	.0000
HUNGARY	1.687	.147	.235	11.511	.0000
NETHERLANDS	1.817	.154	.212	11.782	.0000
SWITZERLAND	1.323	.163	.132	8.133	.0000
GERMANY	.858	.157	.094	5.457	.0000
AUSTRIA	.902	.166	.085	5.427	.0000
INWCOL	.121	.084	.020	1.450	.1470
TOPREP	-.083	.122	-.007	-.682	.4953
AGRMAN	-.200	.110	-.019	-1.822	.0685
BOTREP	-.154	.095	-.017	-1.630	.1032
AGRWCOL	.267	.145	.020	1.844	.0652
INTOP	.109	.107	.013	1.018	.3089
(Constant)	12.818	.135		94.970	.0000

4.2.2. Explaining the mobility experiences

The logit analysis focuses on the problem of how the log odds of mobility types defined are influenced by the attitude scale on achievement versus ascription. Considering the eight mobility types as dependent variables, this needs to fit eight logistic regression models. For the estimations a stepwise procedure is followed in each case of types. First, the main effect of the attitude scale is estimated; then, the country effects are added (the same dummies are used and Italy is the reference category); and finally the interaction effects between the attitude scale and the countries are included.

Summary statistics for the models indicate that the attitude scale on achievement-ascription is a significant predictor for all mobility types with the exception of the reproduction in managerial and professional jobs. Country effects always provide significant improvement of the models. The country specific differences of the achievement-ascription scale, the interaction terms between the attitude and the countries, are significant for 3 of 6 mobility types but do not play an essential role (See Table 5).

The log odds for the mobility types are presented in Table 6. The general patterns indicate that odds of 'upward' mobility, namely inflow mobility into managerial, professional, and white-collar jobs are significantly affected by the achievement versus ascription scale at .001 level. The positive sign also shows that those who experienced this type of mobility tend to agree with the importance of achievement items and disagree with the importance of ascription ones. These main effects are small but remain significant even if the country effects and the interaction terms are included in the equation. The country effects seem to be more important for the mobility into the managerial and professional positions. For this type the interaction terms are not significant at all; however, there are three significant interactions for entry into white-collar occupations. The achievement factor turns out to be especially characteristic for the U.S. and Great Britain, while in the case of Switzerland a counter-effect can be seen. All in all, the first two logit models provide support for the assumptions about the effect of achievement factor on upward mobility.

The model for entry into manual jobs from agriculture contradicts the hypothesis. Those who experienced this type of mobility agreed with the importance of family background items for getting ahead significantly. The effect is small but remains significant even if the country effects are taken into account. Only one interaction term is significant: in case of this mobility type the Americans seem to agree with ascription, first of all. For this third model, however, the main effect of the attitude scale on the mobility type is not significant anymore.

Table 5 Summary statistics of fit for logistic regression models

	Type A			Type B			Type C		
	Chi2	Df	Sig.	Chi2	Df	Sig.	Chi2	Df	Sig.
Model 1: Main effect									
Model Chi2	24.8	1	.0000	23.7	1	.0000	7.1	1	.0077
Improvement	24.8	1	.0000	23.7	1	.0000	7.1	1	.0077
Model 2: Country effects									
Model Chi2	154.8	8	.0000	44.1	8	.0000	73.1	8	.0000
Improvement	154.8	8	.0000	44.1	8	.0000	73.1	8	.0000
Model 3: Interactions									
Model Chi2	4.1	8	.8489	21.5	8	.0060	16.7	8	.0331
Improvement	4.1	8	.8489	21.5	8	.0060	16.7	8	.0331

	Type D			Type E			Type F		
Chi2	Df	Sig.	Chi2	Df	Sig.	Chi2	Df	Sig.	
Model 1: Main effect									
Model Chi2	9.6	1	.0019	.4	1	.5182	6.2	1	.0127
Improvement	9.6	1	.0019	.4	1	.5182	6.2	1	.0127
Model 2: Country effects									
Model Chi2	101.7	8	.0000	71.8	8	.0000	132.2	8	.0000
Improvement	101.7	8	.0000	71.8	8	.0000	132.2	8	.0000
Model 3: Interactions									
Model Chi2	11.0	8	.2016	8.0	8	.4319	19.5	8	.0125
Improvement	11.0	8	.2016	8.0	8	.4319	19.5	8	.0125

Mobility types

A. Inflow mobility into top jobs (INTOP)
B. Inflow mobility into white-collar jobs (INWCOL)
C. Outflow mobility from agriculture into manual jobs (AGRMAN)
D. Outflow mobility from agriculture into non-manual jobs (AGRWCOL)
E. Reproduction on the top of the hierarchy (TOPREP)
F. Reproduction on the bottom of the hierarchy (BOTREP)

Table 6 **Logistic regression on probabilities (log odds) of belonging to the different mobility types**

Model 1.	**Type A**	**Type B**	**Type C**	**Type D**	**Type E**	**Type F**
Variable	Exp(B)	Exp(B)	Exp(B)	Exp(B)	Exp(B)	Exp(B)
ACH-ASC SCALE	1.0588***	1.0409***	.9635**	1.0570**	1.0101	.9710*
Model 2.	Type A	Type B	Type C	Type D	Type E	Type F
Variable	**Exp(B)**	**Exp(B)**	**Exp(B)**	**Exp(B)**	**Exp(B)**	**Exp(B)**
ACH-ASC SCALE	1.0386*	1.0365***	.9674*	1.0566**	.9843	.9739*
AUSTRALIA	1.4752***	1.1240	1.0923	1.0626	1.7882***	.9159*
GREAT BRITAIN	1.1866*	.9622	.3766***	.4468***	1.2610	1.2661
USA	1.4111***	1.0841	1.4855***	1.3786*	1.4224**	.9564
NETHERLANDS	.5345***	.8385**	.8467	.6577*	.6667**	.8846
HUNGARY	1.5164***	1.1540**	1.0806	2.2875***	1.0946	1.7882***
SWITZERLAND	1.5335***	1.2071**	1.1756	1.1374	1.4184**	.3847***
AUSTRIA	.5986***	.6872***	1.5117***	.7990	.4428***	1.6841***
GERMANY	.4805***	.9344	.8182	.6817*	.6243**	.8907
Model 3.	**Type A**	**Type B**	**Type C**	**Type D**	**Type E**	**Type F**
Variable	Exp(B)	Exp(B)	Exp(B)	Exp(B)	Exp(B)	Exp(B)
ACH-ASC SCALE	1.0350*	1.0346***	.9766	1.0647**	.9890	.9744
AUSTRALIA	1.8784	.9679	.5036	.4561	2.2883	1.0874
GREAT BRITAIN	1.1622	.3771*	.1262*	1.0223	1.3577	3.3491*
USA	.7117	.3664**	8.0866***	.4833	3.4712	1.5894
NETHERLANDS	.2838	1.1351	1.0761	4.1580	3.7093	4.8476*
HUNGARY	1.5042	1.4387	1.4507	4.5250**	.8410	1.0440
SWITZERLAND	1.2305	3.1050**	.7843	.7326	.9724	.0424**
AUSTRIA	.7776	.5821	2.1781	.1537	.1941	1.6753
GERMANY	1.0556	1.5124	.2299*	.4991	.5306	.8428
SCALE* AUSTRALIA	.9863	1.0110	1.0502	1.0530	.9825	.9884
SCALE* GR.BRIT.	1.0024	1.0647*	1.0755	.9487	.9932	.9358
SCALE* USA	1.0465	1.0750**	.8927**	1.0704	.9403	.9658
SCALE* NETHERL.	1.0444	.9812	.9849	.8831	.8854	.8871
SCALE* HUNGARY	1.0015	.9866	.9810	.9566	1.0166	1.0370*
SCALE* SWITZERL.	1.0163	.9370*	1.0308	1.0323	1.0253	1.1638*
SCALE* AUSTRIA	.9821	1.0136	.9753	1.1222	1.0598	.9995
SCALE* GERMANY	.9450	.9671	1.0984	1.0244	1.0104	1.0032

Level of significance: *** .001; ** .01; * .05.

The probability of entry into non-manual jobs from agriculture again confirms the hypothesis. These respondents agree with the importance of achievement items significantly. The effect is small again but remains significant even if the country effects and interaction terms are included in the model. In this case the interaction terms are not significant at all.

For reproduction on the 'top' of the society, in managerial and professional jobs the model does not indicate any significant effect of achievement versus ascription attitude. This immobility type is not influenced by beliefs towards getting ahead. Only the country level effects are significant here. The interaction terms are insignificant.

Finally, our hypothesis is supported by the model for reproduction on the 'bottom' of the society, in agricultural and unskilled manual jobs. Those who experienced this type of immobility believe in ascription, as indicated by the significant negative sign of the attitude scale. The effect is small again but remains significant when the country effects are taken into account and it becomes insignificant only when the interaction terms are also included. Only two interaction terms turn out to be significant here. Dutch people from this mobility type especially agree with the importance of ascription items. Swiss respondents, however, differ again: they believe in achievement.

5. Discussion

The paper focused on association between achievement versus ascription attitudes toward getting ahead and experienced social (occupational) mobility. The problem was approached in two aspects: the effect of mobility experiences on attitudes was analyzed on the one hand and the influence of attitudes on different occupational mobility patterns was modelled on the other hand.

It is a more or less well-known experience that association between values, attitudes, and objective social indicators is usually quite weak. Results from this analysis are not exceptional in this respect. Most of our hypotheses are supported by the models applied in the paper but even statistically significant effects are not strong.

Although it is reasonable to assume that attitudes are influenced by social experiences people go through during their lifetime, empirical results do not indicate strong confirmation of this concept. In the case of main effects, the upward mobility patterns (entry into professional, managerial and white-collar jobs) turned out to be significant predictors for agreement with the importance of achievement items for getting ahead. However, when controlling for the country effects it became clear

that attitudes are much more influenced by country specific differences than the different mobility types defined for the models.

With respect to the country effects, the results better support the hypotheses. Respondents from Anglo-Saxon countries tend to agree with achievement orientation at most. The Italians can be characterized by the strongest agreement with the importance of family background (ascription) for getting ahead during the life span. While the 'self-made-man myth' hypothesis was better confirmed by the findings, the 'Weberian or Protestant ethos' hypothesis found less support. Respondents from the Netherlands tend to agree with the importance of achievement items for getting ahead, but this does not hold for the Germans. Germany and Austria are quite close to each other and tend to agree with the importance of ascription, rather than with the importance of achievement for getting ahead. Hungarians represent some kind of average in terms of the achievement versus ascription continuum.

Empirical results give somewhat more support to the second approach of the problem – namely, that experienced mobility is influenced by attitudes toward getting ahead. In this case agreement with the importance of achievement items turned out to be a significant predictor for entry into professional, managerial, and white-collar jobs or outflow mobility from agriculture into non-manual occupations. On the other hand, agreement with the importance of ascription items turned out to be a significant predictor for the immobility in agricultural and unskilled manual jobs. These main effects were quite weak, but they existed and confirmed the hypothesis. Moreover, most of them remained significant when their influence was controlled for the country effects. Since interaction terms were mostly insignificant, it is not possible to tell more about country specific differences in this respect.

As mentioned earlier, this data-set makes it possible to test an important issue in mobility research: the influential role of achievement versus ascription concept for getting ahead – from the viewpoint of attitudes. Finally, it is possible to conclude that the main hypotheses on some relationship between attitudes and experienced social mobility found enough support in the paper for them not to be rejected. Despite the limitations of available data, our findings indicate a relevant connection between attitudes and observed mobility. There is good reason to assume that statistical tests could also have been more powerful if additional measurements were available, such as on features connected to personality or parental values and social orientations (cf. Kohn 1977). A more accurate test of the models presented here would also need some additional control for status and family background indicators, as suggested by Kelley (1992) when analyzing 'per se' mobility effects.

For these reasons, this research is not considered the 'final word' about the issue and there is a certain opportunity for further investigation. As Atkinson points out: ...the cumulative achievement of individuals (educational attainment, social mobility) are central interests of sociology" (Atkinson and Raynor 1978: 242); and achievement related behavior (as measured by specific attitudes here) may lead to

higher education or upward mobility. The replication of the ISSP Inequality module from 1992 provides the means for re-testing our hypotheses on a data-set with even more countries representing a broader 'sample' of nations with different mobility experiences and socio-cultural characteristics. Further hypotheses can be tested on the relationship between social mobility and attitudes toward getting ahead both for countries with developed market economy and for a society like Hungary where the political and economic system change should be taken into account. Preliminary analyses on the new data-sets show that there are significant changes in the evaluation of importance of achievement and ascription items in Hungary (Sági 1994) and that general disillusion due to the negative consequences and concomitants of the system change may influence the achievement motivation in the society as well as the evaluation of getting ahead in general (Róbert 1994).

Moreover, findings for Hungary can be analyzed in comparative perspective to other post-Communist societies like the Czech Republic, Poland, Bulgaria, or Russia. In addition to observed mobility patterns, the new data-set from 1992 includes measurements for subjective evaluation on intergenerational change of social status. The issue of getting ahead in a society is of political character in every country; but this is especially the case in the new democracies and transitional societies where legitimacy of the democratic market economy is at risk under the circumstances of increasing social inequality, where poverty and unemployment provide good examples of 'downward' mobility every day.

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APPENDIX

Table A1 Countries involved in the ISSP 1987 Inequality Module

Country	Frequency	Per cent	Zentral–Archive Study Number
AUSTRALIA	1663	12.7	1682
AUSTRIA	972	7.4	1679
GERMANY	1397	10.7	1641
GREAT BRITAIN	1212	9.3	1668
HUNGARY	2606	19.9	1497
ITALY	1027	7.9	1640
NETHERLANDS	1638	12.5	1673
SWITZERLAND	987	7.6	1672
USA	1564	12.0	1636
TOTAL	13066	100.0	

Table A2 Factor structure of attitudes towards getting ahead, rotated factor matrix, varimax rotation

General patterns (All nine nations)

	Ascription	Achievement
rich parent	**.80351**	.01486
educated parent	**.75560**	.04941
knowing right people	**.68274**	.08009
ambition	.06251	**.73390**
ability	.25380	**.61869**
hard work	–.13819	**.77026**

Explained variance = 54.9%

National patterns

Australia

	Ascription	Achievement
rich parent	**.88994**	–.03790
educated parent	**.83236**	.02485
knowing right people	**.69733**	.17163
ambition	.10307	**.75892**
ability	.16147	**.76510**
hard work	.10442	**.80877**

Explained variance = 64.4%

(Table A2 continued)

Germany

	Ascription	Achievement
rich parent	**.83611**	.07791
educated parent	**.79275**	.02912
knowing right people	**.53498**	.27639
ambition	.10672	**.74893**
ability	.21349	**.68225**
hard work	.02379	**.74886**

Explained variance = 55.7%

Great Britain

	Ascription	Achievement
rich parent	**.85348**	.01915
educated parent	**.74825**	.16990
knowing right people	**.70250**	.02361
ambition	.12583	**.70750**
ability	.25234	**.58079**
hard work	–.18442	**.79348**

Explained variance = 56.5%

USA

	Ascription	Achievement
rich parent	**.77955**	–.07160
educated parent	**.71351**	.00501
knowing right people	**.73954**	.09573
ambition	.03062	**.75813**
ability	.42599	**.45109**
hard work	–.08338	**.79521**

Explained variance = 54.6%

Austria

	Ascription	Achievement
rich parent	**.79391**	–.04654
educated parent	**.76236**	–.00957
knowing right people	**.56750**	.24816
ambition	.05056	**.64145**
ability	.23662	**.66092**
hard work	–.11531	**.77123**

Explained variance = 51.9%

(Table A2 continued)

Hungary

	Ascription	Achievement
rich parent	**.80808**	–.01868
educated parent	**.76585**	.03177
knowing right people	**.65031**	.08897
ambition	.14875	**.71250**
ability	.10996	**.71919**
hard work	–.14244	**.66382**

Explained variance = 53.2%

Netherlands

	Ascription	Achievement
rich parent	**.81244**	.06321
educated parent	**.78119**	.08660
knowing right people	**.56201**	.21001
ambition	.19736	**.76706**
ability	.25255	**.70848**
hard work	–.02997	**.78967**

Explained variance = 57.7%

Italy

	Ascription	Achievement
rich parent	**.79521**	–.11724
educated parent	**.73572**	–.01163
knowing right people	**.50555**	.33698
ambition	.30661	**.34442**
ability	.10733	**.75643**
hard work	–.18952	**.72821**

Explained variance = 48.7%

Switzerland

	Ascription	Achievement
rich parent	**.81131**	.02596
educated parent	**.73156**	–.02155
knowing right people	**.68231**	.16480
ambition	.09638	**.65122**
ability	.19160	**.56536**
hard work	–.17370	**.77917**

Explained variance = 51.9%

Table A3 **Scheme for occupational categorization and definition of mobility types***

Occupational coding in ISSP 1987 Module

1. Professionals
2. High administrators
3. Clerical workers
4. Sales workers
5. Service workers
6. Skilled workers
7. Semi-skilled workers
8. Unskilled workers
9. Farm works

Mobility types

A. Inflow mobility into top jobs (INTOP)
Father belongs to categories 4–9, respondent belongs to categories 1 or 2.

B. Inflow mobility into white-collar jobs (INWCOL)
Father belongs to categories 4–9, respondent belongs to categories 1–3.

C. Outflow mobility from agriculture into manual jobs (AGRMAN)
Father belongs to category 9, respondent belongs to categories 4–8.

D. Outflow mobility from agriculture into non-manual jobs (AGRWCOL)
Father belongs to category 9, respondent belongs to categories 1–3.

E. Reproduction on the top of the hierarchy (TOPREP)
Both father and respondent belong to categories 1 or 2.

F. Reproduction on the bottom of the hierarchy (BOTREP)
Both father and respondent belong to category 7–9.

* Mobility types were defined by computing dummies on the basis, that one belongs to the type (1) or does not belong to the type (0).

Table A4 Proportions of those belonging to the different mobility types (%)

Mobility types	Country									
	AUS	GER	GB	USA	A	H	NL	I	SWI	Tot
A	16.1	5.2	12.5	15.0	6.4	15.3	5.7	11.2	15.0	11.8
B	31.9	25.9	27.6	30.2	20.5	30.6	24.4	29.4	31.5	28.3
C	7.7	6.4	3.0	11.1	11.0	8.0	6.6	10.1	8.9	7.9
D	4.5	2.4	1.9	5.4	3.0	8.3	2.7	5.7	4.3	4.5
E	9.2	3.7	6.8	7.5	2.6	5.9	3.4	6.0	7.6	6.0
F	9.3	9.5	12.3	9.6	16.7	17.0	9.4	10.6	4.3	11.4
N =	1181	1034	1078	1286	767	1795	1219	436	841	9637

Mobility types

A. Inflow mobility into top jobs (INTOP)
B. Inflow mobility into white collar jobs (INWCOL)
C. Outflow mobility from agriculture into manual jobs (AGRMAN)
D. Outflow mobility from agriculture into non-manual jobs (AGRWCOL)
E. Reproduction on the top of the hierarchy (TOPREP)
F. Reproduction on the bottom of the hierarchy (BOTREP)

Ferenc Moksony

VICTIMS OF CHANGE OR VICTIMS OF BACKWARDNESS? SUICIDE IN RURAL HUNGARY

Background and hypotheses

While people still tend to regard suicide as a typically urban phenomenon, the protection of rural areas against this kind of deviance has decreased considerably during the last several decades. Researchers explain this trend basically in two different ways. Some view it as the consequence of the *spread of modern industrial civilization into the countryside* (e.g., Jarosz 1985: 457). The profound socioeconomic changes that took place in villages led, according to this axgument, to a weakening of social relations and this decline in integration resulted in a high level of self-destruction. The causal mechanism assumed here is essentially no different from the one that is generally used to account for the vulnerability to suicide of those living in cities; indeed, this theory sees rural places explicitly as following the same path that their urban counterparts took before.

The other explanation stresses the changing role of the *spatial arrangement* of the population (Wilkinson & Israel 1984). In the past, when everyday life was mostly within the confines of the community, the physical isolation of small settlements increased the cohesion of the local society and this in turn reduced the risk of suicide. In an era of complex division of labor, however, when relationships cut across boundaries, this very same geographical feature impedes the development of effective community organization and thus contributes to a high rate of self-destruction.

My aim in this presentation is to assess the empirical validity of these two explanations by using data on Hungarian villages. I conduct what is called a crucial experiment; that is, I derive *contrasting predictions* from the two arguments and see which of them is supported by the facts. These predictions revolve around the concept of modernization; the two theories reflect different views of the role socioeconomic changes play in suicide. The first sees the transformation of rural areas as the major factor triggering the spread of self-destruction; it stresses the deleterious consequences of the process in which villages gradually lost their traditional characteristics. The second argument, in contrast, regards just the survival of these characteristics as responsible for the high rural suicide rate; in this view, it is the continuation of the past in a changing world that makes country areas increasingly vulnerable to this form of deviance. The first explanation, then, implies an *adverse* effect of modernization, with villages developing most rapidly exhibiting

the greatest risk of suicide, while the second theory seems rather to suggest a *beneficial* one, with backward areas being most exposed to self-destruction.

Data and methods

The research designed to test these hypotheses was based on a random sample of 600 Hungarian villages, about 20 per cent of all rural areas so classified in 1987. The data came from official statistics and were analyzed by ordinary regression.

The major explanatory variable, the measure of modernization, was the percentage of agricultural workers in 1960 (AGRI60). To make this indicator truly reflect the dynamics of socioeconomic transformation, I adjusted for prior levels of development by including the percentage of agricultural workers in 1930 in the analysis (AGRI30). The variable for 1960 thus measured the *changes* that took place during the previous decades.

The dependent variable was the number of suicides between 1982 and 1986. To control for differences in the size of the population at risk, I used population size as a separate independent variable (POPUL). I decided to work with absolute rather than relative figures because suicide rates computed for small areas are very much sensitive to chance fluctuations.[1] The approach taken raised new problems, however. Ordinary regression assumes the errors have a constant variance over the range of the independent variables. Taking a rare event such as suicide as the dependent variable is likely to violate this assumption (Chatterjee & Price 1977: 38–9; Cohen & Cohen 1975: 252). Such events often have a Poisson distribution and Poisson variables have the peculiar characteristic that their mean is equal to their variance. If the mean changes with the explanatory variables – and this is precisely what we expect when doing regression – so does the variance, and the condition of homoscedasticity is no longer met. To circumvent this problem, I transformed the dependent variable by taking the *square root* of the number of suicides. I chose this transformation because the square root of a Poisson variable has a variance independent of the mean (Chatterjee & Price 1977: 39). This solution had the additional benefit of making the distribution of the dependent variable closer to the normal distribution, so significance tests could legitimately be employed.

1 An alternative is to increase the number of deaths used to compute suicide rates by aggregating data. I discarded this possibility for the following reasons. Aggregating by *proximity* typically results in units that are quite heterogeneous in terms of both the dependent and the independent variables. This heterogeneity makes inferences about relationships at the level of villages vulnerable to ecological fallacy. Aggregating by the *explanatory variables* requires the researcher to categorize data that are inherently continuous, thereby loosing information and making the results dependent on the choice of cut-off points.

Results and some further tests

The results, reported in Table 1, seem to question the view that modernization underlies the rising rural suicide rate. Backward areas, those with a high percentage of agricultural workers in 1960, are, as can be seen from the positive coefficient, more exposed to this kind of deviance than are villages with a greater speed of development. Socioeconomic changes are then, it appears, of no deleterious consequence for mental health; on the contrary, it is the *lack* of change, the failure to catch up with the rest of the society that rises the level of self-destruction.

Table 1 **Regression of suicide on modernization**

Variable	Coefficient	Standard error	T-value	Significance of T-value
AGRI60	.011958	.002798	4.274	.0000
POPUL	1.257085E-04	4.81075E-06	26.131	.0000
AGRI30	8.705588E-04	.003862	.225	.8218
Constant	–.329171	.252435	–1.304	.1928

N = 526 R^2 = 5.8965 Adj. R^2 = .58729

Note: For variable names, see text

ALTERNATIVE EXPLANATIONS. These findings should be taken with some caution, however. One factor that might bias the results is the *composition of the population.* People living in villages with a low rate of development are more likely to be agricultural workers, and they also tend to be relatively old. Given the generally high risk of suicide in these segments of the population, depressed areas might be plagued by self-destruction, not because of the influence of backwardness *per se,* but simply because of the great proportion of social groups with an intrinsically high suicide rate. While the preponderance of such groups is undoubtedly a consequence, at least in part, of the low speed of development, it still makes sense to separate composition effects from the true impact of the local environment.

To control for differences in the age distribution, I entered age as a dummy variable into the regression AGE, with people below 60 coded 0. As can be seen from Table 2, the harmful effect of backwardness on suicide decreases somewhat after ruling out this sort of composition effect, but it still remains statistically significant. Depressed areas do not, then, exhibit a higher rate of self-destruction simply because they have an older population.

Table 2 **Regression of suicide on modernization with age controlled**

Variable	Coefficient	Standard error	T-value	Significance of T-value
AGRI60	.004814	.001579	3.048	.0024
POPUL	1.621768E-04	7.02194E-06	23.096	.0000
AGRI30	–.002260	.002152	–1.050	.2940
AGE	.171261	.043722	3.917	.0001
Constant	.039353	.140827	.279	.7800

N = 1032 R^2 = .38223 Adj. R^2 = .37982

Note: For variable names, see text

Unfortunately, occupation could not be included in the regression, due to lack of information. As a proxy for more stringent methods of control, I employed indirect standardization, a technique widely used by demographers for a detailed description of this procedure (see e.g., Fleiss 1973: 158–63). Its main advantage is that, unlike regression or direct standardization, it does not require knowledge of the *joint* distribution of the dependent variable and the disturbing factor, occupation in our case. To apply this method, I first categorized the explanatory variable, the percentage of agricultural workers, by choosing the median as the cut-off point. Then I computed standardized suicide rates for the two categories so formed. Table 3 reports these rates, along with the figures actually observed and the ones expected on the assumption that communities with opposing rates of development have the same age-specific risks of self-destruction. Comparing the standardized figures, we see that backward areas have a greater risk of suicide even after correcting for differences in the occupational structure.

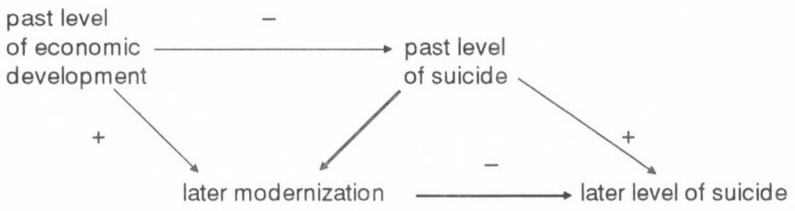
Table 3 **Indirectly standardized suicide rates**

Percentage of agricultural workers in 1960	Observed suicide rate	Expected suicide rate	Indirectly standardized suicide rate
Low	40.56	45.37	40.23
High	60.06	49.16	54.97

Composition effects are not the only potential source of bias, however. Another factor that should be considered is *selection on the dependent variable.* Since suicide is, like many other social phenomena, usually positively correlated across time, if prior level of self-destruction is negatively related to subsequent development, then this may give rise to a spurious negative association between modernization and later suicide rates. That is, backward communities might, in the

1980s, be more exposed to deviance, not because of the lack of socioeconomic changes, but rather because villages with an unfavorable historical trend in self-destruction failed to develop adequately thereafter. While a direct effect of past suicide level on later social transformation seems implausible, prior economic conditions may act as a third factor creating an artificial relationship between these two variables (see Figure 1 where the thick lines indicate spurious relations).

Figure 1 **Selection effect due to past economic development**



The above line of reasoning suggests a fairly simple way in which to control for possible selection effects. If such effects are really most likely when past economic conditions create a spurious relation between historical trends in suicide and subsequent modernization, then all we need to do to make this relation disappear is to enter some measure of past development into the regression. The percentage of agricultural workers in 1930 is one such measure and including this variable in the analysis does not, as we have previously seen in Table 1, remove the effect of recent modernization. We can, then, conclude that the high level of suicide in depressed areas is not probably due to these areas having already been more exposed to self-destruction when the great transformation of the 1940s and 1950s started.

Having now ruled out composition and selection effects, one objection must still be faced.[2] The measure of modernization used in this study, while capturing the transition from agriculture to other sectors, is not sensitive to shifts occurring *within* agriculture. It is thus possible that what appears as the lack of change is actually the great transformation of the Hungarian peasantry – from farmers cultivating their own land to employees in large co-operatives. Were this really the case, the high level of suicide in villages with a great proportion of agricultural workers would indicate not the harmful effects of backwardness, but rather the stress that accompanied enforced collectivization.

I performed several supplementary analyses to check this alternative explanation. First, I reran the regression with a new indicator of modernization, one that is probably not distorted by the dramatic changes in the form of agricultural

2 I am indebted to Ákos Róna-Tas, University of California, San Diego, for raising this point.

production during the 1950s and the 1960s. I chose for this purpose net migration between 1949 and 1969, expressed as a percentage of the initial population (MIGRA).[3] If depressed areas still have a higher rate of suicide when this variable is used, then the original interpretation that backwardness increases self-destruction would seem warranted. As can be seen in Table 4, the coefficient of migration is significant and has the expected sign: the larger the population loss, the greater the risk of suicide.

Table 4 Regression of suicide on a new measure of modernization

Variable	Coefficient	Standard error	T-value	Significance of T-value
MIGRA	–.004885	.001745	–2.799	.0053
POPUL	1.259725E-04	4.88241E-06	25.801	.0000
AGRI30	.009273	.003076	3.015	.0027
Constant	–.319823	.255570	–1.251	.2113

N = 526 R^2 = .58157 Adj. R^2 = .57916

Note: For variable names, see text

Another way I tried to clear up the issue was by deriving empirical implications from the alternative explanation. If the high level of suicide in villages with a great proportion of agricultural workers is really due to the stress induced by enforced collectivization, then this relationship should be *weaker* in communities where farming on a large scale has a relatively long history, since in these areas people were presumably more prepared for the new situation. To test this hypothesis, I computed an interaction term INTERACT by multiplying the proportion of agricultural workers in 1960 with an indicator of the historical roots of large-scale farming, namely the percentage of farmhands in 1930 (FARMHAND). In order to avoid high multicollinearity between the cross-product term and the original measures, I transformed the data by using the centering technique proposed by Aiken and West (1991). That is, I first put the variables in mean-deviation form and then I multiplied these modified values to create the interaction term.

3 In studies on suicide, this measure is generally used as an indicator of social disorganization. Given that very different magnitudes of population turnover may lead to the same net result, this practice is probably of dubious value. Migration here carries a completely different meaning, however. It refers to the degree to which people regard a settlement as an attractive place to live, a judgement presumably formed, in part at least, on the basis of the level of socioeconomic development.

The results, reported in Table 5, do not support the idea that a long history of large-scale farming reduces the harmful effects of collectivization. It thus seems safe to conclude that the influence of the proportion of agricultural workers on suicide does indeed reflect the mental health burdens of backwardness, rather than the distress associated with the establishment of large co-operatives.

Table 5 Interaction effect of the history of large-scale farming

Variable	Coefficient	Standard error	T-value	Significance of T-value
POPUL	1.258762E-04	4.84795E-06	25.965	.0000
AGRI30	4.797429E-04	.003959	.121	.9036
FARMHAND	–.001917	.004086	–.469	.6391
AGRI60	.012132	.002829	4.288	.0000
INTERACT	6.173181E-06	2.19060E-04	.028	.9775
Constant	.500908	.328501	1.525	.1279

N = 526 R^2 = .58983 Adj. R^2 = .58588

Note: For variable names, see text

EFFECT OF DEVIANT SUBCULTURE. The impact of backwardness, while not spurious as we have just seen, is likely to depend on the degree to which the local community supports self-destruction as a response to problems encountered in everyday life. The harmful effect of a low rate of development is, it can be assumed, much greater in social settings where a tolerant stance toward suicide is deeply rooted in the population. We can expect, then, an interaction between factors that *push* people toward voluntary death and those that *pull* them toward taking their life, with the latter aggravating the influence of the former.

To assess this idea, I computed an interaction term by multiplying the percentage of agricultural workers in 1960 with a proxy measure of deviant subculture, namely the suicide rate, in the period between 1964 and 1966, for the *county* in which the village is located (COUNTY). To avoid high multicollinearity, I used, as before, the centering technique by Aiken and West.

The results, reported in Table 6, show that the presence of a 'subculture of suicide' does indeed amplify the influence of backwardness. As the positive sign of the coefficient for the interaction term indicates, this influence is the greater, the higher the suicide rate for the county, that is, the more prevalent permissive attitudes toward suicide are in the region.

Table 6 **Interaction effect of modernization and deviant subculture**

Variable	Coefficient	Standard error	T-value	Significance of T-value
POPUL	1.147348E-04	5.07793E-06	22.595	.0000
AGRI60	.010662	.002731	3.904	.0001
AGRI30	–4.85396E-04	.003698	–.131	.8956
COUNTY	.029554	.006212	4.757	.0000
INTERACT	.001367	3.70511E-04	3.689	.0002
Constant	.659620	.308275	2.140	.0328

N = 526 R^2 = .62694 Adj. R^2 = .62335

Note: For variable names, see text

Discussion and conclusions

At the beginning of my presentation I sketched two different explanations of the rising rural suicide rate. Of these two theories, the results presented clearly reject the first, the one stressing the harmful effects of modernization, and seem to support the second, which focuses on the impact of geography on social cohesion.

The choice made between the two explanations, while important in itself, has, I think, much broader implications. The ideas evaluated here seem to represent two major paradigms in sociology, two opposing answers to the basic question of what holds societies together.[4] Inherent in the first theory is the widespread belief that the major source of social integration is the stability of norms, values and interpersonal relations; the high density of networks of individuals; and, finally, the lack of diversity or discrepancy in the interests and goals people pursue and in the various social roles they play.

The second theory seems to reflect a fundamentally different conception of social order, one that is mostly held by economists and is just beginning to gain ground in sociology.[5] In this view, the ideal society is characterized precisely by the *lack* of stability, since a basic prerequisite for well-being is the quick response

4 In drawing the line between the two views of social integration, I relied heavily on an excellent paper by Mancur Olson (1969).

5 Among the sociologists subscribing to this second conception of social order are Mark Granovetter (1973) and Peter Blau (1977). The reinterpretation of the impact of role discrepancy on mental health by Peggy Thoits also belongs here (1983), as does Stark's theory of the effect of religious pluralism on social integration (1992).

to changing circumstances, the constant reallocation of resources, and this entails a high level of mobility, both social and geographical.

Another point where this alternative approach departs from the more traditional one is the diversity of goals and interests. We all know situations in which the fact that individuals aim at the same thing does not by any means increase social integration; on the contrary, it results in conflict and hostility. Traffic jams during rush hours and crowded seashores in the summer amply illustrate the drawbacks of the lack of pluralism in people's desires.

Finally, the beneficial role of high network density is also questioned by this new conception of social order. Paradoxical as it may sound, weak ties can, as Mark Granovetter has shown (Granovetter 1973), be much more powerful than strong relations; they can contribute much more to the integration of societies. This is because weak ties act as bridges between social circles otherwise unconnected to each other.

We have, then, two different paradigms underlying the two explanations of rural suicide and by testing these explanations we implicitly assessed the paradigms as well. On the basis of the results reported, the traditional view stressing the importance of stability, high network density and the lack of diversity needs, it appears, serious revision. This does not mean, however, that the Durkheimian idea that social integration helps prevent self-destruction, an idea that is usually tied to the traditional paradigm, has to be abandoned. The new conception of social order, and the explanation of suicide based on this conception, fully acknowledge the significance of social integration; they merely point to factors other than the usual ones as conducive to a high level of cohesion. What we need to reconsider, then, is not our focus on social integration as a major causal force in suicide; it is, rather, our view of the conditions that are favorable to it.

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Ferenc Gazsó

ORIENTATIONS BY GENERATIONS IN AN UNSTABLE SOCIAL ENVIRONMENT

The young generation of the Hungarian society, moving from state socialism towards the unknown, has not been given the fulfilment of the positive hopes associated with systemic change. Although the young generation did not associate the hope of the immediate arrival of the welfare state with systemic change, it certainly did not expect to shoulder the brunt of the burden of changes for a period which appears interminably long if compared to the life stage of youth. In other words this generation had a more optimistic assessment of the prospects of the country and its own chances at the beginning of systemic change than reality vouchsafes. It has not lost its patience as yet, but the hopes concerning the future have partly become uncertain and have partly been dispelled. The vast majority of the young generation has been pushed to the side of the losers by the social developments of recent years. This status is not entirely unusual, as studies dealing with the generation cross-section of the society have already characterised the decade of the 80s as the state of emergency of the young generation.

Today the young are forced to face the fact that they still have to live for a long time in a society in which the protracted processes of the building of private ownership and market economy locate the appearance of the welfare state at a rather distant point of time. Though the social structure is undergoing fundamental changes and there are going to be winners in the young generation as well. However, the youth is being warned by a plethora of experience that the results of the present social changes will be enjoyed only by the luckiest of the presently young generation. For the time being the most tangible consequence of structural changes is all-pervasive polarisation even in the sphere of the youth, bringing about a new kind of social articulation. The advantages and disadvantages of family and society, which are inherited in part, are particularly strongly accumulated and condensed along the generational section of the society. New mechanisms are starting to operate in the macro-structure. Social articulation is no longer based on the primacy of the position occupied in the division of labour. All the signs indicate that we are moving towards a society in which – as contrasted to the state socialism of the past – the social distribution and possession of three groups of goods determine the characteristics and main processes, together with the space of the individuals' mobility. In a market-oriented economy based on private ownership, property regains its structure-building role, an internally articulated class of owners develops, which wishes to assert its advantageous social status in the field of culture as well. This process has started already, but the class of private owners is still in the stage of development. Hence the main characteristics of the social structure are not yet primarily determined by differences and inequalities

based on ownership. However, the weight and role of this factor have been growing fast, hence the main processes of the social structure are increasingly determined by articulation based on ownership.

There are numerous signs that the revaluation of the structural role of intellectual capital is a fundamental characteristic of the present social structure. This factor plays a decisive role not only in macro-structural changes but also in those of the social chances of individuals. At any rate, the economic and social processes related to systemic change may result in a general revaluation of knowledge. This can not only be traced in power relations and in the field of ownership, but can be seen in the entire system of the division of labour. This is why the rather limited throughput of public education has an increasingly adverse affect on youth. In fact already only a minority can have access to good quality education even on primary level. This is even more so in secondary level education where access to the so-called elite schools, or institutions offering vocational training which enhances job opportunities in the labour market, is unimaginable without the mobilisation of the subsidiary resources of the family. Therefore a really convertible education is increasingly becoming a social value with extremely limited access. It is not difficult to prognosticate that the demands of the population for high quality teaching will grow rapidly in Hungary too, just as knowledge and qualifications will be tangibly revaluated (expressed in material terms as well) in the labour market and in other spheres of the society. Politics will reach a cross-roads in this situation. It will serve the interests of youth if it is able to ensure the perceptible improvement of the chances of schooling, in other words, if the acquisition of the capital of knowledge is made accessible for strata which possess no capital of any kind. However, educational policy has not taken this road during the past four years. Though no drastically discriminating steps were taken in public education, the system of tuition fees has been envisaged as likely, together with the increase of the number of thresholds of selection, the operation of early selection, by which the better off strata can direct their children towards a special school career, while the state has offered the opportunity of the primary school extended to ten years to the masses of youth, creating the appearance that a big step may thus be taken towards greater equality in the chances of schooling, since henceforward the so-called national basic education can be acquired by all young persons.

As contrasted to this strategy favoured in recent years, a solution which is intertwined with the unfolding of the real expansion of public education would suit the interests of the young generation. This means the expansion of the opportunity of secondary education (ending with the secondary final exams) of full value which would reduce our large lag behind the Western world. This strategy of development would make it possible to prevent the polarisation now dominating the social structure from becoming exclusive and all-pervading, and it would help improve somewhat the mobility and employment chances of the young.

It is easy to see that basic interests of the young are attached to the expansion of education. However, such demands can easily be averted under the present conditions on the grounds of the lack of resources. For years, spending on education has been repeatedly and monotonously classified under the group of tasks which can be postponed in the system of preferences dominating distribution; this could generate tensions just as serious as unemployment, inflation, or the lack of the social protective net.

In fact the vast majority of the Hungarian population and the youth as well have given up the hope of a fast economic advancement. Stagnation and the fall of personal living standards have been accepted. However, it would be difficult to make the society accept that a significant part of the new generation will be excluded even from the possibilities of a high standard of education. In fact people wish to hope in something. Commitment to the future of the next generation is primarily linked to access to the education needed for social success. If even the hope of participation in education is dispelled then practically nothing is left for members of the lower strata that would link them to social integration.

Tension has been building up for a long while along the cross-section of the society by generations. The question is how all this affects the social atmosphere and behaviour of youth, and its relationship to the society. In the following an attempt is made at studying the effects and consequences of macro-social processes influencing youth, with the help of a national representative survey conducted in 1994.*

1. The reception of systemic change by generations

It is known from our earlier researches conducted among the youth that the overwhelming majority of young people linked systemic change primarily to the hope of stopping economic decay and of continuously improving income-producing capacity. Two years ago one-quarter of the young people in the sample were still expressly optimistic about the state of the economy and about the expected developments. At that time about 40 per cent of the youth hoped for a period of economic prosperity which would soon dawn upon the country. Hardly one-third of the respondents shared suppositions of further decay of the economy. The recent empirical survey shows that the young generation has been extremely hard hit by the growing economic tension of the past years and the uncertainties of existence that are difficult to tolerate, the endangered livelihood, the fall of living conditions

* The national representative survey of the Institute of Political Science of the Hungarian Academy of Sciences conducted in early 1994 among 1100 people represents the age-group between 18 and 35 by gender, settlement, school education and occupational groups.

and the decay of the economy that appears impossible to halt. All this is sensed by the youth as shown by the figures.

Table 1 The effect of systemic change upon the economic situation of the country and living standards as assessed by the youth (in percentage)

	How has the economic situation of the country changed?		How have the living standards of the citizens changed?	
	1992	1994	1992	1994
Improved	25.8	6.2	–	2.6
Deteriorated	44.3	79.1	–	91.2
No change	29.9	14.7	–	6.2

Special attention should be paid to the characteristic opinion of the young that living standards have deteriorated far more drastically than the economic situation. All this may generate dissatisfaction in itself as the majority of the young believe that the burden of transformation was shifted to the employees more than would be justified. And a further restriction of consumption may provoke further reactions in the youth as well, precisely because they feel that the authority has already burdened the citizens to a greater extent than justified.

Hopes related to the upward turn of the economy have also faded. Today hardly more than one-fifth of the young (26%) believe that economic stagnation and decay will stop within a foreseeable perspective. Moreover, one-third of the sample prognosticate further vigorous economic decay, and almost one-fifth regard stagnation as the most probable condition. The young are even more pessimistic in respect of the expected changes of living standards. Positive change is hoped for by one-fifth at the most, whereas almost half of the young expect further lasting decay.

The opinion of respondents assessing the economy and living standards are less dispersed along the socio-economic variables. An assessment different from the average of the sample can only be found in one stratum of the youth. Namely the young intellectuals have a more favourable assessment of the economic situation and its expected changes than the average. Naturally it is not that the majority of those belonging to this stratum are experiencing economic prosperity. The difference is only that the proportion of those assessing the economic outlook positively is higher by a few per cent than the average for the sample as a whole. At the same time this stratum perceives the deterioration of living standards as bigger than the average, consequently accepts even less that the drastic fall of the living conditions is exclusively caused by the weak output of the economy. Thus the often mentioned argument of excessive consumption can hardly expect a favourable reception in this environment.

According to the assessment of the youth the deterioration of the living conditions, which is even greater than the decrease of the economic output, has a far from identical effect on the different strata of the society. The youth has a definite image of the winners and losers of systemic change. As contrasted to the earlier dichotomous scheme, by now a far more articulated interpretation can be observed. While two years earlier the attitude concerning the articulation of the society was characterised by an image of the society one pole of which was authority and the classes possessing authority, while the other one was occupied by the blue-collar workers, this interpretation has become even more differentiated and the image of the society has been fitted into a hierarchic structure.

Table 2 **How has the situation of social strata been changing in the progress of systemic change? (in percentage)**

	Improved	Deteriorated	Did not change
Youth	4.1	82.2	13.7
Workers	1.2	91.1	7.7
Peasants	6.9	82.2	10.9
Intellectuals	19.8	41.1	39.1
Public servants	36.3	21.5	42.2
Small owners	30.7	31.1	33.2
Entrepreneurs	8.2	20.7	21.1
Politicians	84.1	12.6	3.3

Two years ago the young regarded the new political elite as the exclusive winners of systemic change. Now the entrepreneurs and small owners, that is the political class and the group of the new capitalist-owners, also fall under the same assessment. The great losers continue to be the workers constituting the base of the society. The youth primarily feels itself nearest to their situation. It is also a change of opinion that now the living conditions of the intelligentsia are considered less favourable than those of the state bureaucracy. All in all an image of the society expressing social polarisation as well as the differences in the position occupied by the various strata has evolved in the youth during the past four years. A fundamental characteristic of this image continues to be a reflection of social polarisation, and the realisation that the middle strata have also been unable to preserve their earlier living standards. However, according to public opinion the situation of these strata has deteriorated less than that of the blue-collar strata, part of the youth is of the view that the social situation of a significant part of the corps of public administration or of the intelligentsia has definitely improved. It is remarkable and thought-provoking though, that the situation occupied by the young generation is assessed by the youth as identical with that of the lower strata. Hence

young people classify themselves under the heading of the greatest losers of systemic change.

As far as personal situation in life is concerned, the effects and consequences of the social processes of the past two years have conspicuously restructured opinion related to changes of the individual status. While two years earlier 52 per cent of young people characterised their own situation as of stable status, in other words, they did not perceive either social rise or sinking, this situation has been significantly modified, because the majority experience social change as the continuous deterioration of the individual conditions of life. In early 1994 the majority of the young included in the sample thought that the conditions of individuals have expressly deteriorated under the impact of the past four years, and improvement was indicated only by hardly more than one-tenth of the respondents. Thus while in the first one or two years following systemic change young people identified their own situation with social groups which are able to preserve their status, by now this assessment has undergone changes and the majority of them feel that they have not succeeded in retaining their earlier living conditions and their living standards are approaching those of the lower strata. Actually this is the reason why each stratum of the young generation classifies itself under the greatest losers of systemic change and identifies its own social position with the living conditions of the blue-collar class regarded to be in the worst position.

There are several reasons and interrelationships in the background of the negative social mood. This is not only the inevitable effect of the drastic deterioration of the living standards. The sense of being exposed in the labour market has hit youth, the chances of mobility have contracted, and the individual is exposed to processes he is unable to comprehend. At the most they can rely on the support of the family in the solution of their problems. Thus the young generation is surrounded by a world which shows conspicuous indifference towards the problem of generations. So far the young citizen could not expect any consideration of his interest from the institutions of authority and politics. In addition this is a social group which has been unable to create the organic and symbolic resources necessary for collective action and its ability for interest assertion has been underdeveloped. This means that politics can constantly postpone issues concerning youth, or simply not give any preference to interests that are specifically those of the young. All this creates the impression in the young generation that they are surrounded by an unstable, unpredictable world, where the citizen struggling to cope with problems is alone, while the institutions of authority and politics care primarily or exclusively for their own interests. This is the background of the major shift by youth away from the democratic institutions of the society, or their negative assessment of the performance of these institutions. In fact neither Parliament, nor the political parties, trade unions or the churches, and not even the governmental institutions enjoy the confidence of the masses of youth. In fact the youth has recognised that the individual can trust only him- or herself and the family at the

most. Such an introverted behaviour determines the outlook and social action of the young generation.

In essence the social effects and experiences accompanying the process of systemic change are ultimately summarised in overwhelmingly negative judgements about the system as a whole. Namely the majority of the youth unambiguously negatively assess the operation and performance of the democratic system.

Table 3 **Satisfaction-dissatisfaction with the operation of democratic institutions among the youth (in percentage)**

Socialstrata	Clearly satisfied	Mostly satisfied	Mostly dissatisfied	Clearly dissatisfied
Entrepreneurs	14.4	25.8	30.6	29.1
Managers	9.5	23.8	38.0	28.6
Intellectuals	7.7	28.7	44.8	18.8
Middle-level white-collar employees	6.2	23.8	44.2	26.0
Skilled workers	5.3	19.7	41.8	33.2
Unskilled workers	5.0	15.7	49.6	29.7
Agricultural workers	5.4	29.7	43.3	21.6
Average of sample	6.6	21.6	43.0	28.8

The situation is paradoxical. Research results suggest that the values of political democracy have taken root in the young generation and it is perhaps the lack of democracy which they would least tolerate. At the same time the organisations of authority, the political parties and mass organisations, the operation of the present machinery of authority and its rule provoke massive dissatisfaction among the youth. Luckily at present it is not the political set-up itself which is being challenged, as the young believe that the dysfunctions experienced are related to the fact that democracy is still far from being fully unfolded. While earlier the majority thought unambiguously that the chances of development were positive, by now doubts have become stronger and trust in the unfolding of democracy has fallen.

All this sheds light on the fact that the identity-generating ability of the new democracy is underdeveloped, which is closely related to the condition of the set of means of legitimation. It is not that the withdrawal of the earlier level of consumption and the steady deterioration of the conditions of life in themselves have the effect of turning people away. But in the background of disappointment it can be seen that the expectations of youth attached to the operation of the democratic social set-up have not materialised either. Politics continues to be a distant world for the majority, a closed terrain where only those who make a living from politics have a right to enter. For instance, the demand for participation in public life and for influencing decisions of the authority by the citizen can be regarded as a very general one. At

the same time the young sense more than any other age group the obviously dominant discrepancy between the demand and the possibilities of realisation. It makes people resigned that the citizen is still kept at a distance from the sphere of the exercise of power. The vast majority is of the view that today the citizen – similarly to the period of the state socialist set-up – has no realistic chance whatsoever to influence the decisions of authority and government.

As far as the political actors themselves are concerned, the young believe that the politician is primarily a person, mostly following particular interests, who sees democratic public life with the exclusion of the demand of the citizens for participation. This is a very general view as about two-thirds of the youth perceive primarily such politicians' behaviour. No matter how we assess the content of the reality of citizens' views, it remains true that public views perceive a great distance, and at times even a gap between those who possess authority and the citizens. It is also obvious that the majority of citizens look at members of the power elite with reservations right from the outset. First of all it is the lack of confidence which is most conspicuous, as it is generally accepted among young people that one should not trust politicians. Similarly it can also be regarded as a general stereotype that politicians actually prefer the depoliticised citizen as in this case they do not have to tolerate citizens' vexations coming from below. When prior to the recent parliamentary elections we inquired about who the young voters regard as suited to fill important political and public functions among the well known politicians, it became clear that not a single personality could be found in the political elite who was considered suited for power positions by at least one-fifth of this electoral stratum. Otherwise only the name of 25 people could be put on the list of politicians selected by suitability criteria. This is quoted only because the Hungarian political discourse largely disregards the consequences of the lack of a charismatic political elite.

Table 4 **Motives of satisfaction-dissatisfaction with the operation of democratic authority**

The most frequent motives of satisfaction		The most frequent motives of dissatisfaction	
1. Not good but acceptable	34.2	1. Under-developed democracy	36.9
2. Assertion of personal liberties	32.2	2. Unfavourable living conditions	17.3
3. Chances of positive change	16.5	3. Big inequality	8.4
4. Positive changes in every sphere of the society	7.9	4. No possibility of participation	5.3
5. Improving living conditions	6.8	5. Corruption is widespread	5.2
6. Multi-party system	1.7	6. Power elite has risen above the society	3.8
7. Free elections	0.7	7. Everything is worse than before	3.8

The motives of dissatisfaction support what was said above. Namely that the set-up of authority and rule, which has evolved as a consequence of systemic change, is based on a very narrow set of the instruments of legitimation from the angle of the democratic institutions and their modes of operation, as well as of the present way of life. Thus institutionalisation of the new democracy is less able to counter-balance the adverse changes of living conditions. In fact the young voters specifically mention that they do not see any chance of participation, that the political elite stands above control by the society, the conditions of inequality which have evolved, go beyond the threshold of citizens' tolerance and corruption gaining ground in itself greatly damages confidence in the democratic institutions.

Naturally not everybody is dissatisfied with the operation of the democratic set-up experienced so far even among the young. Though the overwhelming majority perceive negative processes, almost one-third of the young voters have an overall positive assessment of the operation of new democracy for the time being. The main factor behind positive assessments is primarily the guaranteed assertion of personal liberties. In addition there are two other motives which assess the changes of the entire system of the society as positive in every field and perceive improving living conditions. It is somewhat surprising that the multi-party system in itself, or the possibility of free elections motivates citizens' satisfaction less. At the same time it is conspicuous that satisfaction is not unambiguously based on positive motives, as the second most frequent motive is that good and bad elements are equally present and are mixed, as well as a restrictive interpretation that whatever happens in respect of democracy may not be good but is acceptable, and that there are chances of positive change. Thus it can be seen that the set of the motives of satisfaction is rather modest and controversial as well. In fact satisfaction is also mixed with dissatisfaction and public opinion is malleable in this respect as well, based, in many respects, on the hope for positive change. All this is regarded as extremely important because here the issue is the assessment of the social acceptance of democracy in Hungary. In view of the empirical data it can be stated by way of summary that youth unambiguously stands for the democratic social set-up of the country, at the same time it is said that the development of a pluralistic democracy of the society is still in its initial steps and at present it is the excessive weight of negative elements which is dominant.

It is worth pointing out that all this has no exclusive causal relationship with the unfavourable changes of the living conditions. Though sharpening existential tensions decisively influence the citizens' sense of social well-being, it cannot be stated that living standards constitute the only tension in the development of the new society. It should be remembered that the consequences of the thwarting of citizens' demands concerning the operation of democracy in themselves have the force of delegitimation. Hence it is open to question whether the democratic structure of power is able to moderate the disintegrating influence and

consequences of the unfolding and deepening social conflicts in the material sphere and in distribution.

2. Ideas of social and personal future

What are the ideas of the generation of systemic crisis and change about personal and social future? Have the rather unfavourable experiences of daily life left any chances of and hopes for optimism, or has pessimism and apathy been fixed as a stereotype in the generation of the future under the influence of social experience? It is also quite an exciting question whether ideas concerning personal future are based purely on individual considerations, or the hopes of the future are intertwined with overcoming the critical condition of the society and with the view of a country in a process of advancement.

First let us see how the young generation assesses the future of the country, the chances of economic and social advancement.

Table 5 Assessment of the country's future by the young generation (in percentage)

Clearly negative	4.7
Mostly negative	17.4
Partly positive, partly negative	51.0
Mostly positive	24.0
Clearly positive	2.9
	100.0

The image drawn by the data reflects the disturbed orientation of the citizens of an unstable society without a clear vision of the future. Though the image of the social future of one-fifth of the young is characterised by extreme pessimism, as they essentially consider the advancement of the country hopeless, the majority are still torn between hopes and doubts for the time being. In an unstable society, not having a coherent vision of the future, the most striking feature of the vision of the future of largely atomised individuals is necessarily the almost inseparable linking of optimistic expectations and the sense of hopelessness. The young generation cannot give up their hopes for positive social change. At the same time they have no tangible certainty regarding what passing time can bring about and whether we are moving towards a society they desire. Hence the majority are neither fully pessimistic, nor optimistic, but experience social change in the extremes of hope and doubt. As it is indicated by our research, optimism is often kept alive primarily by the belief that compared to the present, only a more favourable social condition

can come. According to the experiences of research, positive expectations of the future are not linked primarily to empirical processes and social trends which can be clearly delineated, but to mere hope, often without any grounds. In fact optimism has no objective basis recognised by the young, thus hope for the future seems to be a behaviour primarily motivated by faith.

Table 6 Motives of expectations concerning the future of the country in the different strata of youth

Motives	Entre-preneurs	Mana-gers	Intelli-gentsia	White collar	Skilled workers	Unskilled workers	Average sample
Hopeful in general on the level of mere hope	57.1	40.0	33.3	48.2	49.3	48.6	45.7
Trust in economic growth	11.9	20.0	33.2	20.0	15.9	15.7	18.6
Trust in a new government	4.8	0.0	7.9	12.7	10.1	15.7	10.6
Bad must be followed by good	4.8	0.0	4.8	4.5	4.3	7.1	5.0
Hope in the end of unemployment	4.7	20.0	7.9	1.8	1.4	2.9	3.8
Trust in government's wisdom	2.4	0.0	1.6	2.7	3.6	4.3	3.2
Trust in people's diligence	2.4	0.0	4.8	1.8	0.0	0.0	1.8
Trust in improving living standards	0.0	0.0	1.6	1.8	5.1	0.0	3.0
Other, unknown	12.0	20.0	4.8	6.4	10.1	5.7	8.4
	100.0	100.0	100.0	100.0	100.0	100.0	100.0

As it can be seen from the above data, the aspirations of almost all the strata of youth concerning the future are characterised by the fact that they are manifest on the level of abstract hope. The survey found only one stratum of the youth in which a concrete motive was mentioned by the biggest group of those who hoped for positive changes. Namely it was the stratum of young intellectuals who linked positive change primarily to their hopes in the economic advancement of the country. Though this motive is present in every stratum of the youth, it only occurs to an outstanding extent, significantly above the average of the sample, in the stratum of intellectuals. It is surprising that the entrepreneurs, or managers link their own positive social expectations much less to the real processes of the economy than the young intelligentsia. It is not surprising, yet it should be mentioned that about one-tenth of the young, and a far greater proportion of the blue-collar

workers and white-collar employees linked the economic advancement of the country to a change of government in the national representative survey held a few months before the parliamentary elections. At the same time this motive suggests that young people attribute a prominent role to the political elite in the economic and social modernisation of the country and they are of the opinion that hope in positive change may be founded upon the operation of a new governing elite. Obviously the new government will not find it easy to justify these hopes.

The trust of young people in the ending or reduction of unemployment is rather moderate and it is only one group, the stratum of managers who hold that the significant fall of unemployment can be expected as a positive development of the near future. Part of the youth had hopes in the wisdom of the former government, otherwise such an attitude could be found primarily among the entrepreneurs and blue-collar workers. At the same time it is surprising that the reserve of resources so often mentioned by some political scientists and economists, the diligence and inventiveness of citizens impressed the young generation very little when they were thinking about the future advancement of the country. It is also somewhat surprising that not even those who assess the prospects of the country in relation to economic development positively, have serious hopes in the improvement of living standards. For instance less than 2 per cent of young intellectuals trust in a sizeable improvement of living standards. Whereas among entrepreneurs and managers no hopes whatsoever are attached to the general rise of living standards, but a similar outlook characterises the group of unskilled blue collar workers as well. The most optimistic are the young skilled workers who trust more than the sample average in the improvement of the living conditions.

The pessimistic opinions about the future of the country are primarily based on three motives. The majority of pessimists prognosticate the further deterioration of living conditions and standards. According to them all this is partly linked to the deterioration of the country's economic conditions. However, only about half of those who prognosticate the further fall of living standards hold that the deterioration of living conditions is due to the decay of the country's economic situation. This is a further confirmation of the public opinion diagnosed earlier according to which the deterioration of the living conditions is faster than the speed and extent of economic decay in the country. According to our research this view has already been consolidated on the level of attitude.

It cannot be stated that the assessment of the expected changes in the personal situation is significantly more optimistic among the youth than that of the future condition of the country. Data representing the expectations of youth as a whole are the following.

Table 7 **The opinion of youth about the expected changes of personal living conditions**

Social groups	Improves	No change	Deteriorates	Total
Entrepreneurs	43.5	24.2	32.3	100.0
Managers	45.0	40.0	15.0	100.0
Intelligentsia	43.2	37.0	19.8	100.0
Skilled workers	27.1	43.1	29.8	100.0
Unskilled workers	21.4	36.5	42.2	100.0
Agricultural workers	38.5	28.2	33.3	100.0
Average of sample	31.2	37.2	31.6	100.0

The biggest group regards stagnation as most probable, whereas the proportion of those who expect positive or negative change is essentially identical. The general image is mostly differentiated by levels of school education. Unskilled young people of low school education are conspicuously pessimistic, and hardly one-tenth expect any improvement of their personal living conditions. In contrast, almost half of those who have higher education have optimistic views on the changes of their personal future. A similar distribution can be found along social stratification as well. Namely young people who belong to the group of entrepreneurs and managers are far more optimistic than the skilled workers or those who have unskilled manual jobs. However, not a single group can be found in the circle of the young generation which assesses mostly positively the changes of their own living conditions in perspective. Therefore a moderately pessimistic attitude is what is most characteristic of the young people's vision of the future. Differences of scale can mostly be found among the different strata of youth between moderately and clearly pessimistic groups.

Research has also attempted to find an answer to the question of whether the overwhelmingly pessimistic assessment of the perspectives of the next few years was only an attitude linked to the present crisis situation, or whether the young generation was mostly pessimistic in longer perspective too in respect of the changes of personal chances in life. The comprehensive conclusion of empirical research regarding this question is that the pessimism of young people is somewhat mitigated when they assess their own perspective in a longer span of time.

Table 8 **Perception of personal future in longer perspective by groups of class identification among young people**

Social class	Clearly optimistic	Mostly optimistic	Partly optimistic, partly pessimistic	Mostly pessimistic	Clearly pessimistic
Working class	11.9	32.2	35.4	15.4	5.1
Lower middle class	5.0	35.3	46.2	11.8	1.7
Middle class	18.3	39.6	35.9	5.1	1.2
Upper middle class	23.8	47.6	28.6	0.0	0.0
Upper class	28.6	42.9	28.6	0.0	0.0
Average of sample	14.8	36.8	36.7	9.1	2.5

An assessment of the perspectives of individual success is primarily linked to moderate optimism. Self-confident optimism characterises rather few young people. At the same time the majority also reject the sense of paralysing hopelessness. The picture characterising the entire sample is coloured by certain status determinants here too. As it could be expected, a negative assessment of chances in perspective becomes more frequent among the youth belonging to the lower strata. More than two-thirds of pessimists come from among people identifying themselves with the lower and lower middle classes, while an optimistic attitude is more than ten per cent below the average of the sample in the social groups mentioned here. The situation is entirely different among young people classifying themselves under the upper middle class. An expressly pessimistic attitude could not be found among them, and one could identify only a group with uncertain future hopes (28 per cent) and another one assessing their personal future mostly with optimism. The proportion of the latter is much above the average of the sample (71 per cent). Thus the socio-economic status fundamentally differentiates the image of the future formed by the young and their personal aspirations. These conclusions are made even more unambiguous by the empirical data reflecting the differentiating effects of school education, of the position occupied in the division of labour and in ownership, but a detailed presentation is not possible here.

Next we are going to examine the background of statements related to how the young assess their personal future. On the basis of the answers given to the relevant open question it would appear that the optimistic ideas concerning the personal future are founded upon rather vague considerations. The majority are unable to name the concrete conditions and special personal characteristics or assets possessed on which they base the favourable prognosis of their personal chances. In the majority of cases confidence is not more than undifferentiated hope.

At the same time the structure of motives suggests that positive expectations related to personal future are primarily based on the assumption of favourable macro social processes (positive processes in the labour market, extension of the

opportunities for schooling, elites able to govern, etc.) Linking personal chances in life with knowledge and abilities can be regarded as marginal. In our view all this sheds light on a rather unfavourable condition of the social maturity of youth, more exactly on the fact that the majority of the young are unable to find their way rationally either in the changes of the mostly unstable social environment, or in the issues of individual strategies of life.

However, the underdevelopment of abilities of orientation does not characterise the different groups of the youth to an equal extent. Socio-cultural determination is extremely vigorous in this respect as well. To illustrate it the background of the motivation of the future aspirations of blue-collar youth and that of the young intelligentsia are compared.

Motives	Blue-collar youth	Young intellectuals
Confidence of undefined basis	70.0	54.0
Vocational knowledge, preparedness	6.5	22.0
Favourable changes of the labour market	26.7	12.5
Characteristics of age group	10.0	4.2

The above data require no comment. In addition it should be noted that the entrepreneurs hope primarily for the prosperity of the economy, and the managers and technocrats expect changes of the leading elite in addition to the upturn of the economy. In contrast, lower strata expect the favourable changes of their personal opportunities from some advantageous, but incomprehensible social change. This hope is rational in so far as the so-called structural changes may lay the foundations of the chances of the mobility of those belonging to the lower strata. However, presumably young people belonging to the above mentioned strata assume that the desired favourable macro processes would almost simultaneously and automatically guarantee the realisation of individual plans of life. The results of research unambiguously suggest that at the most young people (mostly those belonging to the lower strata) have hazy ideas about the resources required for the realisation of personal ambitions in the unfolding world based on the market principle. In this respect the personal capital of the optimistic life programmes is unambiguously meagre.

Let us now see what are the considerations upon which the pessimism of a significant part of youth concerning their personal future is based. This pessimism is primarily nourished by the current tensions of the labour market which have hit the youth particularly hard. About 25 per cent of the youth think that it is primarily unemployment which may thwart personal plans of life. In addition they consider that massive juvenile unemployment will exist in the future as well. Similarly the steady decline of living standards for decades is also extrapolated, together with the general deterioration of living conditions. It is mostly the macro processes mentioned above, and the lack of material resources needed for autonomous life

and to the establishment of existence which lays the foundations of a sense of being without a future and prospects, and the frequent renunciation of the chances of individual advancement. This is accompanied by low school education, by a lack of skills or by the devaluation of the trade learned earlier, which characterise large groups of the youth. Thus pessimism is far more objective than the confidence of those hoping for a better future. One of the characteristics of pessimists is that they do not seek the causes of hopelessness only in the unfavourable macro processes, but also take the weakness of their personal resources into consideration.

Naturally those who assess their personal chances pessimistically do not constitute some kind of homogenous group. Internal differentiation is produced not only by the differences of the socio-economic status, but also by the nature of the motivations. For instance the young entrepreneurs are primarily pessimistic because of the narrowing of consumption and the lasting limitation of demand (43%), in addition they have little hope in change of the present situation. In contrast, young intellectuals are primarily motivated to assess their personal future pessimistically because of the lack of housing, of low income and growing unemployment even in their circle.

The current tensions of the life situation of youth cannot be treated as a merely passing disturbance. In fact the protracted crisis situation leads to massive apathy, a tangible sign of which is that about one-fifth of the young generation do not have any kind of immediate or long-term plan of life. It may deserve special attention that such a behaviour of apathy can be found in every stratum of youth. Naturally the proportions are characteristic of the different strata, which is indicated by the data below.

The proportion of those who can be characterised by an apathetic behaviour in some strata of youth is the following:

Entrepreneurs	13.6
Managers	19.0
Intelligentsia	15.1
Middle-level white-collar workers	10.2
Skilled workers	23.5
Unskilled workers	26.6
Agricultural workers	26.2

As it can be seen, the protracted tensions of the situation of youth and instability characterising the macro-social conditions have had adverse effects not only on the strata of the youth which are objectively in a very bad and constantly deteriorating situation. In fact even those who belong to groups in a better situation, the entrepreneurs, managers and intelectuals, have become tired, and groups which represent a crisis situation have emerged precisely in these strata. It is particularly conspicuous that a not negligible proportion of young entrepreneurs and managers also regard their personal situation, present and future as so unstable that they are overcome by a sense of uncertainty.

However, about 80 per cent of the youth have not given up the pursuit of objectives to be accomplished. These objectives are primarily of material and existential nature. The list of objectives is headed by the acquisition of a home of their own. This is the primary objective of 43 per cent of the young included in the sample, which also indicates the scale of the tension caused by the housing shortage. The second most frequent element of life programmes is the acquisition or enlargement of skills improving the position in the labour market. Though this objective is present in the life programme of every stratum of the youth, it primarily characterises those of high qualifications. For instance while about 9 per cent of unskilled workers are intensively preoccupied by the possibility of learning a vocation, 22 per cent of the middle level white-collar employees, and one-fourth of the young intellectuals consider the enrichment of professional knowledge more important than any other objective.

Earlier surveys conducted among the youth have shed light on a particularly strong inclination towards enterprise which characterises that generation. This is a feature which can be found in every stratum of the youth. According to numerous indications, aspirations related to the improvement of social status are primarily linked in the young generation to reaching the status of entrepreneur. This orientation characterises even a part of those young people who do not possess any mobilisable material or intellectual capital, but primarily it determines the aspiration patterns of subordinated intellectuals (10%), managers (18%) and the small owner private producers (19%). As far as the reality of such objectives is concerned, one may say for the time being that 7 per cent of the young have joined the entrepreneurial stratum during the past few years. However, the nature of assets is overwhelmingly in the category of small ownership.

It is somewhat surprising, though fully understandable in view of existential tensions, that founding a family and raising children figure with a far smaller frequency than earlier in the planned life of the young. All this is partly related to the limiting influence of the meagre material resources upon the will to found a family, but cannot possibly be explained only by existential causes. After all the aspiration for family and children is most limited (2%) in the entrepreneurial stratum which can be characterised by the best existential conditions, which suggests that the new generation is not primarily preoccupied with issues related to the founding of family in the changing Hungarian society. The actual structure of personal plans of life shows the following picture:

Acquisition of home	42.9
Learning a vocation	13.7
Enterprise	9.0
Founding a family	8.1
Suitable place of work	5.9
Raising children	5.2
Own car	3.3
Own shop, workshop	2.8
Autonomous life	1.5
Professional career	1.5
Travel	0.6
Employment abroad	0.4
Other, unknown	5.1
	100.0

It can be concluded from the study of the structure of life plans that existential problems dominate the life plans of youth to such an extent that problems of this kind narrow their aspirations, and leave conspicuously little energy and time to the arrangement of the sphere of private life. The growth of anomalies related to marriage and family, the increasing number of divorces and the decline of readiness to have children are its consequences and manifestations.

4. Plans of life and realities

Now we should see what opinions young people hold about the chances of realising the above outlined actual short-term plans of life.

Table 9 **Chances of the realisation of plans of life in some strata of youth**

Socialstrata	Basically pessimist	Moderately pessimist	Mostly optimist	Clearly optimist
Entrepreneurs	3.1	26.6	46.0	23.4
Managers	5.0	25.0	50.0	20.0
Intelligentsia	6.0	25.3	42.2	26.5
Skilled workers	13.3	39.2	34.9	12.5
Unskilled workers	14.8	42.6	30.1	12.6
Agricultural workers	8.1	43.2	40.5	8.1
Average of sample	11.2	36.7	36.8	15.3

Ideas related to the actual plans of life are unambiguously stratum-specific ones. More than two-thirds of entrepreneurs, managers and intellectuals judge personal goals as realistic, while the proportion of those who assess chances optimistically does not reach 50 per cent among those belonging to the blue collar workers. The achievement of the desired objectives is primarily regarded as uncertain by these strata. They are not unambiguously pessimistic, at the same time they are not convinced that they will accomplish their actual goals in the near future. The question naturally is whether this optimism has an objective base, as it was seen that young people set objectives for themselves which are difficult to realise. Based on the analysis of the background of optimism, research has reached the conclusion that the optimistic hopes of about one-fifth of the sample are based on conditions adequate to the goals. Essentially the basic motive of hope is individual self-confidence; this is the sole source of the optimism of almost every fourth young person. In addition optimism is based on the 'one must be an optimist' attitude, a sense particularly characteristic of youth, which is primarily motivated by the faith and momentum of the young.

It is not difficult to prognosticate that the majority of the plans of life cannot be realised in the coming years. It can be excluded that almost half of the young would be able to solve their pressing problems of housing, that almost ten per cent of them can become entrepreneurs, and it is even doubtful whether there will be chances of learning a new vocation offering an opportunity in the labour market that would be accessible to young people. Thus the prognosis is by no means a favourable one, but the failure of efforts would certainly not remain without consequences.

4. Image of the society, political values and orientations

This research was also trying to find an answer to the question of how the young imagine the desirable future of the country living in the process of systemic change and what social set-up is attractive to them. The attraction of the Western pattern is beyond doubt. The majority (57%) of the young in our sample clearly want a Western type of set-up. But another, still significant group of the young, about one-third of them, accept only reluctantly the perspective of a market economy based on private property and express numerous doubts concerning the expediency of a course similar to that of Western Europe. As there is hardly any other alternative to the so-called westernisation, a categorical rejection of the Western model characterises only a few per cent (7%) of the young.

Table 10 The reception of westernisation in some strata of the youth (in percentage)

Social groups	Clearly positive	Positive with reservations	Mostly negative	Clearly negative
Entrepreneurs	66.2	27.7	4.6	1.5
Managers, technocrats	57.1	38.1	4.8	0.0
Intelligentsia	40.0	49.4	7.1	3.5
Middle-level white-collar employees	59.9	32.1	6.4	1.6
Skilled workers	59.0	35.2	5.1	0.7
Unskilled workers	56.4	33.3	6.2	4.1
Agricultural workers	61.9	33.3	4.8	0.0
Average of sample	57.8	34.8	5.7	1.8

It can be stated that the absolute majority of the young generation accept the expediency, or inevitability of the Western type of economic and social set-up, hence they do not reject the idea of development along the lines of westernisation, but it cannot be stated that they subjectively also identify themselves with the capitalist social structure. A growing density of aversions occurs primarily along socio-economic status. While by class identification it is those who belong to the upper middle and upper classes who support the introduction of a Western type of set-up without reservations, more than ten per cent of those who classify themselves as members of the working class categorically reject it, and a further one-fifth of them accept the perspective of capitalism mostly with reservations. The attitude to Western-type modernisation is also differentiated by socialisation linked to age. The youngest age groups figuring in the sample (18–24 years of age) are much more unambiguous in preferring Western type of development than those young people (25–35 years of age) whose socialisation and social experience in childhood and youth were linked to the seventies.

The findings of research show that youth is extremely intensively preoccupied by the question of how far the development of capitalist economy can lead to the solution of the present economic problems of the country. The attitude of the young generation is even more differentiated in this issue than in the question of westernisation. One pole is constituted by those who are unambiguously of the view that the fundamental transformation of the ownership relations of the country and the development of the market economy are the indispensable preconditions as well as guarantees of economic advancement. However, this self-confident optimism is far from dominant among the young. On the one hand there is another extreme, representing about one-fifth of the young. The majority of these would not reject a social set-up similar to the Western one and would definitely not like the return of some kind of socialism, but have a basically pessimistic assessment of the expected economic performance of capitalism, and even more of its assumed social effect and consequences on the basis of the experiences of systemic change

so far obtained in Hungary and of other considerations. Finally, almost half of the youth are moderately hopeful. They are not sure of, but neither do they exclude the possibility of the evolving capitalist structure bringing the solution of the present tensions of economic origin in the Hungarian society.

Table 11 How far could the development of capitalist economy lead to the solution of the country's economic problems? (in percentage)

Social groups	Fully	Presumably yes	Presumably no	Not at all
Entrepreneurs	44.4	38.1	14.3	3.2
Managers, technocrats	33.3	52.4	14.0	0.0
Intelligentsia	28.3	55.0	12.5	8.8
Middle-level white-collar employees	30.1	48.3	15.3	6.3
Skilled workers	28.9	50.4	14.9	5.8
Unskilled workers	35.1	39.9	17.9	7.1
Agricultural workers	38.9	36.1	22.2	2.3
Average of sample	31.7	46.6	15.8	5.7

At any rate, research has not found a single group among the youth the majority of which assess the expected economic and social consequences of the country's capitalist transformation in a clearly positive way. It does not mean that youth is against the capitalist transformation of the country right from the outset and would prefer to see a social set-up based on some kind of state ownership. It is much more the dominance of pragmatist-rationalist considerations, namely that nowadays any kind of future is largely unpredictable, therefore it is justified to handle the changes in the structure of ownership with reservations and with an inclination towards scepticism. The expediency of such a behaviour is confirmed by daily experience, as so far the process of the capitalist transformation of the country has produced hardly any favourable experiences – easy to comprehend by the citizen – upon which common hopes could be based.

It is not by chance then that the young generation is quite intensively preoccupied by the question of the principles and considerations which should be applied in the transformation of the ownership structure and social set-up of the country. This topic includes consideration of the possibilities of a specifically Hungarian way, the so-called middle-of-the road path. It is perhaps surprising how vigorously this issue preoccupies youth, as normally this topic is avoided in the public discourses of the elite groups of the intelligentsia participating in politics because of a number of different considerations. This is why the discovery that almost every socio-economic group of the young generation represents a definite opinion in this question is so surprising. Based on the present research, it can

primarily be registered that the idea of a specifically Hungarian development is quite welcome by the young generation. It is a fairly generally accepted fact that the country should find some kind of specifically Hungarian way towards advancement.

Table 12 **How accepted is the idea of a specifically Hungarian way in the different groups of the youth? (in percentage)**

Social groups	Clearly accepted	Mostly accepted	Mostly rejected	Clearly rejected
Entrepreneurs	40.6	29.7	18.8	10.9
Managers, technocrats	47.6	42.9	9.5	0.0
Intelligentsia	47.1	31.0	18.4	3.4
Middle-level white-collar employees	46.4	26.3	19.6	7.8
Skilled workers	50.8	30.5	12.0	6.8
Unskilled workers	57.4	26.6	8.5	7.4
Agricultural workers	42.5	42.5	15.0	0.0
Average of sample	48.9	29.6	14.6	6.9

As the data show, the vision of a specifically national way strongly attracts and definitely articulates youth. For about two-fifths or half of the youth this alternative is the truly attractive one; almost two-thirds, and much more of them in the case of some strata basically sympathise with the idea of a separate national way despite certain reservations, while one-fifth of the young mostly or clearly reject this idea. Research based mainly on extensive techniques does not allow for a closer look at the background of opinions. Therefore we are unable to draw an even empirically well-founded picture of either a passing view or an attitude of lasting influence upon the social orientation of the young in the case of the national way. The latter assumption is corroborated by a vigorous orienting role of the national dimension found by research in another context as well. Above all, there is the entirely general demand, clearly consistent with the idea of a special Hungarian way, that the national principle should be applied decisively in privatisation. Only 5 per cent of the young included in the sample rejected this approach, while almost two-thirds of them expressed their total identification with it. All this is supplemented with the finding of our research and is further enriched by an additional component that, in the interpretation of the youth, people of national sentiment should be allowed to have a greater influence than earlier in the economy as well as in politics. The distribution of opinion on this issue is presented by Table 13.

Table 13 **How far do you share the view that people of national sentiment should be allowed to have a greater influence in the economy and in politics? (in percentage)**

Social groups	Fully	Basically yes	Mostly no	Not at all	Ambivalent
Entrepreneurs	7.5	16.4	17.9	20.9	37.3
Managers, technocrats	9.1	0.0	27.3	27.3	36.4
Intelligentsia	2.3	14.9	23.0	26.4	33.3
Middle-level qualified	11.5	9.9	14.8	25.8	37.9
Skilled workers	13.4	23.8	12.6	19.9	30.3
Unskilled workers	27.3	15.3	12.6	13.7	31.1
Agricultural workers	21.1	18.4	15.8	15.8	28.9
Average of sample	13.9	16.8	15.9	20.8	32.7

The above data suggest that the extremist variant of the idea of nation has also been incorporated into the orientations of part of the youth. In fact one-third of the young would not find anything objectionable in policies which would prefer or reject citizens by the intensity of their national sentiments. Though this attitude is categorically rejected by more than one-third of the young, it cannot be disregarded that ambivalence expressed in respect of the issue is at least as great. Differences manifest along social articulation are also conspicuous, particularly that the blue-collar workers are far more receptive to discrimination by the subjective assessment of national sentiments than the entrepreneurs, managers or the young qualified intelligentsia, though the experiences of the research unambiguously show that the principles of ethnic selection meet a certain response even in these circles.

Taking all this into account a somewhat more precise description can be given of the kind of systemic change and social set-up young people want. One criterion which cannot be disregarded is that ownership and capital should remain within the national framework. In fact what they want is a national capitalist welfare society functioning on a national basis. This pattern of orientation is supplemented and coloured by further elements. One such element is aversion to the dominance of private ownership. According to our research almost one-third (31 per cent) of youth have an unfavourable attitude towards the idea of a society based on the dominance of private ownership, towards the principle that the economy should be built on the dominance of private ownership during the course of systemic change. Only two-fifths of the young included in our sample identify themselves with this thought.

Table 14 How far does youth share the idea that private ownership should become the dominant form in the Hungarian economy? (in percentage)

Social groups	Fully	Basically yes	Mostly no	Not at all	Ambivalent
Entrepreneurs	19.4	25.4	9.0	7.5	38.8
Managers, technocrats	4.8	38.1	9.5	9.5	38.1
Intelligentsia	14.1	20.0	16.5	16.5	32.9
Middle-level qualified	10.9	26.1	11.4	13.6	38.0
Skilled workers	11.6	22.0	14.2	8.2	44.0
Unskilled workers	21.0	17.2	10.8	14.5	36.6
Agricultural workers	19.5	14.6	12.2	9.8	43.9
Average of sample	14.9	21.8	13.1	11.4	38.8

The strong distribution of views concerning the ownership structure and the large extent of ambivalence experienced suggest that a significant part of the young find it difficult to orient themselves in this issue. This is primarily reflected by the large number of ambivalent views. On the other hand the majority of those who had a personal opinion had an incoherent attitude, as the Western type of social set-up, which is accepted by the majority of the youth as an attractive alternative, is obviously inconceivable without the dominance of private ownership. In fact the only coherent opinions are those which reject the dominance of private ownership as well as a capitalist economy. Their proportion should not be underestimated either, as it means twenty per cent of those involved in the sample.

In connection with this issue one can draw the ultimate conclusion that almost everybody belonging to the young generation thinks in terms of a Western type welfare society, but a significant part of the youth holds that such a desirable social condition can be reached even outside the framework of an economy based on private ownership. In other words, they want a welfare society, but without capitalists. And if capitalist transformation cannot be avoided, then capital should be national first and foremost. This is why they demand the consistent assertion of the national principle in privatisation, in the distribution of economic and social posts. Finally, about one-third of the youth stands for an economic modernisation in which the laws of a market economy are allowed to operate without hindrance as far as possible, and national, ideological considerations do not influence either the acquisition of property, or access to economic and social positions.

As it can be seen, the ideas of youth about the desirable set-up of the society are strongly differentiated and contradictory. An almost entire homogenisation of views and objectives can be observed practically in a single fundamental issue. Namely the achievement of a democratic welfare society is the basic desire of all groups of the youth. The social set-up as imagined by the youth should meet the following expectations.

Order of the social expectations of the youth

	Points of index
1. Calm, balanced living conditions for all	99
2. Guaranteed possibility of studies and learning a skill	99
3. Freedom of opinion	98
4. General opportunity of work	95
5. Freedom of private life, removal of the state from this sphere	90
6. Equality (equal opportunities)	83
7. Moderate material and income differences	75
8. Participation, the possibility of citizen's participation	67

It is easy to see that the social set-up really attractive to the youth, and the present Hungarian society approximate each other at the most in the dimension of the freedom of opinion. Nowadays the source of lasting social tension is precisely the fact that the youth assesses the present structure of dominance and rule, the functioning system mostly by these criteria. Though they do not demand the immediate realisation of the full range of expectations, they do not accept the assertion of the excessive dominance of lasting trends running counter to social expectations during practically the entire process of systemic change. In fact this is the deepest cause and background of the general and constantly increasing dissatisfaction. In addition it is not only the unfavourable changes of living conditions which increase tension, as the youth are dissatisfied with the present operation of democracy too. Thus the root of the problem, creating conflict, is of a dual nature. The welfare state so strongly desired by the citizens is not within reach, while the set of institutions of political democracy does not operate in a way which would satisfy citizens' expectations. Thus it is largely unable to mitigate significantly the lack of material legitimation. Naturally it may be assumed that even if the institutions of representative democracy operated excellently, this could not significantly improve the legitimation of the system and the political elite, partly because although political democracy is a cherished value in Hungary too, the citizen would regard the operation of the democratic institutions as satisfactory if the exercise of democratic power brings about growing welfare and a security of existence. Obviously citizens cannot have such experiences, hence the frequently found criticisms of the institutions of authority, and their continuously rather low prestige are a largely inevitable corollary of the present situation.

The structure of values and attractive visions of the future held at high esteem by the youth also shed light on why the party ideologies and political ideas, spread in this medium with an integrative objective, are so ineffectual. In fact the young generation does not give any sign of wishing to promote the different party ideologies to victory. This is not only because of the dominance of pragmatic objectives among them. After all youth is not indifferent towards values and social

visions of the future. Our research also shows that they have a vision about the social set-up they wish to attain. Thus the basic problem is not the lack of a vision of the future, but the road leading to the desirable social condition. This is why they expect the parties and the political elite to give answers primarily to questions of the road leading to the future. The youth are interested first and foremost in how the political actors wish to slow down the economic decay which is causing the steady deterioration of living conditions, how we can reach a social situation enabling the realisation of such elemental citizens' objectives as the right to school education, to access to vocational training improving one's position in the labour market, and how all-pervading corruption can be stopped and the present unstable social conditions overcome. The answer to these questions has still to be given.

The power elite has no easy business with the youth. The difficulties are not only the consequences of the drastic deterioration of the living conditions. The point is that the young generation is perhaps the most difficult of all to persuade that a welfare society can be reached with the unconditional assertion of the primacy of capitalist interests. The young generation does not regard it as predestined that systemic change should create social conditions in which every accomplishment of transformation appears in the sphere of private expropriation, while a large part of the society has to bear growing burdens. The social status of the youth is unique and irreproducible. For those who cannot get a proper school education, housing and job, who are unable to set up their autonomous existence, the promise projected into the distant future is meagre consolation. In fact this is the real cause and background of the growing disillusionment and despair of youth, and also of the apparent apathy shown towards the collective political actors.

So far the young generation has patiently endured the social tribulations hitting them. They do not revolt collectively, at the most they are preoccupied with the idea of leaving the country, while they are also aware that such a step will not put them in a better position either. Thus they are mute and reserved in waiting. They have not yet given up all hopes that the new political elite will ultimately find some kind of a way out which will be promising for the youth as well, or at least that it will be able to outline a credible programme, giving some sense to the further acceptance of tribulations. By now the question has become the same even among the youth: will patience last until the end of the tunnel truly becomes visible? Because the future – even if it is the near future – remains inscrutable for the youth as well. Nowadays they are informed that society is again requested to show self-restraint and to make further sacrifices. But the present young generation has not yet experienced anything else but the monotonous repetition of the need for constant sacrifices. However the sacrifices made so far have produced nothing but new waves of asking for more sacrifices. Meanwhile the power elite has been increasingly caught in a mouse trap. It is ever more difficult to slip away from the increasingly impatient question: where is the country headed and, what is more important, where will it arrive to, if it continues to proceed along the way traced by the power and

governing elites. And the suspicion is growing among the youth: is it possible that the power elites have no answers to these questions which could bring some reassurance and confidence among those who have so far been the losers of systemic change, including youth? This suspicion is about to mature into certainty.

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ECONOMIC ELITE IN THE SZÉKELY COUNTRY – 1993

(Summary of a descriptive report)*

Under the aegis of the Team of Communicational Anthropology, several investigations have been conducted to throw light on the economic practice; work organization; practice of money handling; economically relevant mentalities; the role hierarchy typical of economic life; and on strategies for the conduct of life. This study is an attempt to synthesize information accumulated earlier through characterization of the new economic elite.

I. Some starting points

First and foremost, it must be made clear that what we term 'elite' in this paper, would hardly qualify as such in terms of the relevant research literature and of general economic thinking. This stratum does not satisfy the formal criteria that qualify people for the economic elite today. There are, however, two significant reasons that call for the analysis of this stratum. First, because society in a broad sense handles this stratum as the elite. This 10–12% are actually a quasi-elite which is trying to make room for the entrepreneurial pattern of life anticipated to evolve in the future, replacing the archaic 'manual living' still characterizing this region. The actual elite will probably emerge from this broad experimental stratum of today.

II. A brief prehistory of the elite

Only so much is to be exposed of the region and the preliminary history of the economic elite which is indispensable to understand the argument. The Székely country** consists of villages and a small town, with a single city and industrial centre, Marosvásárhely. The geographically and mentally distinct microregions are each organized around a small town. The village communities of a singular historical

* The paper was prepared by members of the Team of Communicational Anthropology, M-Ciuc,Romania.

** The Székelys are a Hungarian speaking group of Transylvania, who have been able to retain several distinct features of their culture and traditions owing to relative isolation in a rugged land. Thus they not only differ from the majority nation but from the minorities as well in certain respects.

development (border defence, self-organizing privileges) did not produce an economic elite of their own. There were no large estates in this region, nor did major capitalist ventures evolve here. Up to the middle of this century the economic elite were 'strangers' who carried on trade in the villages or ran small workshops with a few employees. These strangers were Jews, Armenians, or entrepreneurs coming from faraway places to try their luck. At the same time, members of the administrative elite appeared as part of the economic elite, who also belonged to the strangers (nobility or other ethnic communities).

The post-1945 period was characterized by waves of depriving and granting rights. After nationalization and collectivization the alien economic elite disappeared, giving way to an administrative elite for decades to come which was broadly viewed as comprised of holders of economic power as well (council leaders, heads of collective farms, county administration officials, party bureaucracy, leaders of economic units). It resulted from the peculiar socialist cadre policy that this economic elite usually included strangers to those they ruled (the leaders were either of Romanian nationality or were brought from faraway regions). An elite of their own only emerged after 1968 and stayed on for about 10 years when it was again replaced by Romanian leaders.

III. Dominant types of today's elite

Before a detailed discussion of each type, it must be emphasized that members of the elite were placed specifically in a range, (with one or the other type) on the basis of the exercise of the elite role as a type of social behaviour. This logically entailed the division between types active in village communities and small towns. Homogeneous criteria are applied in describing the types: (1) definition of the type and its formal characteristics; (2) brief summary of previous life; (3) description of present-day role; (4) nominal social weight; (5) symbolic social weight, 'aura'; (6) expected career course and social role (expected nominal and symbolic social weight); and, finally, (7) short interpretation.

a) Elite types in village society

Agricultural entrepreneur

1. An agricultural entrepreneur in a village is a person who buys agricultural buildings (at auctions of former co-operative property), livestock (mainly sheep), farming machinery, land in unusual magnitude. He does not rent but takes possession. He mobilizes the time, labour power, financial resources of the entire family to this end.

2. This entrepreneurial type was also doing extraordinary business before 1989 too, and had above average wealth. The preliminaries are of two main types. The family shunned collectivization by virtue of their occupation or residence, so they had considerable property in working tools, land, or livestock. This wealth collected/concealed for two decades enabled an excessive accrual of wealth after 1989. The other type: he had a position in the co-operative organization that enabled him to have a larger share and better utilization of the advantages; and, on the other hand, he did not fall victim to the communist cadre rotation. Whichever the preliminary course of the elite member, it holds true of either type that they are descendants of large farmers or families with ambitions of large-scale farming. The large farmer is meant in the local sense, denoting a farmer of 15–20 hectares and 4–5 animals, perhaps an occasional farm hand or two, compared to the neighbour of 3–4 hectares and 1 or 2 animals.

3. After 1989 – which for him marks the abolition of strict property control and restriction of accumulation – he plunged into purchases, putting the unproductive part of formerly hidden money or wealth into livestock, farm buildings, machinery (mainly tractors). The head of the family has unlimited and unquestionable power in all decisions, work organization, and control.

4. There are perhaps 3 or 4 such entrepreneurs per village. Smaller villages often have none.

5. His social weight – owing to the survival of cultural patterns based on former large-farm models – is significant. He usually does not play a political role, which is probably due to the fact that in the Székely country the administrative structure is still highly transitory. However, everyone keeps a tab on him, follows his moves with attention, and his course of living as a 'venture' is in the forefront of interest.

6. As for future career, it is possible that no new economic leap will occur in such an entrepreneur's lifetime. For reasons rooted in the mentality he is unlikely to get down to structural reorganization, large farming, rationalization. The main role today is legitimizing initiative and unusual wealth accumulation for villagers.

7. By way of an interpretation, the previous sentence needs explanation. In this quasi-archaic region, the socially vitalizing effect of a mental node like this can often exceed the influence of actual initiatives or encouragement for economic development. Their ventures are in the focus of attention today.

Rural big entrepreneur

1. Big entrepreneurs in villages have no special label; but their full names become household names in an entire region. Their mentality and economic practice are alien to those typical of villages today. As for age, they are 60 rather than 50 years old. Compared to previous years, they have withdrawn into the background now, so their previous life-course and the present-day use of their financial and symbolic capital command attention.

2. The career of big entrepreneurs living in villages began at the turn of the 1960s and 1970s, when there was a short-lived reform climate in the economy. Their ascent and enrichment dates from the mid-1970s when shortage became constant in the economy and corruption became institutionalized. Big entrepreneurs always set themselves for something that was missing from state supply or was produced at high costs.

3. Today, these entrepreneurs are far more reserved than before 1989. There are several reasons why. Fifteen to twenty years of toil is behind them, and 1989 marks a real turn. Shortages did not disappear but their structure was considerably modified. The network of power relations has been transformed. The entire former venture would have to be shifted onto new foundations. Of them, only those who are still in the arena today were younger and able to change, to learn new legislation and the new rules of the game.

4. This type only occurs in larger villages, numbering two or three. The nature of their venture, however, usually ties them to a mircoregion instead of a single village. After 1989 there has been no numerical increase in this type.

5. Before 1989 the social role of this type was chiefly described in negative terms. All the local society could see of their role was, on the whole, dubious and suspicious, with only a few features being accepted. So this type of entrepreneurship was not associated with their 'own' but with the 'alien' world.

6. The former practice of the head of the family is no longer viable but the family's elite role and the central position of wealth has been preserved within the village. This accumulation is expected to leave the village (see Young people).

7. As for their functioning, these ventures constituted the attempts that strove to exploit the local resources and potential on the one hand, and had an idea of consistent entrepreneurial development on the other. Actually, they followed the pre-1940 model of 'alien' ventures. The socialist society, however, forced them onto a course (overspecialization, excessive emphasis on personal relations, hidden modes of development, disposition for luxurious consumption, personal and one-man administration) which made it impossible that their strategy could be continued after 1989, so no 'family dynasty' could evolve.

Young entrepreneurs in villages

1. Young entrepreneurs living in villages are nearly all in their twenties. They have no specific designation, their personal names are gradually becoming emblematic, denoting not only individuals themselves, but their occupations and status as well. They gladly call themselves entrepreneurs. (This need for self-definition is obvious in their behavior and attitudes as well.)

2. These young people come from families closest to the drift towards a transformed, urbanized way of life. Enterprising youngsters come from families that

tried entrepreneurship earlier, or there was a family tradition of searching or trying something new (practising a special trade, finding a job in faraway places, etc.). For reasons of age or other, parents no longer tend to launch new ventures but consent to youngsters' attempts (encouraging them, at times financially supporting them).

There are some families whose previous history contains no attempts at entrepreneurship, no affinity towards unusual initiatives, but who sent their children to town schools in the early '80s and got them jobs plus, at times, flats in town (an estimated 8–10% of families consciously anticipated the changes and did not just act under constraint).

3. Young rural entrepreneurs are nearly all engaged in trading. The buying and selling they practise, however, is far more agile and flexible than what their older counterparts in villages do. Besides the usual commodities sold by all merchants (confectionary, prepacked food, detergents, clothes), they also try to sell technical goods. This involves greater mobility, a broader circle of procurement, more risks. They are typically intent on 'making a good deal.' If their capital is enough, they immediately take on employees, themselves doing only administration and exercising control.

4. Young entrepreneurs are mostly in large villages and in villages along the main roads. In villages of 4–6 thousand inhabitants they number some ten to twenty-five. In villages close to towns, they number even more. Despite current stagnation in such businesses, their number is slowly rising because their ventures are models for the reference group.

5. The symbolic weight of young entrepreneurs depends on two factors. First, they are admired by young fellow villagers. Second, affluent members of the older generation, who purchase in great volume special goods, gladly rely on the mobile young entrepreneurs who have many ties and much information seen from inside the village. They commission them to arrange some business, acquire some missing commodity, etc. Such 'commissions' are often outside the profile of the venture; yet the young businessmen readily comply with these requests usually made by confidants, relatives, friends, neighbours.

6. Information gained so far suggests that the number of young village entrepreneurs will be on the rise. Their symbolic role in the village is expected to increase, and this increase will not necessarily be conditional upon financial growth or business success.

7. Today, young entrepreneurs do not exert a spectacular influence upon village society yet, but their special mediating role is already felt (transmitting in a rudimentary form not only goods but also information, behavioral models, a culture of establishing contacts).

Experimenters

1. We label those rural families 'experimenters' who open a shop in a village, or carry on trading without a shop, but do this outside their main job, as a part-time, extra occupation. These entrepreneurs are middle-aged, between 35 and 50. Husband and wife jointly decide on this activity and share the work. If there is a teenager in the family, he/she also helps, but more often he/she is also doing some distinct work. Not the entire family plunges into this business, and not all wealth is invested. Other interests of the family are also pursued. The village calls them 'profiteers.' Very few families in this stratum can reach the elite position even in the village environment.

2. Families experimenting today have a wide variety of social background. What they commonly share is that before 1989 they began severing themselves from the traditional rural agricultural family model. Either the husband, or the wife attended at least secondary school and held a job that enabled them to leave the village or get experience in some administrative or service sector work.

3. Almost exclusively, these ventures are in trade – most of them being family enterprises. They make no secret of their goal: to have financial security, affluence. They do not preclude the possibility of striking oil, but they see it as something accidental. They conceal forms of accumulation well; they spend little apart from prestige purchases, so their behaviour does not reveal enrichment.

4. In a bigger village they may number up to a few dozen, and in small villages, too, there are 8–10 such families. Their number may grow slightly.

5. These families have limited influence upon today's village societies. The village watches them with aversion and jealousy, with these negative sentiments being slightly predominant.

6. No considerable social weight is expected to develop in this stratum in the near future. They will probably shift towards rendering services within the village. They are the ones to see to more or less even supplies, which is likely to be a neutral role. Their number grows slowly.

7. These ventures are built on shaky ground: the present-day shortage of goods and deficiencies in the circulation of goods. As for their methods, they resemble village businesses in the interwar years. They are also fragile, as no reliable knowledge and experience in organization, running, or management support them.

b) Urban elite types

Five strata of the elite can be differentiated today in small towns of the Székely country. They include: (1) yesterday's elite in independent entrepreneurial roles, (2) yesterday's elite in dependent entrepreneurial roles (those who retained their state positions), (3) technical intellectuals aged 30–40, (4) young people, (5) experimenters. Since there are only sporadic examples of outsiders settling in a town and launching a business there, they are not separately discussed here.

(1) Former elite, in independent entrepreneurial roles

1. This type is the epitome of the ENTREPRENEUR proper in this region today. Recruited from former leaders now aged 40 to 50, they sometimes group around a leading personage founding joint stock companies or a holding, but the central figure is always the general director. Everyone knows them even in towns of 50,000 inhabitants – their names are proverbial. They are in the focus of attention; both their initiatives and their personal affairs are the 'talk of the town' (where they go, what they said, what they bought, what they want, etc.). They are mythologized figures, in a sense.

2. Both the top leaders and their immediate associates were in leading positions with state firms or the administration before 1989. The majority had never been 'number one,' only in the second or third level of the echelon. A smaller part had been top directors, but after 1985–86 they were pushed backward. After 1989 they immediately made initiatives on two planes at the same time. They left the former state sphere (where they were 'lonely' and ignored, after all) and launched Ltd's or joint stock companies. At the same time, for a few months they tried to appear in public life (temporary councils, the events of the Democratic Association of Romanian Hungarians). This search for their public role, however, did not last long. Within six months to one year, they concentrated all their energies on developing ventures and luring other people from the former elite to their businesses. Each such venture is actually an 'elite cluster' consisting of 3–15 former leaders.

3. The three-year past of these ventures has been a literal 'empire building. Expansion comes partly from a continuous enlargement of the infrastructure (buying and renting precincts, construction, organization of sharing, etc.) and partly from widening personal and organizational frames of the enterprise (building out the inner role hierarchy, developing a behavioral system within the firm, planning the external image of the firm, etc.). With an exception or two, however, the conversion of wealth and good financial position into the symbolic sphere of society is missing. This elite represents a massive economic force, slowly improving their ventures after early enrichment. They are clearly predominant in the region, although the centralizing drives of the state more recently have put some restrictions upon them.

This stratum has many unexploited resources in terms of money, infrastructure, but presumably they will not mobilize these reserves due to their pre-1989 mentality and organizing attitudes, unless in emergency.

4. No more than 4–5 enterprises of this type can be found in a town. These ventures, however, belong to the joint stock company or a holding type of association; and, as more elite members have been joining in since the foundation, the elite of this sort numbers about 30–50 per town. Their number cannot go on growing, since all leaders of the former vanguard are 'engaged,' and this type is not concerned with training successors at all. Neither can a decrease in their number be expected, since mutual liabilities make it non-sensical to choose a private course.

5. The social weight of this type is larger than of any other. There is, however, a gap between the symbolic weight and actual influence exerted upon social/economic life. The symbolic weight is far greater, although the elite members themselves do not produce it: it is the environment that is so keen on keeping them in the forefront.

6. They have considerable individual reserves, and there are many instances of 'squandering' and elements put in reserves in the running of their venture. This 'reserving' is clearly a 'socialist' feature. Their future course is determined by these two components (the existence of and insistence on reserves).

7. In fact, this stratum of today's economic elite in the Székely country is the most controversial. They are constantly talked about; many put them in the forefront; they trust this elite and set it as a model, whereas the actual and expected social weight of this stratum does not correspond to the image developed of it.

(2) Former elite in dependent entrepreneurial role

1. This type contains former leaders of the pre-1989 economy or county and town administration who are above 50. They used to be and still are bosses. They usually founded their ventures upon the state enterprise they were directing. The venture was devised to serve the state firm they headed or to sell its products.

2. Their former career corresponds to the typical career pattern of Romanian socialist leaders. They acquired significant leading positions in the course of industrialization of the 1970s. They were brought up in a period that set the model of exemplary one-man leadership in the centre (1950s, 1960s). They have accumulated managerial experience; and their leading role clearly entailed an elite position for them (belonging to the power circle, having high salaries, acquiring special allowances). During the ethnic replacement of the elite in the second half of the 1980s, they were pushed into the background but this afforded them a great advantage in 1989: the will of the people drove their successors away and

'restored' them to the number-one position they were allegedly deprived of by the communist leadership.

3. From the start, this elite layer counted on the fact that in Romania legislation did not find the role of an enterprise leader and that of an entrepreneur founding his venture upon the state firm mutually exclusive. This is why a director could set up a venture with a few members of management which dealt in selling products of the firm they led. For registration, a few tens of thousands of lei had to be paid in and then all but administration was required to bag a lot of profit. Owing to an intangible mesh of interest relations and book-keeping tricks, it is quite impossible to get a clear picture of the financial situation of this elite stratum. They consume and expand far more spectacularly than all the others, experiencing the elite attitude ('I am allowed to') as a natural endowment. They do not yet play a very significant role publicly. Their position is still firm and, as can best be judged, is becoming even firmer.

4. There are some 20 to 30 people in every small town who can be subsumed under this elite category. Around and behind them, however, there are about twice as many immediate associates who are also in leading posts. They are also organized in cliques like the independent entrepreneurs, but the affinity and occasional cooperation between the groups is far greater.

5. The social weight of this group is practically the reverse of what the elite group of independent entrepreneurs wield. This group is not too anxious to spread a self-developed image of themselves, but the public keep them in the fore of attention. The publicly developed image of them, however, is predominantly negative, chiefly because this elite, as part-time entrepreneurs retaining their state jobs, mostly grew rich on employees' work (at least everyone says so plainly).

Despite this negative image the social position of this elite stratum practically determines the life of a town or region, since this layer is the one that translates the central ideas into practice.

6. The fate of this stratum depends on the national economic policy. Since no all-round structural transformation can be made, they will long remain in the arena, with the opening up going on slowly. They are not likely to exploit all potential of their ventures, and launch some more spectacular or larger-scale business. They transfer a part of the socialist property into their own possession, but this private property is presumably concealed or shelved as reserves. In view of the region as a whole, the role of this stratum is highly regressive, and the persistence of this role (draining social property, hidden accumulation, etc.) gradually improverishes the region.

7. This stratum resists most effectively trans-illumination, although most of the phenomena of today's economy could be explained by the working of this elite layer. It is hard to X-ray them because of a refined technique of 'getting tuned to each other,' and also because it has been, and is, taboo to speak about the 'Hungarian communist stratum' in the region.

(3) Middle-aged technical specialists

1. This is the most dynamic and colourful stratum of today's elite in this region. They include professionals aged 30–40, graduated from other than art schools, employed in intermediate posts before 1989, who launched ventures immediately afterwards. They are basically trained in economics, design, informatics, technical sciences. They are well trained in a special area (unlike the independent or dependent leaders), and base their enterprises at least in part upon this expert knowledge. The public does not look upon them as individual personalities; they are simply called entrepreneurs by the public and by themselves.

2. They graduated from high school sometime around the turn of the 1970s and 1980s. Many were born in villages and have great ambitions to prove their worth. After graduation they were employed in towns, county seats, where they were in great demand (as engineers, division heads of factories, in regional officies like the Planning Office, Computerization Office, etc.).

3. The great majority started with meagre capital. Nor did they have convertible connections. Therefore, they pooled forces at the outset. Four to six friends joined together to set up a firm. Besides the group venture, however, several of them also launched individual businesses, which led to conflicts of interest within nearly every group. In the past three years these groups became fundamentally transformed (splits, drop-outs). Today, the partners number three at most, many doing individual business instead.

Members of this stratum set their aims of becoming the elite in several different directions, so they work intensively. Since they do the brunt of the work themselves, they gradually acquire all the skills that make someone a successful manager in this region.

4. This layer numbers 30–50 leaders a town. They do not increase or decrease in number. They are characterized by a sort of generational solidarity which means they keep a tab on each other, exchange information on administering their businesses.

5. This stratum is hardly (if at all) known to the broad masses. Only the potential rivals in business and public life know and follow their activity with attention. They are not targets of attention, no rumours are spreading about them, etc. Their social weight is still insignificant as they have neither considerable financial strength, the basis of influence, nor influential public roles.

6. This is the stratum whose fate can most fundamentally be affected by nationwide changes. With the stagnation of economic reform, they will slowly obtain the economic power and symbolic weight of the former elite. Should regulations in support of individual ventures be enacted, their careers may soar. In this case, their formerly acquired special knowledge, the experience they gained, and their ambitions might not only lay the foundations of their elite role, but also lift some of them into key positions.

7. Considering the position and expected development of this elite stratum, however, it should be stressed that they are a 'hidden elite.' Their formal traits place them within the elite, yet local society and a broader public refuse to recognize them as such.

(4) Young entrepreneurs

1. This group contains young people in their twenties who set up enterprises on their own. They are not an elite yet and probably only a small segment will ever become part of the local elite.

2. They share the characteristic feature of coming from mobile families who could not come up with starting capital.

3. They did not start right after 1989, but waited to see the successes of others. They deal in a variety of businesses that promise high profits and can be carried out quickly. They are looking for the 'big deal' so they change areas and methods often. They are agile, energetic, and do not balk at unusual ideas or high risks, nor at suspect businesses. They do not hanker after positions, their catchword is 'business.'

4. Owing to their highly mobile way of living, their statistical frequency cannot be determined. Sometimes they interrupt a business, then they rapidly change it or transfer it. There are certainly at least 20–30 such entrepreneurs per town.

5. It is evident from the above said that this 'business'-centric stratum has no acknowledged elite role. Their economic weight cannot be clearly assessed; they are in limited contact with the entrepreneurial stratum recruited from technical specialists.

6. Since this stratum rejects the principle of slow and consistent development, they either hit the jackpot or not. Their age and attitude keep urging them to strike oil.

7. The emergence of this stratum was certainly facilitated largely through the wave of traficking spreading in the region in 1990 (meaning foreign adventurers who remained till they could earn multiple profits). The appearance of these pirates markedly indicates the initial success of an attitude that is completely alien to the mentality of this region.

(5) Urban experimenters

Urban society does not regard them as elite members. Experimenters are in every age group and every stratum. They are families who launch some business to eke out a living, in addition to their main jobs. It is a sort of second economy activity.

They use the worktime, energy and tools, etc., of their permanent jobs and partly utilize family resources.

These Ltd's or family ventures are being set up and closed down constantly. They keep changing target areas. In fact, they represent a search for identity among those who cannot find the best course for mental, educational, and financial reasons.

A few concluding remarks

Perhaps the presentation itself of the above sketch indicates best how badly we need a systematic analysis of each partial theme. The quasi-archaic society of the Székely country is in that phase of stratification in which economic processes, mental cultural patterns, accidental effects coming from outside, and self-evident internal moments are blended together. Therefore, what the sketchy assessments such as those above are suitable for is not the drawing of conclusions, but the suggestion of some definitive vantage points. The elite structure of this region relies on mental schemes which the newly emerging economic elite have yet to influence significantly. The public acknowledges only a small segment of the new economic elite as elite, trying to fit them into the existing mental schemes, too. The new elite is aware of this 'strangeness' and does not aspire to convert their economic power into significant public roles. They concentrate mainly on individual business and 'pave the way,' as it were, for the social role that has been practically non-existent here: to an economic elite rising from and belonging to its own society.

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Pál Tamás

THE HEDGEHOG AND THE SCRUBBING BRUSH: SOCIOLOGY AND SOCIAL EXPERIENCE IN THE NEW EASTERN EUROPE

> Philosophy in any case always comes on the scene too late to give instructions as to what the world ought to be. As the thought of the world, it appears only when reality is already cut and dried after its process of formation has been completed... When philosophy paints it grey in grey it cannot be rejuvenated but only repeated. The owl of Minerva spreads its wings only with the falling of the dusk.
>
> *Hegel, 1820*

> While on the one hand modern systems partly constitute a reflexive building-in of developing knowledge in social science, up until now social science itself has only organized the reflective concepts of these systems' continuous development.
>
> *Giddens, 1991*

Intellectually, social science in Eastern Europe has come through the first years of systemic change quite peacefully. Of course, some of the tumult of the battle has been filtering in from institutions and party politics. Friction has arisen from the redistribution of positions, institutional sources and channels for international relations, and people are becoming increasingly aware of it. Yet even so, compared to the scale of the 'social upheaval' in the region, in Hungary it has been calm.

Of course, it is always fitting to be glad about peace. But it would nevertheless seem strange if a volcanic eruption had no effect on the usual working practice in the volcanology laboratories and if public opinion were no more interested than it was in calmer days in what these researchers know about the behaviour of the volcano that is threatening everybody. In such a situation it could be that either the volcano has a problem, or there is something wrong with the researchers. Our volcanic eruption (i.e. the 'collapse of communism' in Eastern Europe) will be (or already is) an evergreen theme for European sociology, at least until the end of the century. We can already find plenty of material about it in the libraries. This is why

this study concentrates, in a figurative sense, on the volcanologist.[1] In the 70s and 80s, in the West and in the 90s in the East there were two types of sociologists in social science: the first type believed that it was possible to construct some kind of *sociology of crisis*; the other type believed that *sociology itself was in a state of crisis*. Of course, a study of the process of transformation in Eastern Europe, and the sociology which has examined it, makes it more and more obvious that the two concepts of social science crisis must be interpreted here simultaneously. More precisely, the community of social researchers – in a certain sense itself in crisis – needs to formulate a sociology of crisis for specific social actors and groups. This has to be done in the field and cognitive framework of a society struggling to cope with crisis phenomena. It should also provide a method showing possible actions to be taken, or techniques for problem-solving.

When I speak about the crisis of sociology, I am referring not simply to the research community nor even the inner organisational problems of sociology as a profession. Rather, I am raising questions about the areas of social life which sociology has traditionally represented. In other words, it has become more obvious that it is not primarily the East European transformation itself which has raised the need for new definitions; rather, the overwhelming cause behind the need to re-think the main elements and accepted social scenarios worked out by classical sociology, is the emergence of new tendencies in industrial societies.

In fact, the expression 'crisis' requires consideration of the direction to be taken and this has to be treated with care, because it is possible to make unwarranted assumptions: for instance, the discipline might be made to appear to have a state of calm, and thus the present situation is regarded as unhealthy in stability caused by some anomaly which has occurred in the area of sociology. Yet the point which needs emphasising here is that sociology should be looking at the changes taking place in the whole economic-social system, not merely the situation of its own scientific paradigm. In short, sociology should consider the (new?) instruments which comprise the changed circumstances.

Even so, it would seem that the current state of sociology in Hungary has characteristic tensions, which can be placed in five spheres:

a) the set of intellectual roles (or, at least, the greater part of them) which form the value-system behind sociology have fallen into crisis;

1 Compared to this, even if it is not entirely absent, the professional debate is of a quite low intensity. Among the few available publications, the most important are: the interviews in *Magyar Tudomány* (Hungarian Science) – Fenyegetett helyzetben a szociológia?" (Is the position of sociology threatened?) 1992, No. 5; and the debate which began with Csepeli and Wessely around about 1992 in *Replika*, but perhaps here we can list the interviews with sociologists in *Replika*, in the 1991–92 volumes (e.g. Kemény, Csepeli, Huszár, Tamás), and also Becskeházy–Kuczi (1993) and Tamás (1993).

b) tensions related to the organisation of research have arisen in the discipline; in its system of institutions and the research community's self-image;

c) in one part of the profession we can witness a role-crisis with the stiffening of opposition associated with persisting positivist roles and social criticism. Consequently:

d) a cognitive crisis has arisen (or remains unresolved) – on the one hand, this can be formulated as a deficit resulting from an even more serious stagnation of theory; on the other hand, it can be seen in a certain type of revision of the factual knowledge that has been accumulated so far. Finally:

e) a kind of socio-political crisis has also become more unequivocal – the customary ways in which sociology has found a social use (i.e. its usual methods, facilities and relationships) have been given a lower rank and are not valued as they once were.

Let us look at these issues in more detail:

Firstly, the model for the role-sets adopted by sociologists during the process of their distillation is derived from the behaviour and attitudes of intellectuals of the Enlightenment. The models of rationality represented are, on the one hand, those which deal with the possibilities of transforming society, and the opportunities for planned intervention in society; on the other hand, they also emphasise the moral elements in the activities of intellectuals. If we follow a detailed development of the operations and marginal conditions of models outlined above, we can see that in the past 4–6 years they have been fundamentally rearranged to such an extent that there are now many question marks attached to the original ideas. The questions connected with the social roles of intellectuals (with special reference here to sociologists) – in a certain sense – are greater than they have ever been in recent decades. With the appearance of 'real' property-owning citizens, the intellectual's function has been downgraded, or at least it has been a fundamental revaluing of the *ersatz* modernising role of the intellectual.

With the construction of a new framework for the operational models of society, the one-time 'reform intellectuals' of the 1980s have – in many respects – given up their own social basis and sphere of operation. All this has a crucial influence on the possible achievements (and, indeed, realisable aims) of the principles of sociology – especially given the newly-developed suppositions of those 'placing orders' and society at large.

Secondly, during all this, but independent of the above, it seems there is a growing distance between the standards of development of sociology as an institution and as a 'real scientific' discipline. (In Hungary these gaps are not as small as they might seem – and this is not happening in Hungary alone, but on an international scale as well.) Looking back over the last fifteen years the older structure of scientific research is like a dream. Formerly it was assumed that the input of the research system would produce a surplus output that would automatically have an achievement-improving affect. In other words, if in some area

there was a better institutional basis, with more centres of research and more institutions and departments, then later we would have a deeper and more accurate understanding of society. However, it (again) seems to have been proved that merely because the institutionalisation of a particular research area makes rapid progress, this in no way guarantees the automatic appearance of greater quality – neither with respect to the research area nor to society itself. In a certain sense the passage below – which refers to the state of German social research – can also apply to Hungarian sociology:

Compared to the previous period, in the 1970s the educational and research capacities doubled, and grew to many times greater than the level of the 1960s. Nevertheless, the growth (albeit recently slowing down) has in no way been synchronic – either with respect to the consolidation of the discipline, or the growth of professional self-awareness. The degree of research organisation is low, and the professionalisation of sociology as a discipline is still weak. The formerly essential connection between sociology and policies for social reform has today become much weaker. In view of these tendencies, it is no wonder that the number of people who take the subject seriously is decreasing." (*Soziale Welt*, Sonderheft, 172)

There is little doubt that since the 1970s we have accumulated a vast amount of new findings about Hungarian society and more generally about the functioning of East European society. Nevertheless, in my opinion, we are unable to show that there has been a notable leap forward in the quality of our knowledge.

Thirdly, it seems that problems – partly theoretical and partly institutional – have arisen from the fact that in the 1960s, when Hungarian sociology experienced a rebirth, the new beginning involved a decisive transfer of knowledge from Western Europe and North America. Yet in so doing we also adopted the role-antagonisms of the profession that were decisive in those regions at that time (i.e. the time of the German *Positivmussreit*). The notion of the role of sociology as a profession was sharply polarised; critical sociologists were on one side, social technicians were on the other. In a certain sense, Hungarian sociology's newest phase of institutional history – of course, together with all the well-known political interference – can be seen as a struggle between these two trends. In this respect the different approaches in the first half of the 1970s produced a sharp conflict which was revived in this respect too immediately following the systemic change in 1989–1990.[2] Meanwhile, in reality this dichotomy of roles began to disintegrate on an international scale, as well as in some respects of the real research process in Hungary too. In part, the logic of the social changes has produced a new combination of roles; on the other hand, the movement within society itself also

2 I have already dealt, in detail, with the most recent social and political developments from the point of view of Hungarian sociology: see Tamás, P. 1985, 1989, 1990, 1993.

makes the basic elements of these social roles relative (and may even question the new roles).

Fourthly, the movement of society has naturally, in its most important segments, rearranged the subjects of observation of sociology itself. Consequently, the following question must be (needed to have been, ought to be?) asked: what is the value of the knowledge (so far accumulated) on the structure of society, its operational modes, and the forms in which power is exercised? This leads on to another question: is there a basic script for the present transition which can cope with a 'Grand Theory'? Or, to put it another way, in the period following the collapse of state socialism is it possible to construct – out of the common structures following state socialism – some overall theory capable of explaining the social movement in question? Or is it possible that the differences in the social relations of 'pre-Soviet-type societies' and the opening up of the present situational deviations are propelling the societies of Eastern Europe into orbits that can only be brought into a looser connection with each other?

Fifth, the reinterpretation – or more precisely the emptying – of the traditional roles of experts is leading to a crisis of science policy. On the one side, the ideological elements of research programmes are proving to be false. A good number of sociologists hoped at first that it would be possible to achieve some kind of reformed socialism. When this hope was disappointed, the market came to be regarded as a universal panacea for social ills. Finally, with the announcement of programmes for international economic and political integration, they disregarded those connections dealing with a centre-periphery model of the global order. Parallel with this, in 1988–1990, as in 'revolutionary' periods elsewhere, the strictly scientific model of sociology was seen by many as a thing of the past.[3]

Thus sociology is the specific representation of social life (Touraine 1986: 33), and its origin coincides with the birth of modernity as such.[4] This evolutionary perspective of sociology deviates in a fundamental way from the social science

3 Something like this could also be seen following the appearance of the 'new left' in France and Germany. As J.Freund put it: Today, to treat sociology with a strictly scientific conception seems to be particularly reactionary." (in Eisermann 1976: 13). Of course, after the retreat of the radical wave, in general the professional view of sociology regained its position. However, I think that in Hungary this has only happened in a half-hearted manner. The 'revolutionary fervour' disappeared, but in sociology there was no regaining of scientific status, nor even of a comparatively modest prestige. At the same time, empirical work was essentially able to continue in the earlier style and course.

4 In certain aspects our conception concurs with that of Heller (1990: 35), who also emphasized the connection between sociology and modernity. Yet I do not believe that the methodological aspects of Heller's conceptions – staying within the bounds of contemporary sociology – can be seen as some kind of possible 'defetishisation' within the discipline, going by the name 'postmodernism.'

approach to the images of society of the 17th and 18th centuries (the main problem dealt with by the latter was how to bring order to the chaos arising from private interests and aggression). Although up until now (this type of) evolutionary approaches have seemed to be the cornerstone of sociological thought[5], it is precisely here that certain built-in contradictions become apparent. In other words, those experiments which in modern society want to show the inner unity between progress and order, have for the most part failed.

If in sociology (as with the other apparently good solution in the 1970s, the critical functionalism associated with Althusser or Foucault), society is nothing other than order, oppression, control and manipulation – i.e. modernisation imposed from outside (Touraine 1986: 36) – then society loses all the inner principles of the unity it has experienced. This sociology believes modernisation to be some kind of unity coming from Rationalisation, Secularisation and *Entzauberung* (the removal of magic). In this social system it is an external structure – the State – which holds everything together. Only the State can integrate society which is divided by the market, closed in class relations, and atomised by rational individualism. In this way, and in a particular sense, sociology is obviously not merely an ideology or some kind of *Weltanschauung* (that is to say, it is not simply the general representation of social existence); rather, it has been the intellectual agent for what might be seen as the two most important factors organising the social life of 19th-century (Western) Europe: *modernity* and the *nation-state*. However, according to our conception, while the Western part of Europe in many respects has witnessed dissolution and pluralisation of these two factors (i.e. modernity and the nation-state), up until now in Eastern Europe the transition processes are still being settled (or, perhaps, are once again being put into motion) around the Modern Programme. Therefore, it seems, if this cross-section is any guide, that in the next decade, in the field of sociology, the intellectual and ideological relations will be radically different in the two halves of Europe.

A crisis of modernity?

So far many of the writings which have attempted to interpret the transition in Eastern Europe have seen the state-socialist period as the conservation of some kind of anti-individualist, pre-modern social order.[6] This is now to be replaced with the construction of a market economy which will clear the road for real

5 In other words, it attempts to fit the examined social facts into a movement from a closed society to an open one.

6 For an excellent summary see Csaba, L., 1993.

modernisation. However, in our interpretation, from one point of view state-socialism can be seen as a kind of programme of modernisation which failed in its basic aims but which undoubtedly led to partial results. Moreover, with regard to its fundamental theories it was a type of modernity, and can be seen as a caricature of the fulfilment of modernity. Thus the most important problems of the present programmes in the region are not the deconstruction of the modern *an sich*, but withdrawal from the historical impasse of the Soviet-type political system; later, a comparatively modern society can be reached, with two further provisos. On the one hand, in the course of these seemingly necessary operations, some response must be given to contemporary criticism of modernity; on the other hand, in the wave of emerging 'latecomer'-type industrialisation, attention to ecological issues should also play a part.

While all this is taking place, one issue which will undoubtedly become important concerns a certain type of decomposition of modern society, which will corrode the methods based on social institutions in the approach of sociology. It will be possible to describe the macro-connections of development in economic and political categories. However, the micro-connections of the changes can be grasped along the dimensions of the cultural and psychological models of the social actors. However, many believe that the connecting network between the two levels has lost much of its importance, and has even weakened and eroded. If this were a real tendency, then the sociology analysing and describing it would undoubtedly, experience it as an existential danger.

From another point of view, the modernity crisis of industrial society can perhaps also be interpreted as a type of interregnum in the operation and validity of modernity itself. These interregnae perhaps show certain parallels with those 'paradigm-intervals' which can also be seen as intervals in the validity of theories. The delay in perceiving this general intellectual crisis is probably, in part, explained by the significant influence of the Protestant ethic in the development of modernity in industrial societies.[7] Perhaps the most important characteristics of the analytical tradition of sociology since the end of the 18th century have been its ability to connect studies of the structural problems of modern society with the wider problematic of questions concerning the social order and its development (Eisenstadt–Curelaru 1976: 16).

7 It made the focus of redemption worldly (i.e. a moral and cognitive revolution). In relation to this, Parsons speaks about the 'intellectual activism' which developed in American society, and is nourished by it. The values here are not individual but collective, having the sense of a 'mission' which, with the help of science and technology, will enable humankind to master nature. The active conquest of the physical universe is thus transformed into a type of moral mission.

During all this, the history of sociology has not simply comprised debates over method, for in a certain sense the debates trace the one possible version of the history of sociology as a discipline.[8] Of course, beside this, from another point of view any examination of the genesis of sociology's methods of approach ought to deal separately with an exposition of the intellectual forms of social protest – in fact, perhaps specific attention should be paid to the way in which the various forms of intellectual protest connect with the appearance of wider forms of social protest.

The first debates concerned the object and the limits of sociology. Later it became clear that the discourse was about the nature of sociological laws and the laws of sociological observation. At the end of the 1960s these debates led to the formulation of opposing models of methodology.[9] The question here and now does not concern how useful it would be to go over the debates of the 1960s all over again in Eastern Europe; rather, it deals with the kind of actors who will be in this scenario, and whether somebody now in Eastern Europe intends to pick up what is said to be the broken thread of the critical theories of the 1960s. To what extent will this be a period production?

These debates, in themselves, have little effect on practical research. At present, from the point of view of our efforts to understand the transition, there are two observations – from a different source and formulated in an extremely different way – in the fields of sociological research and the language of analysis of reality to which it is worth paying attention. The first is that of Adorno who, in the German debates, reckoned that the central category of sociology ought to be a kind of 'social totality.'[10] He felt that the circumstances of social reproduction could not be grasped with the instruments of empirical research for – as a consequence of its own methodological view of the world – it reflects the facts, and consequently it is only able to grasp one type of social *status quo*.

On the 'other side' of the discipline, Goldthorpe (1973: 541) – combining the criticism of symbolic interactionism and ethnomethodology – saw the same problems as a problem of language conception when he said that through these methods, the way the conventional sociologist defines the problem areas ('interethnical connections,' 'formal organisations,' 'juvenile crime'), the way he collects data and the way he tries, with hypotheses and theories, to express what is happening brings a wide spectrum of meanings and interpretations into the

8 'Evergreen' themes keep cropping up in these debates: for example, whether social phenomena can be attributed to 'individualistic' or 'collective' factors.

9 One of these was the German *Positivismusstreit*. Others include George Gurvich's attempts with 'dialectical sociology' in France, or the renaissance of Marxism in Germany, France and Italy in the late 1960s and early 1970s.

10 For his most important texts in Hungarian see Papp, Zs. (1976).

analysis, even if only through the language used, but in all cases everyday common sense. These methods of conceptual usage employed by the sociologist are necessarily shared with others – with informants, the subjects examined, readers and anyone else – and all this is an important starting point of the undertaking and of the social activity we could call 'functioning as a sociologist'... From among all these things it also follows that conventional sociology does not reach higher levels of theoretical generalisation than those reached by the 'lay' members of society. While the subject and the intellectual resources employed remain so much without sound foundations, sociology is hardly able to be anything other than some kind of 'folk' discipline.

If we hold it worthwhile to consider this criticism in the case of societies which are comparatively static, or fluctuate around various states of balance, or are slowly changing, then it applies even more in dynamically changing situations, where the elements of the linguistic environment are on different levels of modernisation.

At the same time, crisis-like periods of development, or stages which have been experienced as crisis can be found throughout the history of sociology. Moreover, it is in such periods that theoretical breakthroughs in sociology occur. The disappearance of the positivist, idealist and evolutionary schools in England and France, the decline of the historical school at the beginning of the 20th century in Italy, and various debates linked with the spread of Marxism at the turn of the century in Germany were all experienced as such periods of crisis. Although somewhat simplified, from the point of view of the subject of this study, the science policy lesson to be gained from all this is that the history of sociology demonstrates very significant discontinuities. This can be seen in the very uneven development of different types of analysis and research, as well as in the different intellectual sources available in the given place, at the given time.[11] The discontinuity is obvious not only within the structure of the research community, but within the whole intellectual structure of the area.

The various groups of the research community use different traditions as their points of reference and the same problems are often examined from different, parallel angles (which are not mutually exclusive, not in rivalry, but simply ignore each other). In recent years, in Hungarian sociology, this tendency has appeared in an especially graphic way.

The discontinuity can be seen not only in areas with a low level of institutionalisation, but also in areas with the highest levels. For example, recent specialised areas of sociology examining the current problems in industrial societies (women, youth, equality, inequality) apart from very exceptions did not continue (or in cases they even consciously rejected) the work available in the given intellectual

11 Areas of science institutionalised more strongly or along clearer lines are more coherent, but this also means that groups with a smaller conceptual scale are also better able to operate.

context, which could have been used as a precedent or interpreted as one. Thus research into equality fails to take into account the ideas of de Tocqueville connected with equality, while women's studies make no reference to earlier work in ethnology and anthropology on gender roles. Research on poverty ignores the earlier standard of living surveys (Eisenstadt–Curelaru 1976: 321). Of course, later work partly eliminated this narrow specialisation, but it was precisely the surprise at the discovery of the 'predecessors' which shows the actual extent to which the discontinuity was organic.

Perceptions of crisis

It is due to this landscape of intellectual fracture, or more exactly to this attitude which has become accustomed to the intellectual world crossed by great fault lines, that all approaches are able to rediscover society, or its latest form 'with which nothing experienced so far can be compared,' regarding this discovery as something perfectly natural. The new, or seemingly new, or claimed as new questions are able to excite an artificial state of excitement especially if the discipline's mechanisms of control are not operating satisfactorily (and sociology's internal system of control – compared to other disciplines – is notoriously weak); they can even create the appearance of some kind of revolutionary new approaches. In this way, by emphasising the incomparability, individual 'schools' and, indeed, 'sub-schools' can easily attract a disproportionate level of attention from science policy and the general public. The achievements and actual cognition can become separated from each other (and, as has happened so many times in Eastern Europe, they fall behind in their development).

Of course, the fractured landscape also appears in philosophy and political science. In itself, this is not specific to sociology. However, what differentiates sociology from other related disciplines is that perhaps less emphasis is placed on these fractures and they are not so much regarded as basic indicators determining the operation of the discipline.

For at least two decades now the crisis has been acquiring a permanent place in the self-image of the international centres of the discipline. The sociology of Eastern Europe seems to have attempted to still its own professional uncertainties of this nature. For a long time it swallowed its doubts over methodology and organisation because it was afraid that it would unnecessarily endanger the stability of the discipline already burdened with its relatively late institutionalisation and its repeated conflicts with the political regime.

Given all this it is not entirely without reason that conservative-minded groups within the field of sociology claim it is actually research groups who generate the

mood of crisis within the discipline.[12] The question concerns the possible cause of this heightened self-image sensitivity of sociology.

Sociology – as a theoretical and as an analytical method – right from its beginning linked up with a certain wider self-examination and with a critical approach to social (or, in the narrower sense, individual) existence. These elements were not eliminated from sociology in the more developed phases of institutionalisation.

For this reason, due to sociology's original unique sensitivity, and the discontinuity of the paradigms of sociologists and a widely used terminology of crisis the awareness of crisis (and completely independent of the special conditions of the circumstances in Eastern Europe) was determined not externally but largely internally. It is for this reason that I am not in agreement with the point of view within the discipline which holds that it is only external influences (political, ideological) that can push the research community away from research (both empirical and theoretical) towards methodological debates, philosophical excursions and various forms of professional self-laceration. Of course, I would not think that this type of approach ought to be even a temporary substitute for concrete investigations. Yet even so it is striking that the emotive epistemology which appeared so prominently int he 1960s in Western European sociology can hardy be found now even in embryonic form at a time when society (and the organisation of science) is undergoing a deeper and more all-embracing rearrangement.

Given such circumstances perhaps it is worth raising the question: are the parameters of this renewed mood of crisis similar, or does the crisis always appear in a new form? My impressions are that although the institutional patterns emerging from the changes also have new elements, the criteria in the various periods of crisis (or the strengthening of the mood of crisis of the different stages) are surprisingly similar.[13]

In Eastern Europe today this crisis will be interesting not as a scientific fact, but above all in the way it will affect research programmes, or how theoretical results

12 See the opinions of the contributors to the volume edited by Eisermann. For example, Julien Freund opines that: ...sociology's crisis can be attributed to the fact that sociologists use the cloak of science to deal with something that is not regarded as science – either because they regard as science something which is alien, or because they expect it to produce something of which it is incapable, or because, in the final analysis they misunderstand the peculiarities of the discipline... The crisis arises from the subjectivity of the misleading behaviour and the badly judged opinions, not from the logical norms of the discipline." (Eisermann 1976: 16–17.)

13 For example, it seems that permanent elements include the debate over values, the repeated experiments in the re-conceptualisation of the connection between theory and practice, the complex issue of 'methodological weakness,' and the feeling of failure, a sense that sociology's intellectual and critical sources have been exhausted.

will be built into the structure of sociological knowledge. At present it seems that the institutional reactions of East European social research, and its intellectual self-defence techniques, in many respects are similar to the treatment of the big uncertainties in the international centres of sociology in the 1960s and 1970s. In those centres, when these debates were being conducted (perhaps under their influence) the individual schools rapidly formed smaller doctrinaire groups. Organisationally and epistemologically separated and isolated from each other in this way, the respective schools isolated the debates in their own particular way.

While the 'pathological' mosaic-type divisions of sociology are constantly mentioned here, whether the fragmentation is a substantive part or a concomitant phenomenon of the crisis, and whether they are the attempts of different groups or of the whole discipline, to ease tensions is an open question. When, in the final analysis, a consensus cannot be achieved not only on the plane of scientific abstraction, but also along the dimension of concrete interests and it seems a better solution to sidestep the questions that arise, it may in fact appear the best way out to escape the confrontation by forming smaller groups and hiding behind the plea of value-constraints and the impossibility of comparing the research communities. Or, to put it another way, here it is not original value differences that make the debate impossible, and it is not for this reason that some kind of organisational or institutional separation becomes unavoidable. In fact, the order is precisely the reverse. The value differences within the research community are now so great that no single group can be confident that it could emerge from a confrontation as the victor. That is why it is worth accepting this fragmentation on the grounds of the value pluralism already mentioned (which in fact exists, and in this sense is also 'postmodern'). Something like this happened at the end of the 1960s in French sociology following the social-intellectual crisis. There is a very good chance that this scenario – even without such distinguished gurus as Boudon, Bourdieu or Touraine – could happen in Hungarian sociology.[14] *However, the fragmentation of the discipline in doctrinaire groups is not happening (will not happen?) at an equal speed.* In contrast to the French scenario, where the isolation into separate groups was begun by professional cores grouped around gurus of largely similar strength, the Hungarian path appears to be of a different sort. Here it is not the institutional middle of the profession which is splitting in different directions (in the first instance?), and there does not exist some kind of earlier (or still) excluded, strong, anti-elite which could split away from the institutional nucleus

14 It is interesting to note that the process of fragmentation that has taken place so far in Poland's sociology, which has the greatest degree of continuity in Eastern Europe very closely resembles this scenario.

as a kind of challenge.[15] Basically, the institutional nucleus has not been eroded by the rehabilitation affairs either. The reintegration into the research community of those who had been removed in the 1970s from the official organisational system of Hungarian sociology by force happened without any fundamental or radical structural change taking place.

Even so, the effects of the crisis could reduce the autonomy of the discipline as a whole or of research, if one or other of the schools, or the representatives of an approach declare that for the examination of a given problem it is indispensable to have some kind of ideological licence (perhaps some biological empathy). Although during the time of state socialism ideologists repeatedly made attempts to assign certain themes for research (for example, social structures) to research permits linked to official Marxism, Hungarian sociology as a discipline never internalised these recommendations or prohibitions. In connection with the collection of data on contemporary history by Hungarian sociology, I have never come across anybody who seriously believed these ideological recommendations, or who accepted them intellectually.[16]

Nevertheless, in the experience of international sociology there are known and recent examples of attempts by research groups, along the dimension of clearly definable interests, we can cite ethnic minorities or women's studies, to monopolise research. The slogans of guaranteed intellectual fields are quite uniform: the work of those not directly involved – due to a lack of experience – from the first can only be of second-rank in the study of these questions. For the time being, feminism in Hungary, which has very few researchers and is extremely weak organisationally, is hardly likely in the near future to threaten anybody with exclusion. Also, a lot of water will flow under the bridge before a militant group of sociologists of Gypsy origin tries to exclude 'whites' from Gypsy studies, as outsiders endangering their hunting ground.[17]

15 The split of the Institute of Sociology of the Hungarian Academy of Sciences in 1991 was clearly motivated by the political situation in Hungary in 1990–91. Without these 'external' factors (coming from within Hungary), the institutional changes would almost certainly not have taken place. However, the confrontation over organisation was not accompanied by any kind of intellectual conflict worth mentioning.

16 This does not mean that, if these suited individual or professional interests – these 'recommendations' were not accepted as temporary rules defined from outside.

17 Although, it is already possible to come across the first mood of elements of the latter process. At the same time, it is worth indicating that the aversions of the ethnic and religious communities in Hungary towards 'external' researchers were by no means of one type, nor were they of equal strength. Some leading researchers who have looked at Jewish studies in Hungary are not of Jewish origin and, according to my information, no tension of any kind has arisen because of this in the communities concerned.

Even with all these objections, the question remains open as to what sort of demonstrable epistemological differences could be indentified (if, for example, they can be pinned down at all with the instruments of the sociology of knowledge as manifesting the direct involvement of a community in the study of a particular problem. And in general, when studying the situation of currently or previously disadvantaged groups (apart from the question of full access to information), how does the researcher's emotional or existential identity (or identification) with the given group appear in the cognitive structure of the professional work?

The tensions arising in ideology and the organisation of science around the 'national humanities' could be far more serious than these potential mini-conflicts which are hardly likely to be supported by political forces. In one respect, in East Central Europe, and thus in Hungary as well, the 'national humanities' had a significant role in the 19th century in nation-building; these 'national sciences' included literary studies, ethnography and historiography. Although they have now lost their political functions, among the uncertain intellectuals turned politicians in the first period after the systemic change on the one hand and among the social sciences and the humanities competing for the still accessible sources on the other hand, groups have appeared which would like to obtain advantages or additional legitimation by emphasising such special 'national' connections. Yet if in Hungary it is not exactly expressed in this way, in the other parts of Eastern Europe – e.g. in the right of intellectual life of Russia or Poland – there are also openly expressed views according to which groups which are regarded as being outside the 'nation' should not be allowed to study spiritual and physical entities of the 'national sanctuary' (e.g. the lives and works of certain writers).

If a conservative-national government (now or in the future) perceives and treats social questions (or a great part of them) as par excellence national questions and if – regardless of the Hungarian political situation at the given time – the humanities and social sciences interfere with each other to a greater extent, the borderline problems which have so far remained hidden in the background will become more visible.

Following from the above, the development of the destructive or constructive consequences of the broadly interpreted crisis will depend not only on the intellectual strength of the paradigms affected, but on also the patterns of institutionalisation of the professional community. In concrete terms, the handling of the process will also be influenced by the potentials of the professional community for absorbing external institutional and intellectual pressures, transforming its own analytical premises and dampening their influence through its internal factors.

This ability to absorb will, on the one hand, come from the internal structures of the research communities affected; on the other hand, it will depend on historically conditioned skills by which the profession dealt with external influences in the previous period.

Comparing the types of crisis experienced by sociology up to now, they seem to delineate individual patterns along which the ability of professional communities to withstand storms can be measured in periods of professional and/or social crisis.

According to the evidence of experience, communities which have grown very quickly find it very difficult to bear the storms. Most of these communities have lost control over the necessary sources for operation and during all this their career patterns have remained unclarified. Thus it seems that the disturbances in role-sets and organisational structures occur together. In this situation the monocultures are more also easily overturned – whether these are one-dimensional from the aspect of activities, or homogenized as regards their professional *weltanschauung* or methodology.[18]

Practical problems

At the time of the debate over positivism, sociology was still only a half-professionalised research area, even in the international centres of science. This is why the debates taking place at that time over praxis – and without the real practical experiences of flesh and blood application – with hindsight appear quite scholastic. Nevertheless, it is now clear that among approaches which then seemed mutually exclusive, the borders in fact lay elsewhere.

Beside this, it can be seen that the 'critical' or 'socio-technical' fronts have eventually proved to be abstractions which really only became mobilizing influences as visions of laboratory clarity in semi-peripheral regions such as Hungary, far from the large institutional centres of the profession. In other words, they proved to be types of moulds which could be used in our region, in many respects, in isolation from the really existing problem-solving situations in social science.

While all this was going on, two genuine problems of application came to the fore:

a) according to the positions favoured by agents of professional sociology, and the applications and canonised debating positions in connection with professional

18 In general, the crisis in the USA demonstrates that the (mass) teaching departments reacted in a worse way than those with doctoral programmes or research projects (or with practical applications). The closed, restrictive communities were believed to be more capable of resisting external pressures, but in the end they followed fashions or undertook methodological self-limitation, and showed that they could not cope very well with external attacks. In general, in the 1960s, where sociology had weaker institutionalisation, and professional communities had stronger ties with political and philosophical trends (e.g. in France, Germany, Italy), it could not weather the crisis as well as in those countries in which teaching, research and practical problem-solving had been combined (e.g. the Anglo-Saxon countries, Holland and Scandinavia).

practice, the specific nature of scientific knowledge 'hit' practical social experiences, and arranged itself hierarchically above those.

Nevertheless, the connection between scientific and pragmatic knowledge is by no means hierarchical. Theoretical knowledge is not better than practical – it is simply different. Here we are talking about qualities arranged alongside each other. And since the otherness in practice compared to customary approaches, can also mean unexpected angles and a new light, it does in fact, offer points of interest to sensitive and practical leaders open to new solutions. Yet it is precisely as a result of this otherness that the practical application in any form of scientific (sociological) knowledge requires great intellectual energy. In general – with reference to the overheated application-business market of the profession, and other kinds of 'objective' reasons – we are already prone to ignore this.[19]

At the same time, it has also turned out that, when eventually, some kind of knowledge-package emerging from sociology 'comes close to application,' a substantial knowledge deficit generally appears. It seems probable that to resolve this it is not a redefinition of the boundary between theory and practice which is needed, but rather the task involves the development of many interfaces, requiring much attention to detail.

b) At the same time, the demands for practical use of science do not seem to have been properly considered. On the one hand, research is expected to come forward with some kind of unambiguous, final and certain knowledge package. (This would practically mean small room for manoeuvre for those focused on immediate and concrete solutions which – due to their need for manoeuvre – they would not like.) On the other hand, compared to the real knowledge offer, in not too frequent flesh and blood applications, all the larger groups on the users' side pick and choose with a large degree of autonomy. This cannot be interpreted as a single strategic process, but rather as a kind of union of 'strategic' and 'discursive' learning processes (Beck–Bonss 1989: 196). In this sense the 'enlightenment or social technology' alternative is inexact. In addition, along the dimension of the possible applications of sociology it is not really expedient to examine the complex of research and praxis as something above the scientific value-system. From the experience and examination of the network of external links of sociology (and

19 In most of these cases it is in no way certain that the authors of primary research ought to be the ones to apply it in practice. On the one hand, in theory there already exists in Hungary too, for example the organisation of industry, in educational policy and in social policy, the system of intermediary institutions specialised for such tasks. On the other hand, I think that from among the solutions offered and which could be used, the applicable policy courses are shaped in the final analysis not only by the decision of the practical user but also with the active and continuous participation of the author. This is why the translator probably needs to be less linked to the research side, to its mentality and cultural area, but rather operates as the vehicle of the interest structures and milieu of the other side.

related areas), we are well aware that the 'users' are not sociologists, but in general social actors themselves. The autonomy of these actors presents itself in that the knowledge package passed down to them is not applied mechanically, but is adapted to suit the configurations of time, space and culture, in reality recreating the packages, acting as co-authors beside the original authors and researchers. In this active process the sociological findings to be applied lose their research result character. (Of course, it is possible to have some end-products of the phases of research in the knowledge provided, but not the whole process.) On the other hand, they reproduce the connections of the already-mentioned praxis with regard to the value, action and language environment.

In spite of the repeatedly emerging scepticism – in fact essentially together with it – the application of sociological-type knowledge over the past fifteen to twenty years has progressed far more intensively and in more directions than the profession's critical self-evaluation would appear to indicate. However, the character and direction of the applications are of a different kind (independent of those who place hopes in social-technology, and of the professional groups who are quite clearly hostile to such technology as instruments of power). Summing up events one can rather speak of a type of dialectics of the (slow) saturation of practice with science.

The experimental applications in sociology (perhaps it would be more fitting to talk here about applicable offers?) and in the related areas also had quantitative ambitions. Whether openly stated or not, there was some type of belief that if the concrete results of research into society carried direct rationality, then there should be maximum results (products), because the birth of such results automatically improves the possibilities for rationally influencing and guiding society.

This philosophy of 'the more, the better' (which was also required by the belated, distorted but nevertheless achieved institutionalisation of Hungarian sociology in the 1970s and 1980s) led to the dumping of empirical research which had not been processed to a suitable degree. Moreover, the now advancing, now faltering waves of economic and political reform created the illusion of a real market of users, for what was in the final event an illusory research product-mass.[20] However, the slowly liberalising, by then technocratic state bureaucracy – beyond the requirements of its legitimation – somewhere really believed that it was possible to

20 In a political field that was naturally different from the period of late Kádárism, similar problems emerged, for example, in Scandinavian and German research serving the information requirements of their respective welfare states. In examining Hungarian sociology of the 1970s and 1980s, while ritually scolding the science patronage of the period: 'you are being given research money but instead of producing grand critical theories, you must repay this by helping us in practical work' – we ought to reflect on how much of this was the logic of state-socialism, and the degree to which it was the 'natural' demand for sociological knowledge on the part of a local welfare state experiment.

produce or acquire 'social know-how' that would rationalise the decision-making processes.

In principle, it is not merely a matter of the production of some kind of usable knowledge package as the substructure of reforms; the aim has become (albeit not so unambiguously as it was at the time of the social-liberal coalition in Germany) to create not only comparatively by certain points of orientation but, for the modernising groups, a new type of 'security,' taken in the wider sense.

The collapse of state socialism in Eastern Europe and the slowly starting (latest) wave of modernisation which will perhaps follow it after all, are both producing uncertainties. This is not simply a matter of the natural disturbances of transition, but in the region (seemingly more orderly) market economies are in the process of being developed and out of the dynamics of this process some forms of structural uncertainty will arise. Of course, this engenders the need for structural adaptation for individuals and the social groups to which they belong. Also a consequence of all this, undoubtedly in the (near?) future the social scientist's functions in helping the growth of security and forecasting possible tensions will remain. Moreover, it is likely that this 'prophet's role' will strengthen even at the expense of the production of concrete decision-supporting knowledge.

A type of freezer for the study of the treatment of social conflicts, but one with an application orientation is at present still in the stage of careful consideration and it has not appeared in explicit social or political orders. This experiment would be based on the assumption that research into society is able to fill the function of intermediary – precisely through certain 'hard' facts and, through the production of the language of value-consensus. There could be cases in which social research could wake people up to the extent they are attacking each other without any due reason. According to a comparison made by Ulrich Beck (1991: 174), sociology is like a bucket of water which is thrown over entangled fighting dogs if there is no other way of separating them. Following from the outlined vision of the knowledge structure of sociology, of course social research cannot take on the role of umpire in the case of conflicts (besides, where would this put the Weberian concepts of value-free and interest-free research?). In the interest of preserving the social role of the professional community – although undoubtedly at the price of huge compromises – perhaps it could supply some functions as a type of 'linesman.'

During all this, over the last two decades the socio-technical fiascos in the social environment of sociology have not gone away, and are not able to disappear completely (e.g. the postponement of reforms in Eastern Europe and the poor efficiency of those that took place, or the collapse of the education and social policy reforms – inspired by sociology – in the United States in the 1960s and Germany in the 1970s). These failures cannot simply be forgotten with the delivery of more and

'better' knowledge[21]. Mere growth in professional output – i.e. with no more than an increase in the *volume* of production – will at the most increase the uncertainty around the profession.

Due to both the structure of industrial society and the present state of sociological method, the degree of uncertainty in the results of social research is in fact growing as we would like to show.

Recently, in connection with the movement of the barriers between science and practice, different reactions are beginning to emerge. These can be classified roughly according to differentiating, negating and rectifying methods of reasoning (Beck–Bonss 1989: 203). The *differentiating* forms of argumentation seem to still believe in the traditional paths of application with respect to their modes of explainability; at the same time they acknowledge that 'more refined' instruments are needed. This possibility of approach is found in evaluation and implementation research. These techniques primarily serve the practical analysis of consequences and impact in the case of already formulated, approved and (in principle) introduced social policy programmes, measures and innovative processes. Their object is to measure whether the original aims and solutions undertaken, set out and formulated have been realised along the original path, and whether their real outcome can be compared with the planned benefit of the input. Earlier in Eastern Europe these types of applied research could not be found for the most part.[22] However, with the increase of the legal possibility and openness of decision-making processes (preliminary and follow-up), evaluation of a social 'cost-benefit'-type of the most diverse programmes became the order of the day; in fact, the introduction of such research became an urgent task.[23] The appearance in Hungary of this method of approach or technique of analysis is an urgent need. Since the external economic policy, educational or other programmes of co-operation and assistance come from organisations where the subsequent quality control of inputs is a routine task, and where this type of analysis of East Central European projects has also

21 Even if we regarded them without the question we have already raised about the nature of this knowledge.

22 Perhaps those attempts at scientific organisation which tried to assess whether work done on research grants had produced any scientific output worth mentioning were exceptions.

23 Even if, from the view of scientific theory, in connection with those benefits I am quite sceptical, for the results will appear in public life, not in social science.

been raised.[24] It an be seen from the standard literature of this approach, that there are improbably big fractures in programmes guided through the social sciences and that, in general, the planned effects (if there are any at all) – compared to previously estimated time-scales – can only really be observed over a longer period.

Among the *negating* social research approaches oriented towards practice, it is perhaps the critique based on ethical considerations which is the most important. The models used here nowadays are primarily those which filter through from ethically-motivated approaches dealing with the socio-political environment of natural sciences.[25] But while the original nature research movements citing the 'responsibility of the scientist' (Pugwash, etc.) have not led to steps undermining the current institutional system of Big Science despite the anti-scientist public mood rising and subsiding in waves in the industrial societies since the 1960s, a state science policy that does not really like social science and is even openly hostile to sociology[26] would probably not hesitate to use the debates within this discipline, which actually concern methodology, if they become sufficiently loud, as a pretext to reduce or even withdraw supports.

The third application critique – the *corrective* approach – no longer hopes for the expansion of rationality which is broken and tattered but can nevertheless be carried through in its basic directions. It does not believe that the further refinement of existing methods will produce any results that can be accepted over the long term. It demonstrates that the deductive 'application' of scientific results is actually

24 The 'Have we helped Eastern Europe a little or a lot since 1989?' – debate in international organisations and government offices has now reached the first serious phase of drawing a balance. Techniques of programme-evaluation will also be applied. The projects going on here – in part because of the lack of relevant organisations of analysis in Eastern Europe – will again be analysed by Western research companies.

25 These debates, which have been going on for decades in physics and biology, have had no concrete organisational consequences in those areas either.

26 The likelihood of this is in no way negligible. In the 1970s, American sociology reached the peak of its institutionalisation, as demonstrated by the number of students studying sociology, the number of doctoral degrees in sociology, the number of assignments for applied research, and the size of the memberships of the sociology association. Since that time all these indicators have recorded large falls. Although the number of sociology graduates and association membership numbers have again shown signs of a modest increase since 1985, it is not clear whether on this basis it is possible to deduce any kind of consequences in relation to the new emphases in the situation of the discipline. At the end of the 1980s two well-known American universities – the University of Rochester and St.Louis University, Washington – closed their sociology departments. At the beginning of 1992 Yale significantly reduced the size of its sociology department and the budget for that department. In 1990 the quality press in America was involved in the debate over the sociology department at Harvard and the situation of social science programmes in

impossible. At the same time, this trend in contrast to the negating approach only exceptionally rejects the theoretical possibility of the practical application of science. However, the question posed in the one-time fashionable book title – 'Why Don't They Use Sociology' (Scott–Shore 1979) – is still a real one.

The answer to this is quite unequivocal. The 'application of results' in the final analysis has little to do with the cited or seemingly applied real research results. Direct application seems to be more a borderline case.

In fact, with or without data, sociology's 'offer of usefulness' consists of interpretations, which in turn can only be consumed through further interpretations (this is the nature of the product!). We have returned to the confronting autonomies of science and practice. The solutions that must be available after all, will perhaps be found somewhere in the vicinity of alternatives of application and action that can be grouped inductively in clusters, application oriented towards learning processes, rather than 'revised application,' the deductive communication of results. At the end of the day, it would appear (whether we like it ot not) that what and how much of sociology will be applied in its social environment will not depend on the level of development of the research.

Postmodern sociology in Eastern Europe?

The most important mobilising ideology and belief in the changes that have happened in Eastern Europe since 1989, has been that with the collapse of state socialism the region would quickly escape from the historical impasse into which it had fallen after the Second World War and in the not too distant future Eastern Europe would be integrated into the world economy, and into the European centre of the world system. As a consequence of this scenario, most of the specific features of the social and economic structures of the region turn out to be temporary; after a certain period of time the differences will be evened out here too. In essence this would mean that within a short while sociology in Eastern Europe including Hungary would be experiencing today's intellectual and existential challenges that surround Western sociology, not just as imported fashions but as their own organisational/institutional framework of conditions. To a certain extent, of course, all this would go together with the modifying effects of various local traditions – and, indeed, this is already true. However, despite all this, in my opinion the Modern has not disappeared at all yet from Eastern Europe (and I would even ask if the developed world has really advanced beyond it). Whatever the case, since in the region the modernising programme is unchanged, in fact it is now being reformulated (paradoxically, its mode and style of expression and manifestation will be 'postmodern'), the operation of sociology in Eastern Europe will be characterised more by a particular type of 'mixed functioning.' Compared to the original versions of the axiom of 'The Modern age is over, Sociology is dead' as it

was experienced and formulated in the North West European welfare societies, in this region it will probably be basically altered or simply appear in different forms.

All this has or could have consequences for the themes, institutional organisation and research style.

Following the differences in the related social science subjects, Western sociology lost the study of institutions. This has mainly been taken over by political science, but the expansion of economic science has also meant the conquering of territory. This could be approached as simply some kind of natural division of labour; yet it could also be the result of the contraction of the interest of Western sociology over the past thirty years (reflected in the order the methods and instruments of sociology).[27] Eventually, this leads to a model of sociology, which sees the beginning of its subject, 'society,' at the point where institutions end; or as Dahrendorf (1988: 5) expressed it saying that sociology fell in love with everything that was not institutional... There exists a model of sociology which deals with everything that creeps and crawls beneath the institutions, and in the end undermines these institutions.

Of course, in the state socialist order, even if a theory was not found for it, officialdom itself with its Potemkin walls and the worlds it tolerated behind them, in the final analysis (especially after the spectacular collapse of the scenery) suggested that in this double existence sociology ought not to be engaged with the ideological scenery, but with the 'deeper forms of movement' lying behind it.

Now of course, having experienced two system changes in less than 50 years, we can clearly see that the continuities in the world of institutions are as important as the discontinuities, and cultural patterns can span the institutional generations with hardly any 'loss.' It is clear that, in spite of all the distilled sociological observations from the basic elements of our feelings of ten years ago (moreover, observations which later almost became hard social facts – such as Hankiss' notion of two societies which was a revelation to many people), in the institutional world[28] of today there are functioning systems integrally linked to what seem to be quite stable cultural patterns and the basic structures of society. Furthermore, on the periphery or semi-periphery of the world system, from the aspect of modernisation, the institutions, the state and the large organisational structures have always been valued more highly and been of greater importance, compared to those of the

27 In Western Europe the turning point was somewhere at the turn of the 1950s and 1960s. Therefore all this begins in the 1960s, with the appearance of professional slogans or ideologies expressed in the following ways: 'let us look behind the prevailing norms and sanctions,' 'make the reality behind the institutions transparent,' and 'smash the ruling system.'

28 Not counting its extremely thin outer shell which was determined by geopolitical conditions and quickly disintegrated.

centre. Consequently, one specific difference of East European sociology could be the return to significance of the institutional sphere among the main areas of research.

At the same time, under our circumstances there is a revaluation – perhaps as part of the new life experience – of the surrender of elements of the social science world outlook originating from Modernism (including dichotomies such as past/progress, nature/nurture, individual/society). In place of the norms and (the examination of) the social order, there has emerged a fragile framework of interactions. It is not structure and order but contingency and chaos that will be the normal case.[29] The change is thus not a speciality or an anomaly between two permanent states, but it appears as something which is essentially normal – compared to which stable situations seem to be extremely unique. Within this framework, external points which help in observing the systems in society are no longer available even in principle. The time variations of the new social theories that will be of a situational-synchronic nature. Here, knowledge and action depend on the situation, and due to the peculiarities of the situations, the link between them will be loose.

It can be asked whether this new social science will remain 'sociology' in the traditional sense of the term. If 'society' as the subject and reference point has ceased to exist as a system that can be grasped in a uniform way, this could mean the end of sociology as a discipline. Naturally, there will still be 'holistic social research' however, this will probably be different from traditional sociology.[30] In the international literature of social science in the broad sense it now seems (at least in North America) as though the most important points of growth are the New Political Economics, a complex mental and social history, or approaches of the cultural studies type. Not one of these could be imagined without sociology. At the same time, I am not sure that these approaches are parts of sociology.

A redefinition of the branches of sociology will have a great effect on the moulding of the profession's contours and boundaries. One can question how reasonable it is for all those specialised fields of study currently called 'sociology' to be treated as parts of sociology. Of course, I am not arguing about the scientific soundness or legitimacy of scientific investigations in the areas dealing with certain

29 In this context Giddens and Luhmann could also fit into our new and, in many respects, regional-specific scientific world view.

30 If 'sociology' is the name we give to the research area which provides the holisitc, dominant language of social discourse in any given period, then within each period – in a clearly visible way – different disciplines of social science will play the role of 'sociology.' During the time of the great geographical explorers, it was played by geography, later by 'comparative ethnography'; at the time of the great Catholic-Protestant religious debates it was theology, and in the 1930s and 1940s in Hungary, for many people it was Hungarian studies.

forms of social existence, types of institution, or organisational changes. In any case, over recent decades in these areas it is probably examinations inspired by sociology that have produced the most interesting results of most value for practice. I am simply raising the point of whether the examination of the social dimensions of problems from public administration to the choice of training methods for top sportsmen, has not in the first place enriched those areas where the observations, suggestions and methods of solution were born, and whether these have only become parts of sociology as the main discipline inasmuch as they have contributed to the understanding of the holistic modes of operation of 'society' as such.

There is probably no purpose – and perhaps in principle it is impossible – to integrate research dealing with the examination of all areas of the dimensions of society into a single discipline. Of course, from an institutional point of view, especially under our conditions, this served a purpose in the past. However, the institutional patterns that developed in this way remained extraordinarily fragile; also, in many respects, they did not create even the minimum of integration indispensable for operation under a single roof.[31]

Thus in the end, the stabilized variety, the poor communication among the schools and different sub-branches of sociology is not an anomaly, but the natural state of the discipline. 'Semantic anarchism' is becoming a permanent state; new dictionaries, grammatical rules and metaphores existing side by side will continually appear in the conceptual system of sociology (Novotny 1993: 11). In the near future sociology will probably be characterized not by efficient theories, but by an over-aesthetic style. Our discipline will remain a heterogeneous bundle of unconnected, only loosely related research areas.

The romance of the hedgehog and the scrubbing brush will, it seems, eventually become a permanent affair here too.

31 In many respects this is also what the history of the Institute Sociology of the Hungarian Academy of Sciences had been about in the past 15 years. Partly out of programmes of professional self-defence and partly in the search for the type of expert-scholar proving to be the most able to withstand blows in the ideological conflicts with the earlier political authorities, we tried to make up for the missing intellectual centre of the discipline by strengthening the specialised branches of sociology. I readily admit that when the elite of the profession at the time opted for this strategy (and as far as can be seen from the present, this was quite a conscious decision and one which followed international models), it had very little choice. I would not even say that these parts have not begun to merge intellectually, along the dimensions of the individual contact networks. But in the Institute, for example, this still weak network was unable to withstand the strain of the differences of scientific taste and professional ideology that accumulated in the first two years of the political changes or the tensions of the interests and political changes that could be clearly detected behind all these. A better integrated scientific community grouped around a real cognitive core would have withstood conflicts of similar intensity and nature to those which arose here, without an organisational split, even if with a partial replacement of the organisational elite and the departure of smaller groups.

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Éva Karádi

AN INTERVIEW WITH ÁGNES HELLER

You are a philosopher, the best known member of the Budapest School, you have published works mainly on ethics and political philosophy. In a certain period of your life you happened to work at the Institute for Sociology of the Hungarian Academy of Sciences and wrote some studies on American sociology. I would like to ask you about the aspects of your work which are of special relevance for sociologists, for a social theory of the societies which you got to know from the inside: the Soviet type of societies we used to have here in this part of the world; the western type of societies, where you lived since your forced emigration in 1972, and the societies which exist now in Eastern and Central Europe after the changes of 1989.

First I would like to ask you about the description and analysis you gave on the Soviet type of societies in your book published with György Márkus and Ferenc Fehér under the title of 'Dictatorship over needs.'

Answering your first question, I won't speak only about our own book – although of course it is central to this whole issue. I have to refer to a conference which took place in Europe where (and I have to admit this with rather a degree of envy) recognition for the only theoretical literature written on this issue was given to a book by Bence and Kiss, a second book by Konrád and Szelényi, and also the book written by Márkus, Bence and Kis. Thus the endeavour to reflect upon Soviet societies was common. Immediately after our arrival in Australia we decided – Márkus, Feri and myself, to try to figure out ourselves a theoretical solution to the society of the Soviet Union. We decided between us to write a book, with each of us separately addressing a single issue. Márkus wrote the preface and the economic part, Feri wrote the part on international relationships, and I addressed myself to the problem of politics. For my own part of the book, I basically took the whole theoretical framework not from Marx, but from Max Weber.

I made this decision as I initially tried to describe Soviet society in Marxian terms, at that time I was still very much influenced by Marx. However it became clear to me immediately that it was an impossibility, it could not really make sense in the case of the Soviet system to apply the traditional terms of Marxism since the whole thing is entirely different. That is why I decided to apply the Max Weberian categories. So I think that as far as the problem of legitimation is concerned, which was the starting point of my analysis, it was possible to apply the framework of the three stages of legitimation by Max Weber. It made sense out of the problem of legitimation of the Soviet society. Later on however, when I wanted to deal with the

issue of power and domination, and their relationship to each other, I wasn't really successful in trying to apply the Weberian framework. I really had to work out my own categorical framework for the rest of the problem of ethics in the Soviet societies. This was very important for me, since ethics belongs to politics, to legitimation, as an aspect of the political system in the Soviet society. For this I had to really invent or work upon certain categories in a fairly original way, because I wasn't able to find anything in the arsenal of traditional sociology which was basically adequate for the description.

That explains how I put together the second part, which was basically very much philosophically inspired. It was not based on any statistical data, being on the one hand not even available, and on the other hand unreliable. Apart from which, reading data is not my cup of tea, I'm not very good at it. So I basically relied upon what I had read in other books on Soviet societies, and I relied upon our own personal experience in Hungary. I was sure that our personal experience was both typical and relevant. It is obviously still possible to look naively at the world, trying to figure out from experience of this what it is all about, how it really operates. This kind of naive approach to the world is a little out of fashion nowadays, because people never rely upon their own experiences. They rely instead on books and statistics, on secondary and third-hand literature. The fact that in my case I was unable to find the relevant sources and data I think benefited the book. I don't think that the books written about the Soviet society based merely on empirical data are of real theoretical worth. So I am not unhappy that I had to take this avenue. In fact it was an avenue taken by all of us, although I have been just referring to myself and not to the two other authors. But obviously everyone has their own personality. Márkus' personality is far more bookish than mine, and so he relied upon far more sources than I did.

What do I think about the book today? I haven't really read it for a long time. But I think that I would still go along with the part that I wrote, the second part. At the time I was accused by the left of it being a very biassed description of the Soviet regime, and that I was wrong in the way of describing Brezhnievian society as a totalitarian one. I gave a new definition of totalitarianism, I applied my own definition. I didn't accept Brzezinski's definition or the Hannah Arendt definition, which I believe are wrong interpretations. I wanted to invent a definition which would encompass the terroristic phases of totalitarianism as well as the post-terroristic phases of totalitarianism. According to my definition, 'totalitarian' is a state and a society which outlaws pluralism. This is not to say that there is no pluralism. This is the mistake that people make, in thinking that a totalitarian society is one where there is no pluralism. In modern society, pluralism is everywhere. Even at the worst points of Cambodia there was pluralism. You cannot really forget about pluralism in modern society. Outlawing pluralism means that pluralism can exist, it is only that it is not legalised. This means that people who hold different views from the officially accepted views, or they paint different kind of paintings to the official paintings, or

they write different kinds of books, or they appreciate history in a different way than is obligatory, these people can do it as long as the party does not decide that they cannot. But the party can make the necessary decision, and then it immediately becomes outlawed, people are imprisoned or cannot publish, or are under censorship, etc. So it is only the tolerance of the party which defines what kind of ideas can be presented and represented, or what kind of history can be written or not written. Toleration is not a given right. So in the case of totalitarian society there can be tolerance, but no rights; and there is no right for pluralism, although it can actually exist. With this definition just briefly summed up for you, within the framework of this general conception of totalitarianism, I think that I was able to describe Soviet societies, and each and every period of it. With this model I could also properly distinguish Bolshevik totalitarianism from fascist and from nazi totalitarianism, because in my mind they are three different kinds of totalitarian societies. Fascism and nazism are not identical either. So I think this whole new concept gave me or offered a kind of framework within which not only the common features could be emphasised but also a distinction could be made between different forms. I think it worked out successfully.

Do you regard the Hungarian Kádárist socialism as one case of the Soviet societies?

It was one of the Soviet types of society, indeed. Of course it was terroristic in the early 60s, there were executions and show trials. But later on after the general amnesty there was the new phase, which was not terroristic, and pluralism was more and more allowed and tolerated. But the decision could always be made that it was not valid. After a very long time new kinds of industrial ventures were established in the collective farms, but it was still possible for them to decide from one day to the next that it was not to be done. This decision could be made because the venture was not supported by law, there was no right to organise this kind of independent industrial venture. It was done in practice, but not on the grounds of particular rights. So, basically almost until the end, pluralism was not an accorded right. There was more and more toleration, more and more 'liberalism', by which I mean liberalisation rather than a general liberalism. However, as I said, everything could still be taken back, because nothing and no rights were legalised. Anything that was granted or taken back depended only on the decision of the party. In this respect the system remained the same. In Poland, when Solidarnost was legalised, it was no more this kind of totalitarian society because there was an institution which was independent from the party. It existed legally after the Jaruzelski putch, although of course it was taken back again.

How do you explain the changes in '89 from inside? I think there are some explanations, for example that more pluralism or more democracy destroys the system.

You are right, that is a possibility. The old Bolsheviks always knew that if they went too far with liberalisation the system would collapse. They realised its likeness to a chessboard, or a house of cards, so that if one card was taken out, the whole thing would collapse. The old Bolsheviks were right in this, it was only us who were naive in believing that they were wrong. However, it does happen when you start to liberalise step by step. Finally people get used to it more and more and the question then has to be raised: why not democracy, why not different parties, why a single party system, why shouldn't we change the system itself? So there is a kind of escalation built into this system, and as the escalation starts it has to be stopped all the time.

That happened also in '56. There was an escalation, very similar to the one later, but this time it happened quickly, not like the slow escalation of the 80s. The revolution was basically the last leg in the story of this escalation. It can happen quickly or slowly, but at a certain point it will go over, and the whole system will collapse. The system must collapse if they go too far with the toleration of difference and pluralism.

The dynamics of the Kádár regime, or actually of the Soviet regime from Khrushchev onwards, can be explained as follows: they started to allow a few things, then took it back, they started to allow a few things again, then took it back again. This movement was a kind of perverted pendulum movement. It was not a real pendulum movement, because the pendulum had no possibility of swinging in the one direction to the extent that it exhausted the possibility of that direction. One direction was never ever exhausted. When it started to swing in one direction, it was stopped, and the party took it back again the other way. That was the way in which the dynamism of the society moved. However, when the dynamism went too far in one direction there came a point when it could not be pulled back. I don't know the exact story about the so-called putch against Gorbachev, we don't know anything about it really historically, but it might have been organised by Gorbachev himself. May be that was also an attempt to push it back a little bit, but at this time the attempt to push it back didn't succeed because of political reasons and because of the existence of alternative centres of power. As long as there are no alternative centres of power, you can always pull back, as was the case with Solidarnost. These dynamics applied also to the Kádár regime. There was some kind of liberalisation, but it was taken back again and again – the so-called economic reforms in the 60s, followed by the party resolutions which started to take back these reforms. You could say that they were unable to take back everything, which is why it was a kind of dynamism. It went in one direction, was then taken back, but not back to stage 0. It was taken back to stage 10 or 20. Then it went ahead again,

and was taken back again not to stage 20, but to stage 30 and 40. So basically it was going in the direction of liberalisation, of deconstruction. The system started to deconstruct itself, although it was a very slow process. It was always pulled back to the other side so you could never know whether you could really go as far as deconstruction, or whether it would always be pulled back in the opposite direction.

Finally the system did deconstruct itself. In the Gorbachev time, the Soviet Union decided that they would not do anything to help the governments of these countries push back the reform movement again. There were no economic possibilities to maintain and to support these countries and they were really very afraid that if the situation came to a revolution in these countries, it would spill over to their country. This is what in fact did happen, they were basically unable to wage wars for these territories, but they couldn't predict that it would happen. The army was in a state of total disarray and decomposition, as was obvious in the Afghanistan war. In spite of the external might, the internal power was weak and they realised it.

There was the last offensive against peace in the Soviet Union, the last attempt at rescuing the whole empire, not just the Soviet Union itself. They still had rescue in mind when they gave up Eastern Europe, at that time believing that they could rescue the whole empire. So they developed this great idea, the so-called peace movement and the nuclear war movement, aiming to push the American rockets out from Europe and to influence the governments of Europe to support the Soviet Union economically. They never wanted to occupy the western part of Europe, that was just the nightmare of the conservatives. It wouldn't have done any good for them to occupy it. What they really wanted was to use Western Europe as an economic source, as an economic hinterland, to inject an economic role into the Soviet Union and put it onto its feet again after the crisis. That was basically the mastermind behind the whole peace movement. But what happened was that the majority of the Western countries were against this policy, so the last attempt was not successful, and the collapse followed.

Do you think all these liberalisations and taking back were just manipulations, or a result of power conflicts between different groups of the political elite?

Everything that happens can be explained, we can look for reasons and explanations. There were actually a lot of contingent factors here, which must also be explained, because contingent factors are explained within the framework of less contingent factors. However, I want to emphasise that there was a possibility for it not to happen. It was not written in the sky, in past history. Obviously the Soviet system could not as a system maintain itself forever. It was a system of self-contradiction, because as a modern society there was basically no option for economic growth to be maintained. This can be described sociologically. The modern economy and society, as opposed to pre-modern societies, differs in that it is based on the possibility of saying 'no.' It is possible to say that something is not

just, that something else would be more just; that this or that is not right, but rather that something else would be more right. It is this possibility of saying 'no' which guarantees the dynamics of this society. Society cannot develop without this possibility, because rationalisation itself is based on the constant process of just that. Rationalisation is always a kind of selection, a part of the on-going process of being able to say 'no.' All kinds of people, not just technocrats, or bureaucrats, but people themselves with different kind of gestures such as strike movements, demonstrations, or simply offering their positions and opinions in opinion polls, this all contributes to the optimalisation of modern society and to its development. In Soviet society, however, it was impossible, because in the political system there was no room to say 'no.' Everything that the party said, and always something affirmative, had to be taken for granted by everyone. You could manoeuvre within this framework, the framework was set to allow that, although the possibilities were not the same for all actors and in some periods the territory for manoeuvring was really very narrow. The dynamics of modernity were basically absent from Soviet society because of this fundamental inability of saying 'no.'

Without the dynamics of modernity, there cannot be growth. The society can still reproduce itself because it is sitting on bayonets, and people are afraid of power and violence. However, this will only maintain what already exists, and the society will not change to something more developed and complex. In particular, the newest technologies, developed in the last 20 years, could not be accommodated into a world in which the dynamics of modernity were missing. But because this society was operational in a world market, itself characterized by the dynamics of modernity, and there was only this one world market, and not a second one as Stalin wanted, they had to manoeuvre within the same space. A system which cannot maintain itself, cannot grow, will always and continuously be the loser in every kind of competition within this world market.

So it was necessary for the system to collapse. But when this was going to happen, how far and to what extent, was an open question. It could have maintained itself for another 20 years, had it re-introduced terroristic methods and totalitarian concentration camps. This way of course it could have been maintained for another 30–40 years. So this is why I never really believed that it would collapse in my lifetime, because I thought: 'No, these people are not so interested in whether the population has something to eat, they themselves have things to eat, so they will introduce lagers again, they will put people into the prisons, and that way they will somehow manage another 20–30 years.' It hasn't happened that way, and the fact that it didn't, is a contingent thing. Had Gorbachev not been elected as secretary of the communist party, but someone else, the situation could have developed in a different direction. It could have developed in the direction of reintroducing terroristic totalitarianism. This possibility was not excluded. So there were many contingent factors, and Gorbachev was one of them.

My definition of the whole thing would be that there were certain frameworks within the modern world which, by a kind of necessity, predicted the collapse of the Soviet system. However, the collapse happening at this particular moment in time was not predictable due to the many contingent factors, both in politics and on the personal level and which could not themselves be predicted. So the old Hegelain slogan that necessity develops through contingencies was the case here.

Do you see a continuity between today's East-Central European societies and those before 1989?

There must be a continuity. You cannot have a modern society without it. But it should not be mistaken that the dynamics of modernity were entirely missing from the Soviet Union, although it was a modern structure. It was not a traditional society, like a kingdom, and it was not an Asian mode of production as some people suggested. It was a modern society which was based on the functional division of labour. There is a modern structure where your position in the institution determines and defines what kind of position the person occupies in the division of labour.

In a modern structure there is only one elite, and not two. In a traditional structure, on the other hand, there can be many elites, ie. one elite which belongs to the traditional classes, for example the nobility, and there is also the bourgeoisie with the whole accumulated lot of learning, as well as very good sources such as foreign universities. They are waiting for the moment when they can enter and occupy the places of the previous elite. However, there is no such thing as this in modern society because there are no two different elites. A part of this elite was a part of the Soviet system, or the socialist system. You cannot have a society without these elites, because there is no alternative set of engineers, or economists, or teachers, only the same ones. Among them some were reformists, some were not, but they were able to change because they lived in a different system. It is the mental power which is the same in a modern society, and it cannot be otherwise, unlike in a traditional society. None of the modern societies are class societies in the ancient way, because the access to learning depends on your elbowing, rather than on the place into which you were born. It is this which settles the whole thing and determines there being only one elite. It follows that there must be continuity.

There is another continuity in that people get used to certain kinds of practices in life. It is quite naive to believe that capitalism is so to speak'born' in human nature, that because humans are by nature acquisitive, this acquisitiveness will always be expressed in the desire to be private owners and to have the right of determination over their own property etc. I don't believe that this is so. Acquisitiveness can of course manifest itself in quite different economic channels, you can be acquisitive also if you live out of your wages and salaries. You do not need to be a private proprietor in order to be acquisitive. All the anthropology which is based on the acquisitiveness of the human character and human nature I think misses the point

that it is not through necessity that people want to have private property. It is not by necessity that people want to compete in the market. It is an attitude which develops with time. If you are operational in the market, you will develop the capacities to operate in this market. However, if you were brought up in a market where it was instead regulated by a party, in a world of deeply seated paternalism, you will get accustomed to a way of handling and being acquisitive within the framework of this paternalism. That is something which is totally forgotten. It was thought that if there was private property, people would suddenly behave, within the space of five minutes, as if they had always been capitalists. This is ridiculous. History has showed us that when capitalism first started to develop, people didn't just start straight away to behave like capitalists. It took them one hundred years to learn how to behave. By the same token, it took a long time for the people to learn how to behave in the so-called socialist world in Hungary, and now they have to learn the opposite. They have to learn new kinds of approaches, new kinds of 'finger-tip feelings', new kinds of senses, and ways of manoeuvring. All this is not yet there.

There is continuity in the attitude of people. There is continuity in the very fact that the elite is one elite. Of course there can be shifts within it. Those who were slightly lower will get to the top, and those who were at the top will slip down a bit lower. The political elite will not be the same as the political elite beforehand. In Hungary this came very close to happening, although it isn't a necessity. In the pre-'89 government the political elite was not the same as in the pre-'89 regime. In this way there can be a certain change, but only in so far as the director of an institute becomes the prime minister of Hungary, and the prime minister of Hungary becomes the director of a great bank. This is a continuity, because these are only small changes in the top, and within the one elite. You cannot get away from having this continuity, because, as I said, the old pre-'89 regime was still a modern society even without the dynamics of modernity.

This continuity is also there because the political system is entirely discontinuous. The new political system is based on human rights, a democratic and a liberal system, and therefore essentially different from the previous system. So even if it is the same people who are manoeuvring, the same people who win the votes, and sit in the same chairs, and even if people are saying that there has been no change in the system, they are entirely wrong. The truth is that the whole system has changed. The change of the system does not depend on the fact of whether X or Y is seated in a particular position; and it does not depend on whether X or Y can be bribed. Sometimes he can be, sometimes he can't be. What it does depend on, however, is on the institutions. For Eastern Europe we are talking about the whole institutional framework, particularly in Hungary, but also in the Czech Republic and Poland as well. The political system, or the institutional system has undergone an essential change to become a liberal democratic system. This is a revolutionary change, the

result of a political revolution. Revolution doesn't necessarily happen on the barricades, in can happen in other ways.

Political revolution is a change in the sovereign. This is basically what my work started with. The second part of *Dictatorship over needs* starts with a discussion of sovereignty, who the sovereign was. The sovereign was the party. Now there is popular sovereignty, and everyone can see that it exists. Popular sovereignty does not by itself of course produce the most perfect political society. There is a difference between the model of liberal democracy, which was introduced politically, and the reality of whether we have actually approximated this model. Approximation comes from how we meet this model, whether we act as good citizens, or whether we develop the sense of *res publica,* whether we are aware of the fact that it is a common thing which has to be supported in common. These are two different things. But we introduced the model. This also applies to the Soviet regime. It was a totalitarian society which outlawed pluralism. Sometimes the model was not hit, it was only approximated. The more liberalism was introduced, the further we got from realising the model. The model was still there, but we got further and further from it. The same is true from the other side. The model is here, an entirely new model, and no matter how far we approximate, or move from the approximation, the model is there. It is an entirely different model, which is what I call a political revolution.

What about the chances of this new model in Russia today?

It is a question of legitimation again. There are many autocratic regimes in the world, they don't have to be totalitarian. They may be authoritarian, but that's a different thing. In Russia and in many states of the previous Soviet Union, this is the case, there are autocratic regimes but they are not totalitarian, because pluralism is certainly not outlawed any more. There are different kinds of parties, different kinds of proposals, and there is a relatively free press and television even in Russia. Therefore it is not a totalitarian system at all. It is an autocratic system, a not yet fully developed liberal democratic system. How it will develop in the future remains to be seen and I don't want to come up with a prediction without knowing enough about the countries. However, I think that the Czech Republic, Hungary and Poland, and maybe also Slovakia, will develop not only towards a liberal democracy, because this is what they already are, but the liberal democratic model will become more approximated by the behaviour of the population. The election swings, for example, are inadequate for a liberal democracy. The institutions are in place, but the huge election swings show that the people have no consciousness about the role they are playing in a general election, in a constitution which should constitute the liberty of the country. Their behaviour in elections follows a mood and not a thinking, and therefore the model is not really approximated. There is sometimes a very irresponsible way of thinking about the measures to be taken, not only among the

opposition parties but also by the population in general. It is a kind of attitude that people basically developed in the Soviet system, a grudging of everything, a constant murmuring which comes also with obedience. I think that basically this is not a democratic attitude, since that it is to apply thought, about what kind of measures are needed, thinking it over and deciding whether it is right or wrong, and going forward on that premise. It also of course means going into a more refined analysis of things when they really do happen, thinking over the issues and making decisions from that, ie. concerned with civil disobedience or with strikes. Everything is possible. It is not simply a question of the dual gesture of obeying on the one hand, while murmuring hatred and resentment, without thinking, on the other. These two things together show that there is not yet a responsibility developed for the common *res publica*. This comes with time, it doesn't happen very quickly. It is easy to introduce institutions, but the attitudes cannot develop immediately.

There is more to add to this. These institutions had already been experimented with in other countries for two centuries. This meant we could take them on ready made. However, in the countries where they had originated, they had not been imported ready made, but were brought about through many centuries of discussion and adjustment of behaviour. The situation here is different, since the institutions have been introduced but the behaviour is not yet adjusted to them. So there is a discrepancy within the institutions. The institutions themselves are very good – for example the electoral system is really a very good electoral system, established by very clever people and based on centuries of experience from other countries. But without this experience, we can't use this good electoral system in the way that it could have been used if we had gone through the same experience in actually figuring out what kind of electoral system would be the best. So for example we have all the devices, such as the secret ballot, which was a great innovation even in America in the 19th century, and we have universal suffrage in contrast to many places where there is qualified suffrage. While we have all these things together, the result of the last century or the last fifty years, we have them without having the attitude which brought them about. This discrepancy is quite natural, but it just needs, I think, to be lessened.

The Western kind of institutions can be the basis of a learning process, as in the case of Germany. We have for example the Constitutional Court...

The Western institutions have been put in place, it is only the learning process which is not fully developed. Of course at the top of the elite the learning process started earlier. The top of the elite, especially in Hungary, was already a part of an international elite, and particularly on the economic side. This was the case in the Kádárist regime. So for them the change was not that big. They know how to manoeuvre within international banking institutions. They know how to manoeuvre within the market, although this is a very, very narrow stratum.

Also among the population a quasi market-oriented attitude has been developed.

It does not necessarily help. A quasi-market attitude in socialism is parasitic, it is not the same kind of ability to operate in the market as a modern market society demands it. They were very good at black marketing in Hungary, and their great power for the black economy grows out from this habit of manoeuvring within the old system. But being good in the black economy does not mean that they are also good in the white economy.

Do you think that this partly explains the result of the last elections?

The results of the last elections were a very complex thing. Many commentators analysed it very well, but there was also the fear that people had of the previous government. There had been socialism for 30–40 years. Everyone had something behind their ears, a member of the family, or someone, who was in the party, or was promoted by the party. Everybody became afraid of what was going on, whether the history of their family might be gone into, or their own history, or the history of their neighbour. They thought it was better to forget about these things. The post-89 government went too far in its ideological anti-communism. The people didn't want this. They didn't want anything, not anti-communism, not anti-Semitism, or anti-anything. People were being pragmatic, that was a very important reason for what happened in the last elections. Of course one of the other reasons was the underlying economic security that the state had previously provided. And there had been a lot of promises on the agenda. They promised to do everything better economically. These promises could not be kept, and will of course not be kept, but they were made all the same and were believed by people because they yet lack the knowledge and experience.

Are you saying that it was another kind of ideology that people refused?

I think they were really sick and tired of ideology altogether. They didn't want to keep being taught history all the time, having it rewritten, learning and relearning everything but still remembering what had come before. They used to get a lot of ideology. Hungarians are fundamentally sceptic, and pagans, and they don't really like having lessons and being taught etc.

Perhaps the Hungarians were too westernised, and that's why they were resistant to nationalistic ideology as another form of collectivist ideology?

That depends, and there are different reasons for it. Hungarians were resistant, while on the other hand Serbians were not, as weren't the Romanians, but yet the Bulgarians are resistant. The same people who are resistant now were not so 50

years ago. Behind this there are certain contingent factors, in fact many different and particular reasons and backgrounds. It is not something which we can describe in terms of necessity.

Collectivist ideology, as you mention, is indeed very important. But I don't think that the West was so resistant itself, as you suggest. There is a lot of nationalism in the West as well, in America even sometimes a sort of fanaticism. Hungarians have developed their own kind of individualism, and one which is not necessarily the individualism of the market: 'Leave me in peace, I do what I want, don't preach to me'. Hungarians really are not collectivistic, maybe they never were and should be more so. What we called 'social work', helping others without getting paid, can't be seen any more in Hungary, there is no self-organisation, but these people simply wait for everything from above. So everything becomes individualistic, working both ways like credits and debits. It's a good thing in so far as it prevents nationalism, so that we are protected from different kinds of fanaticism because of it, but by the same token it also leads to a lot of cynicism, and little trust and little help for others. It is a coin which has two faces.

From your last decades in the West, how do you see these societies today?

'West' exists only from the East. If you go to the West you immediately notice that there is no such thing as 'West'; and so it's a very primitive thing to speak about capitalism. Capitalism is an abstraction. Countries can be described as capitalist because there is a free market and private property, but they can be very different kinds of societies, with entirely different grades and methods of distribution.

I was first in Australia, which is also 'West'. It is a Western society, a very individualistic society, and where there is a greater kind of egalitarianism. There are not many very rich people at all. The poorest people are dressed, they have food to eat, and they have places to stay. The difference between the poorest and the richest is not abnormal, it is in fact quite normal because there is a huge amount of distribution. There is a very, very strong social policy and good health care, which is of course a reflection of the major role that was played by the trade unions in the development of the country. Even when the governments were liberal, and not socialist, as in the last ten years, the very fact that the trade unions were very much in power within the whole framework of politics meant that they could carry out such a role. Collectivist the country is not. People are very individualistic, and they are also very sceptical. The country is so different from the US that I think it is more different from the US than Hungary is from Australia. Yet both are Western. The US is a collectivist country, yet as far as the economy is concerned, they are individualistic. They operate in the market, they compete, and they compete very roughly and vehemently without any consideration for their competitor. On the other hand, when it comes to politics, they are collectivistic and communitarian, they always act in branches, or 'lobbies', and always voice the opinion of their branch, of

their community. As far as politics are concerned, they are puritans and fundamentally and highly ideological.

This duality of the system has to be understood. In Europe, the political idea is really the opposite of America. In Europe we became accustomed to the scenario that there was a state, the state wanted to oppress us, and the society wanted to liberate itself from the state. This is not true only for Eastern Europe and the totalitarian societies where this clash between the civil society and the state developed in the last 10–15 years of the old regime. It was also true for the development of Western Europe. It should not be forgotten that absolute monarchy was a very important stage in the political development of Western Europe. The French Revolution centralised just as much as the absolute monarchy had done. Using the example of that famous scene of Don Carlos, when Marquis Posa turns to the autocratic king and asks him to give back the freedom of thought – in America this would be so absurd, and they wouldn't even be able to understand what the whole thing was about. In America the state is weak, the institutions of the federal state are very, very weak. The state has basically no power except in foreign policy. Almost all power is vested in the society. The society is the strong one, and the society is totalitarian. If people are pushed into doing something that they don't want to do, it is the society that is doing the pushing and not the state. People can find defence from the totalitarian character of society in the state and in the law, particularly the first amendment. You can go to a court of law, and there your right will be protected.

In America, quality does not matter at all. There are two kinds of quantity which matter, and they are how much money you have and how many of you there are. The first is called capitalism, and the latter is called democracy. But both cases are concerned with quantities. Of course, the two quantities are unable to control each other. They can only in a way limit the other's territory of manoeuvring. One serves to limit the other.

There are positive aspects of the country, also some not so liked, but there are things to learn. What you can learn up to a certain degree is their very great respect for the law and for legal institutions. I qualify this because nowadays this respect has gone too far. Absolutely everything is now being legislated for and against, everything that would otherwise be discussed and settled in private conversations is now controlled by law. I think that this extension in the territory of legal regulation has gone too far. As a result, they don't really allow the private and intimate sphere to develop, even the relationship of father to son, and wife to husband, is regulated

You are unable really to do anything which would be indifferent from th

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ight.

America is civic courage. It is precisely the totali

requires you to have civic courage. Your cou

tate, but against your brothers and sisters, y

community. If you believe that something is right, and you stand for these things, you really take upon yourself the consequences of your attitude. You have to display your courage against your community, you have to endure marginalisation, the laughter and the excommunication from your community. These consequences you suffer not from the state, but from society and your fellows. In all societies in which civil society plays an important role, civic courage must be a very important value.

There are other things you can learn from America, for example that there are too many rich people. The difference of wealth in America is too big, redistribution is not as forceful as in Australia. What there is though is the good Protestant tradition coming with the puritan character of the American society. That God gave us wealth, but that it was given to us in order that we should share it with others. This is charity. People who earn a lot, and who accumulate great wealth, feel an obligation to give a part of this wealth to charities. They establish funds and universities, give grants, or give their names for chairs at the Opera or to different kinds of cultural institutions. The motivation is not only a tax related one, with many charities being tax deductible. This is the economic reason, but they do it for the most part over and above this, for the reason that it belongs to the dignity of a rich man. And there is a third aspect, which is mortality. People want to immortalise their names in giving their money away, which they do through the museums, schools and universities that they become associated with. This provides a kind of immortality for people who have no creative talents. Charity earns you respect from others.

In these respects, one can learn from America. However we ourselves are Europeans, so it is better if we learn from Europe. Europe has its traditional culture, and its cultural elite. It would do no harm to us if we were to keep this culture what we have. There are too few people in universities in Hungary, we need to develop them to the point where 30–40% of the population could be educated. Modern industry and modern economy demand such learned people, I think, and it is important for these countries to keep up to the standards of the traditional European cultural elites. So that besides and in spite of producing a great stratum of learned people, who are good at their professions and expertise, we still continue to produce a cultural elite. I think that only two countries do it well: France and Germany. The first is France, which has done this very well, and has put an emphasis on the cultural identity of the country. I think the French and German models would fit Hungary's tradition better than the American model when it comes
› the problem of whether a certain kind of elite needs to be protected and
›roduced.

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