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A COMPARATIVE ANALYSIS OF HUNGARIAN
AND POLISH ECONOMIC REFORM THEORIES

1. Introductory remarks

A comparative analysis of Hungarian and Polish reform theories and reforms premises to yield very interesting and exciting results. However, I would like to stress in advance that my thoughts are not so much the products of a thorough analytical research, as they are work hypotheses.

First of all, I would like to discuss the system of political conditions of economic reform ideologies. It is regarded as a common place in the course of current reform debates and analyses in Hungary that the Hungarian economic leadership had decided to elaborate and realize economic reforms always in an economic, or political crisis situation. This applied to the 1954 draft government programme commissioned by the government of Imre Nagy after economic growth came to a sudden stop in 1953 - that draft fell victim to another change of political power relations, the strengthening of the Rákosi-Gerő group again, so that it was shelved without any discussion. The same happened in 1957, when the newly installed government appointed an Economic Reform Committee. Its proposal was equally disregarded, and its members became target of renewed "anti-revisionist" criticism, so it was only in the first half of the 1960s that another halt to economic growth, also afflicting the other small CMEA countries, as well as the vanishing of the illusions cherished by the "Great Leap Forward" in China put the issue of economic reform into lime-light again. Those years marked a period of economic reform attempts in the whole socialist community. Following the reform of economic management in 1968, as well as its partial reversal in the early 1970s, it was in another crisis situation that the "reform of the reform", the extension of the

reform process started in 68, was again placed on the agenda at the end of the 1970s.

However, it was much the same in Poland. Following the crisis of economic growth and the death of Stalin in 1953, there appeared in the press articles criticising the existing economic mechanism, and at their congress held in a heated atmosphere in 1955, economists demanded a correction of the economic system, a reform of the "economic model". The party plenum in October 1956 created new political conditions, and an Economic Council was set up headed by Oscar Lange, the economist of an international fame and also a member of the party's Central Committee. The Council functioned parallel with the Hungarian Reform Committee, therefore their proposals represent an important basis of comparison.

Contrary to expectations, Wladyslaw Gomulka did not support the idea of reform which in this way - although, some partial measures of rationalization were introduced - soon became a lost illusion. In 1964, the year of the party congress, a new economic reform, or "the continuous improvement of economic management" was announced. That process can also be compared with the Hungarian reform works of the time and thus important lessons can be gained.

Following timid initiatives and the political crisis in March 1968, another reform was announced already in November of that same year which was planned to be introduced on January 1, 1970. However, that reform - which could also be classified under the heading of "the improvement of management" - was swept away by the wave of strikes against the Gomulka leadership in the winter of 1970 /generated by public discontent over food price increases/.

In that political crisis situation, the new leadership - in addition to many other things - again promised a new reform pointing beyond the Gomulka reforms. However, the Szydlak Committee was dissolved in 1973 without any discussion of its proposals at an authoritative forum. The so-called WOG reform introduced afterwards brought no basic change.

Actually, the postponement of the reform was the reason behind the evolution of the crisis - the gravest of its kind

in Poland's history after 1945 - in the late 1970s. Following the changes in August 1980, the new leadership set up an official reform committee.

2. An outline of the history of reform ideas

Let me review now briefly the history of reform ideas. First of all, it has to be emphasized that in the previous political practice of the CMEA countries, open reform debates could generally be conducted only with the approval of the political leadership following the announcement of expression by the leadership of its reform intention. In Hungary in 1954-56, some of the political leaders supported reforms, whereas others were opposed to them, and the publications reflected the changes of power relations.

This statement is not contradicted by the fact that during the reform debates such ideas were also published which were not shared by the political leadership. The debates in Poland after August 1980 partly emerged in a spontaneous manner, and the leadership gave its approval to them following the events. This also applies to the other socialist countries.

Another important characteristic of the reform debates is that while they might take place in public, in reality, they often took place with the exclusion of publicity. There were in-between cases when after a preparatory phase, the debates were made public only later. There are also differences concerning the scope of ideas and economic schools taking part, or allowed to take part in the public debates. The greater the public control of the preparation, and then of the realization of the reforms was, the bigger the chances of a really professional reform breaking with the former mechanism were. I am not to say that other factors - of a historical, power sociological, ideological, historical, etc. nature - did not have an influence on the development of reforms.

In this respect, in the period between 1954 and mid-1957, the two countries showed similar characteristics: up to 1956, the advocates of reforms also appearing publicly represented only the top of the iceberg. This became clear in Hungary in October 1956 and partly also after that, and in Poland after

the October plenum. The debates in Poland could last longer, and the participants there did not have to suffer later the crusade of "anti-revisionist" criticism what their Hungarian colleagues had to, especially after June 1957.

The reform debates in Poland in the 1960s and 1970s were characterized by a certain degree of publicity as there were occasional critical articles in the professional press, however, no continuous and authentic reform debate could develop. And after the dissolution of the Szydlak Committee in 1973, there was no room for any article critical of the mechanism as a whole - even if only from a technocratic point of view - in the professional press. That was preceded by an anti-semitic campaign developed in the wake of the political tension in March 1968, which seriously weakened the intellectual continuity of reformism. On the other hand, the debates conducted after August 1980 were characterized by an openness unprecedented in the socialist countries: the representatives of every existing trend were granted free scope to advocate their respective ideas.

In Hungary, the "anti-revisionist" campaign also meant that, the programme of a radical transformation of the economic mechanism was struck from the agenda.

The new reform wave started in the wake of the CC resolution in 1964, first without involving the public. In the summer of 1966, there was another CC resolution codifying the main principles and philosophy of the reform. That constituted the basis of the 1968 reform. Following the CC resolution, the idea of reform also appeared in the professional and daily press. However, since the basic principles had already been laid down in the resolution, one could not speak of a real public debate in this case either. Interestingly enough, publicity was granted to reform ideas which drew attention to the inconsistencies and inherent contradictions of the 1968 measures. A major characteristic of the latest debates started at the end of the 1970s is their basically public nature.

It can be seen that the economic debates substantiating the reforms have always been rather policy sensitive. The next question to be studied is whether economic science, a better

knowledge of the system of planned economy has contributed to the debates? Furthermore, whether knowledge accumulated in the earlier reform debates has been transmitted to later periods? And whether there has been any sign of an ideological historical progress, a process of learning in the successive reform endeavours?

3. Economic science and reform debates

First of all, it should be established what sort of intellectual traditions reformers in the different periods relied on. Concerning the participants of debates in Hungary in the 1950s, László Lengyel outlined their traditions at a conference of young financial experts at Esztergom in 1982. According to his analysis, basically three trends could be identified in those debates and their representatives constituted the Reform Committee. The author identified one trend with the representatives of the Keynesian school of economics in the inter-war period. The most noted figure among them was István Varga, the head of the Committee. The second trend was represented by economists advocating statist views and also elaborating the Gyor programme. Whereas the third trend was constituted by the Marxist economists /mainly coming from among the Jewish civil servants of the pre-war period/, as well as members of the economic apparatus who were turned into reformers by their experiences gained from the practice of the 1950s. Their most outstanding representative was naturally György Péter, then the President of the Central Statistical Office, whose work as a reformer was of international importance. At the same time, Lengyel drew attention to the fact that the representatives of liberal economic philosophy had almost completely been missing from the inter-war period.

The Marxist trend can also easily be identified in Poland: its most noted representatives were Brus and Lange - the latter being a Marxist economist of international significance already in the 1930s. The most outstanding figure among the post-Keynesian /or rather quasi-Keynesian/ thinkers was Czesław Bobrowski, a former expert of the Socialist Party, who became the secretary of the Economic Council in 1957.

In addition, in Poland there was also a trend that could be described as christian-liberal, and its significant representative Stefan Kurowski was even granted publicity for a short period of time in 1957.

The debates in the 1950s were jointly formed by intellectual traditions and the existing conditions. I regard the works of Gyorgy Péter and Brus as real scientific achievements. By the late 1950s, Brus completed his book on "The general problems of the functioning of the socialist economy." Disregarding the political sphere in it, he tried to describe the centralized and the decentralized model of the state sector. Later Hungarian authors, and even the elaborators of the 1968 reform drew a lot from Brus's ideas, and it took rather long until those ideas were scientifically exceeded.

What were then the similarities and the differences between economic debates in Hungary and in Poland in the 1950s? The two authors mentioned above reached the ideas of turning the state sector into quasi-market one. According to their idea, state regulation would create such conditions for the companies which would practically substitute, or simulate market impulses. Regarding internal consistency and pragmatism, the achievements of Hungarian authors would seem to be better in this respect. Actually, this also holds true of comparing the two authors in question. Gyorgy Péter primarily started out from the characteristics of the functioning of planned economy, whereas in aware of the deficiencies of that functioning, Brus tried to apply the Marxist theory at the level of political economy. The latter method proved to be less suitable to correct the set Stalinist theses. The ideas of the two authors were not the independent thoughts - isolated from the processes - of individual geniuses, much rather they were formed in heated debates. The stands were shaped and polished by the 1954 draft government programme, the various ministerial bodies and committees, and the programmes of the workers councils of October and November 1956 in Hungary, and by the 1955 congress of economists, continuous professional debates and also the proposals of the workers' councils in Poland. Although, the different committees also made proposals - what

is more, one of the two subcommittees of the Economic Council headed by Kalecki was supposed to elaborate the government's economic policy in Poland - the reform plans almost exclusively dealt with the internal transformation of the state sector. At the same time, they treated the sector as a closed entity. That approach had a considerable impact both on later reform plans, and the development of economic science itself.

4. Concepts of reforming the state sector

Two possibilities of reforming the state sector were outlined. According to the one that dominated the debates in Hungary, much of the decisions would have been transferred from the state bodies to the companies - while maintaining the centralization of investments regarded as a key issue from the point of view of structural policy. The planned character would have been preserved by the state through applying "economic" means. And in the last resort, the state ownership of the production means would have been the guarantee. Naturally, several of the Committee members themselves were opposed to that philosophy. This time, I do not wish to analyse the reasons behind that opposition.

The debates in Poland centered around - what would be termed today - the "socialization" of state property. That time, this was less elaborated than in the debates in 1980-81 - the 1957 theses of the Economic Council did not reveal what would have been the distribution of functions between the state bodies and the elected company bodies.

At the same time, the economic conditions - such as price formation, company taxation, etc. - were also sketchy. Nevertheless, the programme of uniting the companies into associations was raised to the status of economic reform, and it was realized by the state apparatus between 1956 and 1958. Although, the dissolution of the industrial directorates was undoubtedly a progressive feature of that measure, the establishment of monopoly organizations as part and precondition of the reform must under any considerations be regarded as a serious shortcoming and infantile disorder of the reform. /A similar point of view was represented by Csikós-Nagy in the Hungarian debates/.

At the same time, the basic features of another tendency represented by Kurowski and Popkiewicz also emerged: it can be called free market /wolnorynkowiec/ trend. Kurowski envisaged most consistently the basing of property on workers' councils. Also, he regarded state intervention in economic processes as especially harmful. He compared it to the attempt to make a river change its course. That trend was sharply criticised by Brus and Mieszczankowski in the professional press, so that it was never ever granted greater scope. In the debates after August 1980, trends very close to that one became the most popular in the polyphonic chorus of reform.

However, the 1957 reform also ran aground in Poland, and thus the country lost an incredible chance: the international political conditions of introducing the reform had perhaps never been so favourable than at that time. Historians of our age have not yet come up with any explanation of the reasons behind that failure. However, the recollections of Czeslav Bobrowski and Andrzej Werblar seem to support the hypothesis that the anti-reform stand of the party first secretary was the decisive reason.

Against the present background it may sound strange to state that up to the mid-1960s, the Polish economic leadership had been more professional than the Hungarian. I would stress three moments: by sustaining - even if not promoting - private plots, agriculture could more steadily develop until about 1965; even if the reform was not introduced, several measures of decentralization were taken in the state industry; and finally, economic policy paid attention to balance considerations to a much greater extent. As a result of all this, the average standard of living was higher in Poland than in Hungary at that time. The outstanding Polish economists of the time - even if their opinions were to a decreasing extent taken into consideration - left their card on the table of economic policy.

5. Economic reforms in the second half of the 60s

It is against this background that an answer is sought to the question of why Hungary /and Czechoslovakia/, and why not Poland reached a decision on taking radical reform steps in the second half of the 1960s?

There are three main directions of attempts at making an analysis. The first starts out from the differences of destalinization around 1956 /here one can primarily refer to Francois Fejto's *The History of the People's Democracies*/. Accordingly, the events of 1956 in Hungary simultaneously excluded from the political arena the party's external enemies and the formerly compromised leaders, the so-called left-wing. At the same time, the political position of Gomulka who came to power in Poland with the help of a popular movement was much more complicated. On the one hand, the groups and institutions /church, universities, etc./ independent from the party did not automatically disappear from the political scene, and on the other, October 1956 in Poland did not mean the same caesura in the party's life as it was the case in Hungary. Therefore, there was no stable political situation required by the introduction of reforms from above. In Hungary, 1968 was the year of reform, in Poland it was the year of student demonstrations and, in their wake, of official anti-semitic manifestations.

Another approach places emphasis on Gomulka's basically anti-reform attitude in this respect as well. And finally, one may choose as a starting point that - due to the moderate and careful economic policy - the crisis of growth after the following of the great leap forward shook Poland to a lesser extent than Hungary, or Czechoslovakia. Therefore, although the international conditions of reform were again favourable in the mid-1960s, the internal demand was unfortunately late in Poland. August 1968 changed the international system of conditions of reform, and the postponement of transformations plunged the country into a political crisis by 1970.

Let me return to the problem of whether the successive reform movements had drawn from the earlier debates and the experiences of the other countries, and whether they had brought any new scientific results?

With regard to the 1960s in Hungary, one might roughly say that even if there had emerged new elements enriching the picture of the desired system of goals, the ultimately introduced reform brought nothing basically new compared with the proposals elaborated by the Reform Committee in 1957. Therefore, 1968 should be evaluated not as a marker of scientific achievement, but as that of political courage. Concerning the independence of economic units, it went further than any previous and later reforms in Eastern Europe, except for the Czechoslovak experiments in 1967-69, but the result of comparison is not unequivocal in that case either. At the same time, and I would rather stress this point, the 1968 reform also shared the mistakes of the 1957 one.

In the first place, it again failed to provide a greater scope for the effectiveness of the legal private sector /except for the development of household plot activities starting afterwards/. Since it treated the state sphere as a closed entity, it did not attribute adequate significance to reforming the mechanism of foreign trade either. Maintaining the earlier view, it continued to place emphasis on the centralization of the investment system. And finally, it left the hierarchical state apparatus, the institutional system above the companies untouched.

Was continuity realized with regard to the "champions" of reform as well? In my view, it was. The most authoritative reform advocates - also accepted by the economic leaders and public - were more or less the same people who had sat there on the Varga committee in 1957. However, their views had changed - whereas the views of Péter represented extremism in 1957, they were also included - even if in a somewhat contradictory form - in the philosophy of the CC resolution adopted in June 1966. This could only happen as the other reformers moved towards the idea of "regulated market". And one of the main reasons behind the fact that the reform debates in the 1960s did not basically point beyond the 1957 framework was the continuity of the reform regarding personal aspects. Later on, I shall also discuss how the change of the functioning of the economy really looked like.

Viewing the official press, the continued existence of the reform idea in Poland in the 1960s looked much less intensive. It is also worth mentioning that reform philosophy had even less lasting effects among the apparatus of economic management.

It is interesting to compare the Hungarian CC resolution in June 1966 and the Polish CC resolution in July 1965. Both were devoted to timely reform measures in the two countries respectively. Since on this occasion, there is no possibility to give a detailed analysis of the two documents, I would only pinpoint that whereas the Hungarian party resolution spoke of the establishment of a "regulated market"; of the unity of plan and market, the Polish document only mentioned the "application of economic means, the continuous improvement of "the system of planning and control". As a result, it stood up for gradualness in the realization of the reform and denied the linking of the reform to a concrete date.

In contrast to that, the Hungarian party resolution started out from the fact that the elements of the new system could only exercise their effect in interaction with each other, therefore it set a concrete date of introducing the reform. At the same time, it did not exclude the possibility of later continuous corrections. In order to ensure a planned character, the Polish document envisaged a much wider extent of plan directives in the realization of "a certain indispensable part" of the tasks as the Hungarian document did. The Hungarian resolution emphasized income interest, whereas the Polish one laid stress upon the indicator of profitability. A very important common characteristic of the two documents was that none of them envisaged organizational decentralization, as a matter of fact, the Polish one would have granted the associations several rights of decision.

As much as the Polish document was wary of market regulation, so much it trusted the application of mathematical methods advancing at a rapid rate at that time. It spoke of the necessity of applying optimum calculation and mathematical programming.

The events of 1968 seem to have represented a real blood-letting concerning the continuity of Polish reform idea. At the same time, as indicated earlier, public debate over the reform was limited during most of the 1970s. Whereas Hungarian economic thinking made up leeway exactly in the 1970s. Actually, it produced results which were novel contribution to socialist system research. Here it is enough to refer to Kornai's two books, and the works of Bauer, as well as Gábor and Galassi published in 1981.

I would only note here that the later reform debates have considerably drawn from economic research in the 1970s, and thus they have raised the debates over the reform to a higher level. The inclusion of the problem of the institutional system reflects a progress in views and attitudes.

6. New trends in economic thinking

The same period marked the renewal of reform debates in Poland as well. In this respect, I regard it as a decisive momentum - which cannot be disregarded in Hungary either - that there has grown up a generation that is less bound by doctrines and former stereotypes. The draft of the team of "thirty years old" shows that they have started out from the experiences of an empirical knowledge of planned economy. Their draft published in the autumn of 1980 extended and made more consistent the reform model of "regulated market" with a series of new elements. It tried to solve the problem of placing the banking system into a market environment, and of capital flow between economic units. It took a stand on the equal conditions of different kinds of properties. It discussed the importance of antitrust legislation to combat the distortion by the monopolies of the functioning of the market. It defined in a more accurate form the principles of transforming the levels of control over the enterprises in order to eliminate "the sectoral disintegration of the economy" /and one might add: its territorial disintegration as well/. It represented the most consistently detailed proposal concerning the enterprise tax system. Even the chapter on foreign trade - in accordance with traditions, the most neglected part of

the draft - pointed towards the dissolution of the system-specific autarchy of the economy. Under the effect of social demands, the authors gradually gave priority in their alternative proposal to the self-management version.

With regard to the problem of self-management, it has to be noted here that although after 1956 the Polish worker's councils were gradually transformed and turned into formal in the system of KSR /worker's self-management conferences/, their traditions - because, unlike in Hungary, they had not lost their legitimacy - have survived in professional public opinion in Poland. The social conflicts in 1970 and 1980 also underlined the topicality of this issue. At the same time - due to no small extent to the start made in 1956-57 - the Hungarian economic public had until recently viewed reforms of this type with scepticism.

Under the effect of social demands, the Polish economic government also envisaged in its programme a significant increase in the sphere of authority of the worker's councils. Józef Pajestka is obviously right to state that the official reform plan of July 1981 has been the most extensive of its kind. Naturally, this does not overshadow an other question whether - taking the scale of the economic crisis into consideration - the reform plan was radical enough?

In the course of the reform debates in Poland last year, the recurring problem of sudden, or gradual reform gained a new content. That lay in the fact that the extent of the crisis required extreme measures which, however, were contradictory to the logic of the reform. That was not the case in 1957 and the mid-1960s, or around 1971. The question is that what sort of temporary mechanisms should be put into operation so that the emerging reform would not be crushed at birth. The government committee and the leader of the work-team of "thirty years old", Balcerowicz outlined characteristic viewpoints. The differences of the two concepts boil down to the fact that Balcerowicz wished to elaborate institutionalized guarantees to gradually reduce the temporary measures. He also stressed the establishment of control over the temporary measures. And in his view, the conditions of competition could

be introduced in a much wider sphere of the economy than envisaged in the government programme. The issue of limited import materials is a characteristic point in question: whereas the government programme only discussed the necessity of their temporary central allocation, Balcerowicz regarded it as justified only for a limited period of time, and only in the case of a few types of materials determined by the Sejm. By the way, the latter solution would also have /have had/ the advantage that the real exchange rate of the Zloty was formed on the market of import goods, and thus convertibility - an important element of the reform plans - represented a goal easier to attain.

An interesting aspect of the Polish reform debates is that two of the trends of 1957 reappeared on the scene - though with changed programmes. Ryszard Bugaj, the most significant representative of the trend hallmarked by the name of Brus, expressed the view that there was need for a profound reform of the political and economic institutional system. He supported the idea of worker's self-management, what is more, in his concept the representatives of self-management would have constituted the lower house of parliament. In this way, his views represented a consistent programme of institutionalizing direct democracy. On the other hand, he advocated that the market model was a 19th century invention and it had to be dealt with accordingly. The other opposition view was again represented by Kurowski within Solidarity's staff of experts. He repeated his call for the withdrawal of the state and the central bodies from the economy.

7. Concepts of economic reforms and their practical implementation

Approaching the concluding part of my lecture, it is also appropriate to raise the question of what has been realized of these reform plans? Once again, there is no time for a detailed analysis, so let me share with you a few thoughts concerning 1968 in Hungary and 1982 in Poland. Speaking on Radio Warsaw last autumn, Pajestka expressed the view that the Polish reform to be introduced was more courageous and

consistent than both the Hungarian one of 1968, and the Yugoslav model of self-management. What changes has the reform undergone since then?

First of all, under the state of emergency, the bodies of worker's self-management have been suspended and they could restart functioning only at a very slow pace and on the basis of special individual permissions. As a result of this, and also due to the political situation, the worker's councils fail to perform their formerly envisaged functions, their sphere of authority in reality diminishes compared to the provisions of the law on self-management. The reform of the institutional system is also much more limited than it was expected - many associations /zjednoczenia/ have been made exempt of dissolution, whereas the ones dissolved have been replaced by so-called voluntary unions /zrzeszenia/ in a basically unchanged structure. The sectoral disintegration of the economy continues to exist.

As it was pointed out by many, out of the three "S"-es only one remained: self-financing /samofinansowanie/. It remains to be seen whether in the present uncertain situation the leadership will manage to reduce the system of material allocation appearing in operative programmes, as well as price regulations which - contrary to original intentions - have become wide-spread, and whether under the conditions of a lack of external economic balance, the means of import competition will be applied? Or, the country will backslide into the rigid system of breaking down the plan?

The possibility of a third, interim alternative cannot be excluded either. Let me start out from the fact that the all-embracing and comprehensive system of plan bargain - covering every state economic unit and appearing in the form of plan directives - was abolished in Poland on January 1, 1982. Within the CMEA, earlier this only happened in the Hungarian reform of 1968. At the same time, exactly through the operative programmes and other channels, there emerged at an incredible pace and - it would seem - became general a phenomenon what László Antal described as the institutionalization of the "regulation bargain". This hypothesis seems to

be supported by the fact that the role of the Ministry of Finance - as it also turned out in the parliamentary debate over the 1982 budget - very much resembles to the attitude of the Hungarian financial authorities in the second half of the 1970s, when their prime endeavour was to curb company profits. Therefore, the companies cannot feel a stable economic environment around them. What is described as a "bank dictatorship" in Poland these days also works to this effect. However, the economic philosophy corresponding to the system of breaking down the regulations has also appeared in the economic apparatus. This especially holds true of the apparatus of the reform committee.

Can these phenomena be regarded as favourable? Hungarian experiences have shown that although the institutional system of regulation bargain helps establish a flexible relationship between the companies and the central bodies, it fails to bring about a basic change in the capacity of the economy. And it should not be forgotten either that due to its relatively small size, the Hungarian economy is more suitable for such regulation of an informal character, even if - as it occurred in Hungary after 1980 - the sectoral ministries are eliminated from the chain of control. In Poland, if such a mechanism were established, the sectors could not be dispensed with and that might prove to be a further conserving factor.

However, the relative advantage of the performance of the Hungarian economy after the reform can in the first place be attributed not to the years long transformation of plan bargain into regulation bargain, but to an indirect factor. The economic reform has considerably freed the labour market and all those forms of economic activity which are described by the Hungarian economic literature as phenomena of the secondary economy. One of the most important events that took place in the Hungarian economy in the 1970s was the development of the legal and illegal private sector which usually constitutes an integral part of the state sphere. That development was embodied by the household plot activities, popular services performed in the framework of secondary employment, the establishment of systematic forms of private housebuilding,

auxiliary plants, etc. An ever increasing ratio of the population counted to an ever increasing extent on such additional sources of income. At the same time, the economic leadership also learned to live together with private economic activities that cannot directly be regulated. Although, private economic activities were also on the increase at a large scale in Poland, I tend to share the hypothesis that their connection with the state sector was less fortunate than it was in Hungary. As no Polish research finding on this question is at my disposal, I have to rely mainly on intuitive conclusions. I would refer to two moments. One is the much higher ratio in Poland of private economic activity which had no impact on the national economic balance - or indirectly had also some negative influences - /I mainly have in mind free currency transactions and illegal labour abroad/, and the other is the much higher ratio of the non-productive, commercial speculative private activity generated by shortage. It would deserve a separate study to make a comparative analysis of agriculture in the two countries. I guess that large-scale farming in Hungary was in a sense much more "private" in the second half of the 1970s, than the formally private Polish agriculture. The processes described above have also had a basic impact on the development of social structure in the two countries.

An observer of the Polish reform cannot avoid to raise the question: does not, the economy continue, to become increasingly private in Poland these days? Since the private economy is guaranteed a possibility of free development, and it is promised a better supply of credits and production means, as well as equal treatment with the social sector /it is true, however, that the spectre of introducing compulsory delivery is also haunting/. Foreign and domestic capital can operate on the Polish market under more favourable conditions than the state enterprises. Smallscale industry and agricultural state farms were among the first sectors where the reform was introduced, thus providing more favourable conditions of operation in those spheres. On the other hand, due to the considerable price increases, the population is compelled to

look for additional sources of income. The longer term /from 1968 to 1982/ statistical data seem to prove this hypothesis.

Kalman Mizsei

Porównawcza analiza węgierskich i polskich teorii reform
ekonomicznych

K. Mizsei dokonuje w swoim opracowaniu porównawczej analizy węgierskich i polskich koncepcji reform gospodarczych i ich realizacji w praktyce. Dowodzi On, że problem reformy gospodarczej był podejmowany w warunkach ekonomicznego i politycznego kryzysu. Doświadczenia wynikające z prób podejmowania reform, jak i doświadczenia funkcjonowania gospodarek planowych były uogólniane przez naukę ekonomiczną. Skutkowało to w podejmowaniu prób reformatorskich w bardziej dojrzały sposób. Znaczącym momentem, zwłaszcza w doświadczeniach polskich, jest ujawnienie się nowej, młodej generacji ekonomistów wnoszących swój istotny wkład do koncepcji reform gospodarczych. W końcowej części opracowania Autor podejmuje praktyczne aspekty reformy gospodarczej na Węgrzech i w Polsce na początku lat 80-tych.