

Consolidating Democracy: Civil Society and the Dilemma of the Double Transition

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ABSTRACT

This thesis argues that a strong associational sphere is critical to the survival of nascent democracies. Concomitantly, this thesis contends that neo-liberal informed economic shock therapy, because of its destructive impact on the social conditions that facilitate the vibrancy of civil society, imperils the likelihood of democratic consolidation in Eastern Europe.

To illustrate these arguments, this thesis focuses on the experience with shock therapy and the transition to democracy in Poland and Hungary. For several reasons these two countries are compelling case studies. In addition to being the two East European countries where a critical public sphere showed the greatest resilience under communism, nowhere else in Eastern Europe has shock therapy been applied so forcefully and so quickly upon the collapse of communist rule. For these reasons Hungary and Poland offer a persuasive case for the argument about the link between democratic consolidations and civil society.

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Chapter 1

Introduction: Civil Society and Democratic Transitions

In the first decade following the collapse of communism in Eastern Europe, the general euphoria which greeted the transition to democracy and the free market in the region has devolved into a widespread disinterest and alienation that is evinced by popular disaffection with liberal democracy and the popularity of its illiberal alternatives. This loss of momentum is especially troubling in light of the fact that not only did a vibrant civil society (the arena where social movements and civic organizations attempt to constitute themselves and advance their interests) ¹ survive in several East European countries, but it also provided “a principal impetus for the departure of the communist rulers.”² The empirical data suggests that many East Europeans – who so recently gained the chance for plural and competitive political systems – have turned against pluralism and tolerance because of the very pace of economic change, particularly change that is “all shock, no therapy.”³ Informed by the neo-liberal conception of the “proper” role of the state in the economy, the “therapy” imposed upon Eastern Europe has typically involved a hollowing out of the previously extensive social safety net, a de-regulation of consumer prices and the elimination of subsidies to industry.⁴ An increase in unemployment, poverty and income inequality has been the anticipated result of these

¹ Larry Diamond, Juan J. Linz and Seymour Martin Lipset, “Preface,” in Larry Diamond et al, eds., Democracy in Developing Countries: Latin America (Boulder and London: Lynne Reiner Publishers, 1989), p. ix.

² Daniel N. Nelson, “Civil Society Endangered,” Social Research, 63: 2 (Summer 1996), p. 349.

³ *Ibid.*, p. 352.

⁴ Neo-liberal thought, in greater vogue in the latter part of this century, owes much of its heritage to the work of Friedrich von Hayek, The Road to Serfdom (Chicago: University of Chicago Press, 1946) and Milton Friedman, Capitalism and Freedom (Chicago, University of Chicago Press, 1962). In general, neo-liberals view with disdain government intervention in the economy. The free market, neo-liberals argue, is

economic reforms. It is the main contention of this thesis that ‘savage capitalism’ – because of its destructive impact upon personal economic security and well-being – has endangered the nascent democratic consolidations in Eastern Europe because it has eroded the very space in which support for democracy is founded and maintained, and fostered social conditions most inimical to the social solidarity which is a requisite of a civil society.

Economic shock therapy, or what Solzhenitsyn called ‘savage capitalism’, was proffered by influential policy-makers in the West, and increasingly in the former communist bloc itself, as the only alternative to a moribund model of state socialism. Liberal democracy – in the Western mould – it was argued, would be the eventual and natural progeny of the freeing of market forces. For defenders of neo-liberalism in the West, Eastern Europe provided the ideal opportunity upon which their vision of the pure market could be established, unencumbered by a discredited model of state interventionism. The outcome of this vast experiment has been met with alarm by neo-liberals and their critics alike. However, while neo-liberals are typically dismayed by the ‘impatience’ of East Europeans who are unwilling to suffer a generation of economic hardship and uncertainty, the concern of their critics lies in the impact of shock therapy upon the transition to democracy in the region. In Eastern Europe, in spite of the survival of a civil society that in many countries faced communist regimes that sought its destruction, civil society has not flourished in the conditions in which (in theory) it

vastly more efficient in its allocation of resources. Thus they typically favour a reduction of the state’s role in the economy vis a vis a reduction in state expenditures and taxation.

should thrive, namely the elimination of *official* restrictions on social organization and political participation. A vapid public sphere and the concomitant disaffection with liberal democracy do not, however, trouble all observers of Eastern Europe. Indeed, observers who share their understanding of democracy with Robert Dahl, Joseph Schumpeter and Bernard Berelson – who view a vibrant public sphere as inimical to the stability of the polity in the established liberal democratic states – are likely untroubled by the stagnant condition of civil society in Eastern Europe. In fact, given the apparent desire on the part of many East Europeans to return to a not entirely mythologized past, policy-makers throughout Eastern Europe have not only argued that an apathetic and atomized citizenry is a necessity at the present stage of the transition, they have also attempted to insulate government decision-making from popular pressure. Crucially however, even if one accepts as ideal the prescriptions of Dahl, Schumpeter, and Berelson, it does not necessarily follow that such prescriptions should be presupposed in states where democracy is not at all consolidated – where a rejection of politics may in fact precede a rejection of the entire democratic system itself.

In short, in a region as politically volatile as Eastern Europe, where as Hall points out, there is a strong tendency for “people to fly at each other’s throats,” it is critical that the conditions of social solidarity that favour an active public sphere are supported by policy makers in both Eastern Europe and those in the West whose aim it is to ease the transition in the region.⁵ A secure democracy requires a normative commitment to democratic forms of social and political participation as a means of involving the average

⁵ John A. Hall, “After the fall: an analysis of post-communism,” British Journal of Sociology, 45:4 (December 1994), p. 528.

citizen in the polity and concomitantly, securing the consolidation of democracy. The most visible manifestation of this participatory ethos is a vibrant civil society and the material basis of a vibrant civil society can only be sustained in conditions of economic security. The argument of this thesis is thus threefold. First, the thesis proposes that a vibrant associational sphere (or civil society) is critical to the survival of the democratic polity, especially in 'transitional' societies where a normative commitment to democracy has yet to be fully internalized by a majority of the population. Second, this thesis contends that the embryonic civil society that developed under the communists in some Eastern European countries is irrevocably weakened, and its further development impeded, by economic shock therapy. As such, the prospects for democratic consolidation are threatened. In concluding, this thesis suggests that an emphasis upon mitigating the severe pain of the transition to the free market – by means of a commitment to social welfare – and a recognition of the role played by social welfare in the development of citizenship and the revitalization of civil society, is the key to securing democracy in Eastern Europe.

The focus of this thesis is on the experience with shock therapy and the transition to democracy in Poland and Hungary. Several factors make these two countries compelling case studies. Foremost is the fact that Poland and Hungary are the two East European countries where a critical public sphere showed the greatest resilience and development under the communists. The presence of a vibrant civil society intuitively suggests that – if anywhere – the post-transition democracy should here be vibrant and strong. Moreover, unlike other states in Eastern Europe which have been virtually ignored

by the West, Poland and Hungary have managed to secure the bulk of the foreign investment and financial assistance offered to Eastern Europe. Upon the collapse of the Berlin Wall, many East Europeans expected that a flood of Western financial assistance would be offered to help ease the transition from ill-managed command economies. There was also a palpable sense in the region that Western assistance was due for their part in bringing about the collapse of communism. For most East Europeans such expectations were dashed. In the case of Poland and Hungary however, the considerable aid that was offered to the Polish and Hungarian governments was conditional upon the implementation of severe market reforms. Nowhere else in Eastern Europe was economic shock therapy applied so forcefully and so quickly upon the collapse of communism. As a result both countries have displayed a similar pattern of the marked de-mobilization of civil societies following the imposition of radical economic reform. They thus offer a persuasive case for the argument about the link between democratic consolidations and civil society. There are minor differences in the Hungarian and Polish experiences – most notably in the alignment of civil society immediately prior to the end of communist rule. It has been argued that there is a natural tendency for a civil society aligned against the state to collapse after the collapse of one-party rule.⁶ While the Polish case would immediately seem to support such an explanation, the Hungarian case demonstrates that the relationship between civil society and the state is largely immaterial to the post-transition condition of civil society. In Hungary a marked de-mobilization of civil society occurred even where the relationship between civil society and the state was not

⁶ See Michael Bernhard, "Civil Society after the First Transition: Dilemmas of Post-communist Democratization in Poland and Beyond," Communist and Post-Communist Studies, 29:3 (September,

antagonistic. Thus the differences in this case do not detract from the conclusion that the nascent democracies of Eastern Europe are endangered by the type of radical economic reforms imposed thus far on the region.

The development of the Polish and Hungarian cases in this thesis benefits from a vast academic literature on the pre- and post-communist condition of civil society in the former communist bloc. Especially useful among the accounts of the survival of civil society under communist rule is the particularly lucid article by Guiseppe DiPalma – ‘Legitimation From the Top to Civil Society’ – used in the second chapter. This thesis also makes use of a slowly growing feminist literature that offers a unique perspective on the cost of shock therapy on East European societies. The thesis must also rely for information on a perspective that both sees little that can be salvaged from the region’s communist past, and considers the current fears of East Europeans to be myopic. However, through a critical lens, this thesis attempts to evince the limitations of the liberal democratic perspective represented in these works to substantiate the argument concerning the danger of economic shock therapy and the value of civil society.

Chapter Overview

The following pages examine the key theoretical concepts used in the thesis, and provide a sketch of the tensions sometimes inherent in their use. First, an approach to democratization is presented in order to provide an analytical tool for understanding the issue of transitions to democracy. This discussion highlights the inadequacy of the contemporary theory of democracy, typified by the work of Schumpeter, Berelson and

Dahl, and typically espoused as a model of political development by neo-liberals for Poland and Hungary. It proposes instead a definition of democracy that emphasizes the importance of citizen participation and is, therefore not only more desirable generally, but also more attuned to the specific dilemmas of democracies in transition. Second, civil society is defined, and the historical development of the term is briefly sketched in order to highlight popular misuse of the concept and, most significantly, its relevance to the double transition to democracy and the free market in Poland and Hungary.

Chapter Two examines the historical context of the transition to democracy in the two countries. A general account of the consolidation of communist rule is followed by an analysis of the critical role played by 'civil society' in the eventual collapse of the communist regimes in each country. The bulk of the second chapter is devoted to this account. In addition, important similarities and differences in the Hungarian and Polish experiences are examined.

Chapters Three, Four and Five detail post-communist developments in Hungary and Poland. The third chapter details the institutional and social changes which followed the fall of the communist regimes and chapter four critically assesses the impact of economic re-structuring on stability and democratic performance in the two countries. Chapter Five contends that the path imposed upon Eastern Europe is by no means the only model available to policy-makers in the region, and those in the rest of the world who aim to ease the consolidation of democracy and the free market in the former communist bloc. Indeed, both the development of social citizenship in the West and the programme of the East European dissidents (specifically their use of extra-parliamentary forms of democratic participation as a means not only of affecting the course of state

policy but also as a means of making democratic participation more personally meaningful) are instructive examples of alternatives available to policy-makers. Finally, chapter six will attempt to tie up the disparate threads of the thesis to conclude that contrary to the assertion of neo-liberal policy-makers that economic re-structuring must occur before democracy can be made secure, the Polish and Hungarian experience suggests that economic reforms may in fact preclude the consolidation of democracy in the crucial short-term.

Before turning to a discussion of civil society and democratization in Poland and Hungary, it is first necessary to review the theoretical debate on 'transitions' to democracy.

II- Transition and Consolidation

There are as many definitions of democracy as there are types of democracy. Schmitter and Karl have suggested that "democracy does not consist of a single set of institutions..."⁷ It is thus useful to recall Schmitter's caveat:

Democracy is obviously a capacious concept that at times seems almost formless and certainly contentless. In the past there has been an incredible proliferation of suspicious adjectives in front of it: guided democracy, tutelary democracy, popular democracy, people's democracy... [all] thinly-disguised attempts to justify something that was not at all or only remotely democratic.⁸

⁷ Phillippe C. Schmitter and Terry Lynn Karl, "What Democracy Is...and Is Not" in Larry Diamond and Marc F. Plattner, eds., The Global Resurgence of Democracy (Baltimore: The Johns Hopkins University Press, 1996), p. 50.

⁸ Phillippe C. Schmitter, "Society" in National Research Council, The Transition to Democracy: Proceedings of a Workshop (Washington, D.C.: National Academy Press, 1991), p. 20.

The process of democratization (especially determining the point of its conclusion, i.e., ‘is it a democracy’) is thus clearly subject to intense academic debate. For analytical purposes (and for the sake of brevity) democratization can be usefully conceptualized as involving two distinct – but not autonomous – processes, namely *transition and consolidation*. A transition is merely the interval between one political regime and another, “delimited, on the one side, by the launching of the process of dissolution of a non-democratic regime and, on the other, by the installation of some form of democracy,” the return of authoritarian rule or the emergence of a revolutionary alternative.⁹ While a completed democratic transition is conceptualized as the defeat of the non-democratic regime, consolidation should be viewed as the acceptance of democratic norms and practices in political and social life by publics and other bodies (i.e., the military).

One theory of regime transformation contends that a ‘crack’ begins to appear in an authoritarian regime, and thus liberalization becomes possible, when the regime loses its legitimacy in society. Przeworski rejects this thesis because what such theories must necessarily defend, he argues, is that legitimacy is a necessary condition of regime survival. Przeworski suggests that the theory runs as follows: first, any regime needs support (or at least acquiescence) in order to survive and second, if a regime loses its legitimacy, it must produce it or the regime will collapse.¹⁰ However, the occupants of positions of power (especially in a non-democratic regime), contends Przeworski, are often “able to call upon others for defense by virtue of something else rather than the

⁹ Guillermo O’Donnell and Philippe C. Schmitter eds., “Tentative Conclusions about Uncertain Democracies” in Transitions from Authoritarian Rule: Prospects for Democracy (Baltimore and London: Johns Hopkins University Press, 1986), Part IV, p. 6.

¹⁰ Adam Przeworski, “Some Problems in the Study of the Transition to Democracy” in Transitions from Authoritarian Rule: Prospects for Democracy, Part III, p. 50.

belief in the legitimacy of this power.”¹¹ As such, the stability of a non-democratic regime is not dependent upon the legitimacy of the system, but the presence or absence of preferable alternatives, and in the absence of a real choice for isolated individuals, a regime cannot collapse ‘from below’: “...imagine that the authoritarian regime suffers a loss of legitimacy but no alternative regime is accessible, that is no coherent alternative is politically organized. What would happen? This is clearly a question open to and inviting an empirical investigation, but I do have a guess: nothing much.”¹² In sum, the threat of force is often sufficient to produce consent, and short of moments of true desperation, the threat is a sufficient substitute for ‘legitimacy’ or support.¹³ Therefore, the initial impetus for regime change does not typically come from below, Przeworski argues, but often from within the ruling bloc itself. The ‘Pandora’s Box’ metaphor, which has sometimes been used to describe the phenomenon, is obviously exaggerated, “given the ever-present possibility of selective repression or the broad-scale use of naked coercion to deepen and extend the exclusionary process.”¹⁴ Nevertheless, in spite of the fact that the regime reforms are rarely deliberate steps toward relinquishing power, crucially they do generate significant choices.¹⁵ Typically, the disintegration of non-democratic regimes from within assumes the form of liberalization designed to relieve pressure without altering the structure of authority, often involving a variety of policy and social changes: a relaxation of media censorship, the release of political prisoners, the introduction of some legal safeguards, the return of political exiles and, most importantly, the toleration of

¹¹ Ibid., p. 51.

¹² Ibid., p. 52.

¹³ Ibid., p. 53.

¹⁴ Robert R. Kaufman, “Liberalization and Democratization in South America: Perspectives from the 1970s” in Transitions from Authoritarian Rule: Prospects for Democracy, Part III, p. 94.

organized opposition.¹⁶ It is at this point, as regime transformations in Eastern Europe and earlier in Latin America suggest, that civil societies can play an important role; in what O'Donnell termed “the resurrection of civil society.”

Authoritarian regimes clearly atomize and de-politicize their respective societies. By means of “physical repression, ideological manipulation, and selective encouragement, they manage to orient most of their subjects toward the pursuit of exclusively private goals,” a result which is completely inimical to collective action.¹⁷ In effect, individuals “tend to withdraw into private pursuits and set aside, prudently ignore, or even forget their public and political identities.”¹⁸ However, once the government signals that it may be eliminating some barriers to collective action, the public spaces that the rulers initially tolerated suddenly expand as political identities re-emerge in the population.¹⁹ The forms that this explosion can take are inexhaustible: it might include the emergence of political parties pressing for more explicit democratization, “the conversion of older institutions, such as trade unions, from agents of governmental control into instruments for the expression of interests [or] the emergence of grass-roots organizations

¹⁵ Ibid., p. 93.

¹⁶ Linz and Stepan, p. 3 and O'Donnell and Schmitter, pp. 6-9. For example, Brazilian experiments with ‘guided democracy’ and ‘decompression’, in addition to the ‘political dialogues’ initiated by the Argentine military in the 1970s, are the principal illustrations of the destabilizing consequences of the efforts by military regimes to secure their authority by expanding links to civil society. See Kaufman, p. 93.

¹⁷ O'Donnell and Schmitter, p. 48.

¹⁸ Ibid., p. 48. Many feminist writers on the politics of democratic transition here part company with O'Donnell and other transition-democratization writers. What their analyses ignore, the feminists argue, is that women's movements managed to emerge in the depths of the Latin American dictatorships. While not always *overtly* political, such movements were not exclusively private either. The *‘Mothers of the Disappeared’* is an example that comes immediately to mind. See Jane Jaquette, ed., The Women's Movement in Latin America: feminism and the transition to democracy (Boston: Unwin Hyman, 1989).

¹⁹ Ibid., p. 49.

articulating demands long repressed or ignored by authoritarian rule...and so forth.”²⁰

While there does not appear to be any necessary or logical sequence to the emergence of these ‘spaces’, a characteristic of this stage in the transition is its precarious dependence upon arbitrary governmental power. Thus, progression in this domain is by no means irreversible. If however, the regime considers its liberalized practices as not too immediately and obviously threatening, then they tend to accumulate, become institutionalized, and thus more expensive to annul.²¹ Furthermore, as actors dare to exercise their rights without being sanctioned for doing so – as they were during the zenith of the authoritarian regime – then others are increasingly likely to do the same.²²

While liberalization does not necessarily entail democratization – as numerous abortive transitions have demonstrated – Przeworski has argued that democratization can evolve from the process of liberalization in two ways: through a negotiated settlement between the regime and the opposition (often referred to as a pacted transition) or through the outright collapse of the old regime. The East European revolutions of 1989-90 were more often concluded by the former means than by the latter.

Linz and Stepan contend that a democratic transition is only complete when sufficient agreement has been reached about the political process to produce an elected government. In addition, they argue that a democratic government must come to power as a direct result of a free and popular election and it must have the *de facto* authority to

²⁰ Ibid., p. 49. For a highly detailed account of the dynamics of the resurrection of civil society see O’Donnell and Schmitter, pp. 48-55.

²¹ Ibid., p. 7.

²² Ibid., p., 7.

determine policy free of interference from other bodies.²³ Thus constitutionalism, the rule of law, and a working consensus of the procedures of governance must be procedurally entrenched. This definition, Linz and Stepan argue, guards against the electoralist fallacy (the contention that elections are the sole requisite of the democratic polity). The utility of the dual conceptualization of democratization – that is that democratization entails two processes – is that it recognizes the fact that following a democratic transition, the new regime cannot necessarily be considered secure. A democracy can only be considered secure – or consolidated – when “democracy becomes routinized and deeply internalized in social, institutional, and even psychological life” such that it is “the only game in town.”²⁴ Psychologically democracy becomes the only game in town when the majority of the population evince the belief – even in the face of severe economic and political uncertainty – that any political evolution must occur within the parameters of legal and constitutional formulas.²⁵ As such three conditions are virtual definitional prerequisites of a consolidated democracy: constitutionalism and the rule of law, a political society imbued with a working consensus of procedures of governance (including a normatively positive appreciation of its core institutions) and a lively and independent civil society.²⁶ Correspondingly Linz and Stepan argue that the complementarity of these arenas is often ignored and they stress that no one condition can properly function without support from one or all of the others.²⁷

²³ Juan J. Linz and Alfred Stepan, Problems of Democratic Transition and Consolidation (Baltimore and London: The Johns Hopkins University Press, 1996), p. 3.

²⁴ *Ibid.*, p. 5.

²⁵ *Ibid.*, p. 5.

²⁶ *Ibid.*, p. 6.

²⁷ *Ibid.*, pp. 13-14.

The *complementarity* of these factors is of critical importance in the discussion of democratization in Eastern Europe because it has been mistakenly assumed that democracy will naturally follow a prolonged period of economic liberalization. As such, East European and Western policy-makers alike have shown a remarkable tolerance for developments that are markedly undemocratic. In addition to ignoring the social requirements of a vibrant public sphere, Hungarian and Polish policy-makers have sought to insulate economic policy-making from popular pressure in order that reforms can be implemented free from democratic interference. Policy-makers have – in effect – urged upon the region a model of democracy that in the West has been termed the equilibrium or elitist model of democracy. The fundamental characteristic of the model is its emphasis on limiting democratic participation as a means of securing political and economic stability. This is affected in the West, according to Schattsneider, by framing or constraining political debate such that a substantial proportion of the population – typically those who would most benefit by systemic change – do not bother to exercise their franchise.²⁸ Significantly, not only has the elitist model of democracy proved problematic in the West (in the type of inegalitarian society it has produced) but it also ignores evidence from countries further along the path of democratization (in Latin America) that suggests that there exists a marked correlation between the strength and autonomy of associational life and the presence and security of democratic rule.²⁹

²⁸ E.E Schattsneider, The Semi-Sovereign People: a realist's view of democracy in America (New York: Hold, Rinehart and Winston, 1964), p. 105.

²⁹ Diamond and Linz, p. 31.

A critique of the equilibrium model of democracy will be followed by an elaboration of a conception of democracy more suited to the particular uncertainty of a democratizing country.

III- Competing Models

The equilibrium model of democracy has also been labelled the pluralist elitist model, and its chief and most influential proponents have been Joseph Schumpeter, Bernard Berelson, and Robert Dahl. Schumpeter first articulated the concept in his 1942 book *Capitalism, Socialism and Democracy*. Schumpeter argues that democracy is not a normative theory of any particular means or ends: it is not a “vehicle for the improvement of mankind... nor even an instrumental value for the achievement of a higher, more socially conscious set of human beings.”³⁰ Democracy is, in his words, merely a political *method*, “that is to say, a certain type of institutional arrangement for arriving at political – legislative and administrative – decisions and hence incapable of being an end in itself.”³¹ In Schumpeter’s conception, both Pateman and Macpherson argue, democracy is simply a market mechanism, where the voters are the consumers, free to choose the products offered by risk-taking political entrepreneurs.³² One of the chief ‘accomplishments’ of his model, Macpherson contends, is its deliberate hollowing out of

³⁰ C.B Macpherson, The Life and Times of Liberal Democracy (Oxford: Oxford University Press, 1977), p. 79.

³¹ Joseph A. Schumpeter, Capitalism, Socialism and Democracy (Great Britain: George Allen & Unwin Ltd, 1959), p. 242.

³² Macpherson, p. 79. Carole Pateman, Participation and Democratic Theory (Cambridge: Cambridge University Press, 1970), p. 4.

the “moral content” of democracy previously articulated, for example, by J.S. Mill.³³ Mill, among others³⁴ argued that society “need not be and should not be a collection of competing, conflicting, self-interested consumers and appropriators” – the description of society articulated by his predecessors (including Jeremy Bentham and James Mill – and much later by Hayek and Friedman).³⁵ Democracy, by means of a practical (i.e., active) interest in government Mill argued, is the means to “a community of exerters and developers of their human capacities” and a more energetic people, advanced in “intellect, in virtue, and in practical activity and efficiency.”³⁶ Democracy in other words, is a means of improving the individual human condition and in the aggregate, society as a whole. Schumpeter, however, accords no central or privileged role to participation in the contemporary democracy. In this minimalist conception of democracy, Schumpeter limits the means of participation open to the average citizen to voting and private discussion.³⁷ Subsequent works by Berelson and Dahl follow Schumpeter’s analysis in minimizing the participatory elements of what they term the ‘classical’ theory of democracy (that envisioned by Mill and others who argue that democratic participation is a means to a greater end). In fact, these two authors argue that a dearth of popular participation is fundamental to the stability of the democratic system. Berelson, for example, proposes that because such stability depends upon the mitigation of conflict and the existence of a

³³ Macpherson, p. 78.

³⁴ Macpherson argues that all the leading English and American democratic theorists of the first half of this century share with J.S. Mill the same tone, ideal, and basic justification of their ideal democracies. See A.D. Lindsay, The Essentials of Democracy (London: Oxford University Press, 1935), Ernest Barker, Principles of Social & Political Theory (Oxford: Clarendon Press, 1951) and John Dewey, The Public and its Problems. (Chicago: Swallow Press, 1954).

³⁵ Macpherson, p. 51.

³⁶ Pateman, p. 53.

³⁷ *Ibid.*, p. 5. Both Pateman and Macpherson refer to the model as minimalist.

basic consensus, apathy and disinterest play a critical role in the maintenance of systemic stability.³⁸ Similarly Dahl contends that because, in his opinion, the majority of voters do not hold the “right” political beliefs, their apathy is a necessity. At the root of these contentions is the assumed irrationality of the average voter. Schumpeter argued that all empirical evidence points to the widespread irrationality of the electorate. Not only do individuals in general exhibit a “reduced sense of reality” and a “lower level of mental performance” in the political field but they often also succumb to “extra-rational or irrational prejudice and impulse.”³⁹ Berelson follows Schumpeter here and argues that contrary to the suppositions of traditional democratic theory, voting decisions are neither principled nor necessarily rational:

For many voters, political preferences may better be considered analogous to cultural tastes... While both are responsive to changed conditions and unusual stimuli, they are relatively invulnerable to direct argumentation and vulnerable to indirect social influences. Both are characterized more by faith than by conviction and by wishful expectation rather than predication of the consequences.⁴⁰

Dahl, in *A Preface to Democratic Theory*, also questions the degree of trust placed in the capability of ordinary citizens, especially those in the lower socio-economic groups. Empirical evidence, Dahl argues, suggests that it is in the lower classes that authoritarian

³⁸ Ibid., p. 7.

³⁹ Schumpeter, pp. 261-262. While the political preferences of the average voter maybe irrational, her political apathy, according to Dahl and Lipset, may in fact reflect the quite rational willingness on the part of the electorate to “delegate” its vote to others with whom a basic consensus of values is shared. In other words, when the average citizen votes she is likely to be irrational; when she does not the choice is a rational one.

⁴⁰ Bernard R. Berelson, et al, *Voting* (Chicago: University of Chicago Press, 1954), p. 307. Cited in Lee Ann Osbun, *The Problem of Participation* (New York: University Press of America, 1985), p. 4.

tendencies are most frequently found. According to Dahl, the threat posed to democratic stability by an active public is, therefore, patently clear.⁴¹

As critics like Pateman have argued convincingly, it is clear that the equilibrium model of democracy (or what she also calls contemporary theory) is not merely a descriptive account of the operation of modern democracies as its authors contend, but a normative model that “implies that this is the kind of system that we should value and includes a set of standards or criteria by which a political system may be judged democratic.”⁴² Such satisfaction is however, in part premised on a misinterpretation of the normative element of the *classical model* of democracy: “it was not primarily a descriptive theory as [its critics] imply, but... an essay in prescription.”⁴³ In other words, because democracy, as it presently exists in the West, is a relatively efficient system for maintaining stability and social peace, it does not necessarily imply that egalitarian and participatory models should not, or can not exist.⁴⁴ What Macpherson, Pateman, and earlier J.S. Mill recognized is that “low participation and social inequality are bound up with each other...”⁴⁵ In reference to the then 40 per cent (now closer to 50 per cent) of the American electorate that sees no value in participating in Presidential elections, E.E. Schattsneider contends that any expansion of the scope of the electoral system that would

⁴¹ Robert Dahl, A Preface to Democratic Theory (Chicago: The University of Chicago Press, 1956), Appendix E (p. 89).

⁴² Pateman, p. 15. Berelson, for instance, argues that the American political system “not only works on the most difficult and complex questions but often works with distinction.” Berelson, p. 312. It works insofar as elections are regular and party politics strong, argues David Reidy, but it has done so at the cost of public participation: “[democracy in the United States] has become a static end to be processed, a particular institutional arrangement reproducing itself, a commodity purchased at regular intervals.” David A. Reidy, Jr. “Eastern Europe, Civil Society and the Real Revolution.” Praxis International, 12:2 (July 1992), pp.175-178.

⁴³ Osbun, p. 52.

⁴⁴ Dahl, p. 150.

⁴⁵ Macpherson, p. 94.

bring in this "poorest, least well-established, least educated stratum of the community" would undoubtedly change the balance of power in the American polity against the establishment made secure by continued voter apathy and in favour of less marked social stratification.⁴⁶ Abstention, he argues, reflects the suppression of the options and alternatives that reflect the needs of the non-participants, not their ignorance or indifference.⁴⁷ Apathy, in other words, is not an independent datum.⁴⁸ If the elitist model was the only alternative to an authoritarian state of the type recently removed in Eastern Europe, then the case for the model espoused by Schumpeter, Dahl and Berelson, with its attendant inequality and apathy, would still be compelling. But that the model is "the only alternative has never been demonstrated; indeed it is hardly ever explicitly argued." Thus, as Macpherson contends, "little remains of the case for [the model] except the sheer protection-against-tyranny function."⁴⁹ In the West political elites have managed to find that remarkable equilibrium between inequality on the one hand, and systemic stability on the other. In Eastern Europe however, political apathy and social atomization have yet to produce the type of security of which Schumpeter, Berelson and Dahl are so enamoured. Marked inequality in fact, threatens to undermine the remarkable gains that have been made. It is for this reason that the region is in desperate need of an alternative to that offered thus far. Although neither J.S. Mill nor Pateman and Macpherson make specific reference to the term civil society, it is in reference to civil society that the value of a participatory society is most patently clear.

⁴⁶ E.E Schattsneider, p. 105.

⁴⁷ Ibid., p. 105.

⁴⁸ Macpherson, p. 88.

⁴⁹ Ibid., p. 91.

IV- Civil Society

While the term civil society is a centuries-old product of European political thought, it has, over the last decade, enjoyed renewed popularity. Moreover, while the concept is – as anthropologists and sociologists lament – an ideal of social life highly specific to European times and places, civil society is lauded by western and non-western scholars alike. However, notwithstanding its almost universal appeal, the term is confounded by tensions and paradoxes. In general, civil society identifies an arena in areas of social life “between household and state...which affords [the possibility] of concerted action and social self-organization.”¹ Moreover, there is an implicit normative element in all analyses of civil society that typically incorporates the term into some form of ideal and authentic democracy. Thus, in a minimal sense, it is argued that “civil society exists where there are free associations that are not under tutelage of state power.”² In a stronger sense, however, civil society is said to exist where the associations that constitute civil society can determine or redirect the course of state policy.³

Civil society (which typically encompasses a wide range of relationships and institutions, including, trade unions, voluntary associations, churches and the free market) is viewed principally, in its modern Western variant, as the antithesis of ‘the state’.⁴ Indeed, civil society is often defined in terms of simple oppositions: the state and the non-state or political vs. social power.⁵ The modern conception of civil society contrasts

¹ Christopher Bryant, “A Comment on Kumar’s Civil Society,” *British Journal of Sociology*, 44: 3, p. 399.

² *Ibid.*, p. 402.

³ Charles Taylor, “Invoking Civil Society” in *Philosophical Arguments* (Cambridge: Harvard University Press, 1995), p. 208.

⁴ Ellen Meiskins Wood, “The Uses and Abuses of Civil Society” in Ralph Miliband et al, eds., *Socialist Register 1990* (London: The Merlin Press, 1990), p. 63.

⁵ *Ibid.*, 63.

markedly with its treatment in classical political philosophy, where civil society was viewed as coterminous with the state. Before the mid-eighteenth century, in other words, civil society and the state were interchangeable terms.⁶ Here, the concept was used simply to draw the distinction between the ‘civilized’ and ‘uncivilized’ conditions of humanity: “whether in a hypothesized state of nature or, more particularly, under an ‘unnatural’ system of government that rules by despotic decree rather than by laws.”⁷ It was not until late eighteenth century Anglo-American political thought (specifically that of John Locke, Thomas Paine and Adam Ferguson) recognized the importance of guarding against the authoritarian potential of the state, argues Keane, that the two were conceptualized as different entities. Wood contends that it was the development of the capitalist economy that made possible the break in the historic equation of the state and civil society.⁸ Hegel saw, in this new sphere of social existence, the possibility of preserving both individual freedom and the ‘universality of the state’, rather than the subordination of one to the other.⁹ However, Hegel rejected earlier notions, in Paine and Ferguson for example, that civil society is naturally harmonious. Rather, he argues that the aggregation of self-interest in civil society makes it subject to serious conflict, and as such, contends that “civil society cannot remain ‘civil’ unless it is ordered politically, subjected to ‘the higher surveillance of the state.’”¹⁰

Keane contends that Tocqueville’s *Democracy in America* was the next major development in the philosophical treatment of civil society, in that Tocqueville attempts

⁶ Keane, John Keane, “Despotism and Democracy” in John Keane, ed., *Civil Society and the State. New European Perspectives* (London: Verso, 1988), pp. 35-36.

⁷ Krishan Kumar, “Civil Society: an inquiry into the usefulness of an historical term,” *British Journal of Political Science*, 44: 3 (September 1993), p. 376.

⁸ Wood, p. 62.

⁹ *Ibid.*

¹⁰ Keane, *Despotism and Democracy*, p. 52.

to draw attention to the implicit political dangers in the reasoning of Hegel. According to Tocqueville, the defence of state governance of civil society “in the name of universal interests is implicated in a dangerous development: the growth of a new type of state despotism which is popularly elected.”¹¹ Rather than advocate for the elimination of state power however, Tocqueville recognized that the growth and development of civil associations which lie beyond the control of the state is a crucial defence against political despotism. Herein lies the principal value, according to many observers, of civil society. There is a strong correlation – they contend – between the strength and autonomy of associational life and the presence and vitality of a democratic polity.

Civil society is lauded for two principal reasons: its pluralist and its educational functions. Perhaps the most obvious – and in liberal discourse the most often championed – value of civil society is its impact upon the exercise of state power. When civic associations organize in defence of their interests in a well-developed civil society (one characterized by a multiplicity of autonomous social organizations) a bulwark is constructed against despotic tendencies in political and also, incidentally, in associational life.¹² In other words, if society is at its most vulnerable when its constitutive elements are atomized, then “groups can easier hold their own and protect their interests vis-à-vis other groups in society and [significantly] vis-à-vis the organs of the state” when they are organized for collective action.¹³ The educational value of civil society is premised on the common-sense contention that a democratic polity cannot be sustained unless it is

¹¹ Ibid., p. 55.

¹² Axel Hadenius and Fredrik Ugglå, “Making Civil Society Work, Promoting Democratic Development: What Can States and Donors Do?” World Development, 24: 10, p. 1622.

¹³ Ibid., p. 1623.

supported in the hearts and minds of the people.¹⁴ Correspondingly, such support is dependent upon a populace socialized into democratic norms and practices through regular democratic participation so that democracy is given meaning in everyday life. Critically, the voluntary associations of civil society are said to reinforce democratic norms and practices, foster participatory orientations and political awareness, and draw out otherwise buried capacities for self-organization.¹⁵ Civil society is, in other words, an important instrument of democratic socialization and revitalization.¹⁶ Similarly, Tocqueville argued that civil associations are akin to “permanently open schools of public spirit, where all the members of the community go to learn the general theory of association.”¹⁷ As such, it is important to discount arguments in some analyses of civil society¹⁸ that explicitly or implicitly exclude non-political associations (such as self-help groups and sporting clubs) in their definitions of civil society. Significantly, what such contentions ignore is that casual associations (formed for the purpose of community self-help or support for example) also promote social cohesion, social participation, and co-operation in the local community, all of which contribute to democratic socialization and are thus crucial to the sustainability of democracy.¹⁹ In sum, the diverse elements of civil

¹⁴ Ibid.

¹⁵ Diamond and Linz, “Introduction” in Democracy in Developing Countries: Latin America, p. 31.

¹⁶ Ibid.

¹⁷ Seymour Martin Lipset, “The Social Requisites of Democracy Revisited,” American Sociological Review, (February 1994), p. 12.

¹⁸ Buchowski argues that the discrepancy can be accounted for by the fact that different areas of the social sciences understand and make use of the term ‘civil society’ differently. Specifically, the conflict here is between the definition typically used by the ‘political scientist’ and the definition used by anthropologists. Michal Buchowski, “The shifting meanings of civil and civic society in Poland” in Civil Society: Challenging Western Models, p. 80. Scruton for example, draws a distinction between ‘civil society’ proper, which denotes only those organizations that are of a strictly political nature, and ‘society’ which in his typology encompasses all other associations generally. Thus many forms of association (such as informal neighbourhood groups and sporting clubs) would fall outside of this definition of civil society. Roger Scruton, A Dictionary of Political Thought (London: Macmillan Press, 1983.).

¹⁹ Buchowski, p. 80. What this contention relies upon, however, is a conception of democracy and politics that challenges narrow and conventional views (i.e., *what* is political and *where* politics is fought). The

contentions ignore is that casual associations (formed for the purpose of community self-help or support for example) also promote social cohesion, social participation, and co-operation in the local community, all of which contribute to democratic socialization and are thus crucial to the sustainability of democracy.⁶⁸ In sum, the diverse elements of civil society, by retaining their independence from the state, can not only “restrain the arbitrary actions of rulers, but can also contribute to forming better citizens who are more aware of the preferences of others, more self-confident in their actions, and more civic-minded in their willingness to sacrifice for the common good.”⁶⁹

The disintegration of authoritarian regimes in Latin America and Europe has coincided with an interest in the role of civil society in democratic transitions. This contemporary revival of civil society has also coincided with the rise to prominence of neo-liberal political thought (which generally holds that the common good is best served by the uninhibited pursuit of self-interest). Concomitantly, an old debate about the theoretical treatment of civil society has been re-kindled. On the political right in Western Europe “civil society has been granted a kind of natural innocence and deployed as a

informal neighbourhood groups and sporting clubs) would fall outside of this definition of civil society. Roger Scruton, A Dictionary of Political Thought (London: Macmillan Press, 1983.).

⁶⁸ Buchowski, p. 80. What this contention relies upon, however, is a conception of democracy and politics that challenges narrow and conventional views (i.e., *what* is political and *where* politics is fought). The feminist literature is a rich source of information in this regard. In describing the experience of women’s community activism, feminist scholars describe what is for many a new and unique space for political learning: a space and experience which is ignored by narrow conceptions of ‘civil society’. For example, see Sara A. Radcliffe and Sallie Westwood, ‘Viva’: Women and Popular Protest in Latin America (London: Routledge, 1993) and Sheila Rowbotham and Swasti Mitter (eds), Dignity and Daily Bread: New Forms of Economic Organizing Among Poor Women in the Third World and the First (London: Routledge, 1994).

⁶⁹ Philippe C. Schmitter and Terry Lynn Karl, “What Democracy Is...and Is Not” in Larry Diamond and Marc F. Plattner, eds., The Global Resurgence of Democracy (Baltimore and London: The Johns Hopkins University Press, 1996), pp. 53-54.

poorly defined synonym for the market and other forms of ‘private’ life” which, because of their opposition to state power, are held to be inherently good.⁷⁰ Wanderly-Reis, for example, minimizes the ‘supposed incompatibility’ of democracy and the free market by emphasizing the “socially democratizing character of capitalism,” derived from “the (at least potentially) egalitarian principle of the market, which tends to erode those inequalities pertaining to the traditional world of status, ascription and domination.”⁷¹ However, the “conceptual portmanteau” that is civil society in its modern revisionist form, by indiscriminately lumping together “everything from households and voluntary associations to the economic system of capitalism, confuses and disguises as much as it reveals” for it serves to hide the corrosive contradictions which are apparent in the effort to consolidate democracy in both Latin America and Eastern Europe.⁷²

Significantly, the modern conception of civil society ignores Gramsci’s understanding of the term, which was “unambiguously intended as a weapon against capitalism, not an accommodation to it.”⁷³ What Gramsci recognized – and what makes his understanding more compelling than the modern liberal-democratic conception of civil society – is that the market is not a freely-formed association like any other: participation is mandatory on the terms required by the system. Thus, use of ‘civil society’ that equates the term with the free market or freedom in the marketplace is misleading because it fails to account for the ability of the capitalist system to affect the

⁷⁰ John Keane, “Introduction” in John Keane, ed., Civil Society and the State. New European Perspectives, (London: Verso, 1988) p. 13.

⁷¹ Fabio Wanderly Reis, “The State, the Market, and Democratic Citizenship” in Elizabeth Jelin and Eric Hershberg, eds., Constructing Democracy Human Rights, Citizenship and Society in Latin America, (Boulder: Westview Press, 1986), p. 122. Similarly, Yehudah Mirsky argues that capitalism creates the social space that makes democracy possible. Mirsky, p. 572.

⁷² Wood, p. 65.

exercise of personal freedom as significantly as the unbridled exercise of state power. Not unlike the modern liberal analysis of the state, Gramsci offered two basic concepts in his analysis of modern society: political society or the 'repressive apparatus' of the state (i.e., the 'government' or the 'state' in the modern liberal democratic conception) and civil society (or the private sphere as distinct from and opposed to the state).⁷⁴ However, unlike the modern scheme where the private sphere is seen as the exclusive terrain of the exercise and enjoyment of freedom, Gramsci argued that both civil society and political society exercise the same functions: that is while political society organizes force, civil society organizes consensus or hegemony by non-violent means in support of the groups that most prosper by the maintenance of the liberal capitalist state.⁷⁵ Thus civil society in the modern liberal state "is not some kind of benign or neutral zone where elements of society operate completely freely and openly."⁷⁶ Unlike freely formed associations of civil society, argued Gramsci, "laissez-faire liberalism... must be introduced by law, through the intervention of political power: it is an act of will, not the spontaneous, automatic expression of economic facts" or social will.⁷⁷ In their (mis-) use of civil society, liberal democrats also make (mis-) use of Gramsci's insights to deflect attention away from his demystifying critique of the liberal/ capitalist state.⁷⁸ What modern

⁷³ Ibid., p. 63.

⁷⁴ Esteve Morera, "Gramsci and Democracy," Canadian Journal of Political Science, 23: 1 (March 1990), pp. 27-28.

⁷⁵ Joseph A. Buttigieg, "Gramsci on Civil Society," Boundary 2, 22: 3, p. 5.

⁷⁶ Ibid., p. 27.

⁷⁷ Ibid., p. 28. For lucid accounts of the imposition of the capitalist system (or as Polanyi terms it, the self-regulating market) on Western societies, see E. P. Thompson, The Making of the English Working Class (London: Penguin Books, 1980) and Karl Polanyi, The Great Transformation (Boston: Beacon Press, 1957). Especially chapters 4-7.

⁷⁸ Ibid., p. 6. For example, in the New York Times Flora Lewis (Flora Lewis, "The Rise of 'Civil Society'," The New York Times, 25 June, 1989) makes use of an often-quoted passage from Gramsci as the basis for declaring that communism self-destructed because of its inability to create or accommodate civil society.

interpretations of Gramsci and modern use of civil society ignore is the fact that civil society is valuable conceptually and in effect precisely because it is a level of defence against the type of power and influence wielded by both the state and the capitalist free market. Indeed, this was recognized centuries earlier by Adam Ferguson (an important figure of the eighteenth century Scottish enlightenment). Ferguson argued that there is a conflict between the vibrancy of associational life and the power and influence of the market. This fundamental paradox between the individualism celebrated by the market and the necessity of some basic collective solidarity in the moral and political community⁷⁹ can culminate Ferguson warned, in what he termed a “civil society made to consist of parts, of which none is animated with the spirit of society itself.”⁸⁰ The free market, in other words, submits individuals to pressures that are inimical to the sense of social solidarity critical to the functioning of a vibrant civil society. Civil society – and by extension the democratic polity – thus requires the defence of forces that can resist the rapacity of the free market. Similarly, Arato and Cohen assert that a modern civil society can exist only where it is protected by institutional and legal guarantees that protect autonomous civil associations from colonization by the market and the state.⁸¹

Significantly when Gramsci is used exclusively (and complacently given the systemic problems of the Western democracies with which Gramsci was principally concerned) to explain what went wrong in the former communist bloc the effect in sum, “is to conceptualize away the problem of capitalism” by ignoring the “over-arching power structure and the ‘systemic coercions’ of the capitalist system “and its capacity to penetrate every aspect of social life”. Wood, p. 65.

⁷⁹ Chris Hann, “Introduction: political society and civil anthropology” in Civil Society: Challenging Western Models (London: Routledge, 1996), p. 4.

⁸⁰ John Keane, “Despotism and Democracy” in Civil Society and the State. New European Perspectives. p. 41. The individualism of what Tocqueville called ‘bourgeois’ society encourages a retreat into private life and an egoism opposed to all public spirit. Hall, After The Fall, p. 526.

⁸¹ Andrew Arato and Jean Cohen, “Civil Society and Social Theory” Thesis Eleven, 21 (1988). Quoted in David G. Anderson, “Civil Society: The Institutional Legacy of the Soviet State” in Hermine G. DeSoto and David G. Anderson, eds., The Curtain Rises (New Jersey: Humanities Press International, 1983), p. 80.

Nevertheless, the desirability of a participatory society is not an uncontested supposition. In contrast to those theorists that emphasize the communitarian conception of a civil society, are those ideas that emphasize the rule of law, political citizenship and the free market, framed in terms of individual rather than group or community rights as the sole requisites of a successful democratic polity.⁸² Notwithstanding the evidence that points to the danger of a vapid public sphere, typically neo-liberal observers of Eastern Europe maintain their doggedly held commitment to the belief that the free market can safeguard democracy in spite of the unattractiveness of the 'equilibrium' model of democracy where it has survived in the West. The following chapters will critique the outcome of liberal democratic-informed reforms and will offer a civil society-based alternative.

The next chapter details the historical context of the transition to democracy in Hungary and Poland. An account of the consolidation of communist rule is followed by an analysis of the critical role played by social forces in the eventual collapse of communism in the two countries.

⁸² Ralf Dahrendorf, After 1989: Morals, Revolution and Civil Society (Basingstoke: Macmillan Press, 1997), p. 114.

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UMI

Chapter 2 The Evolution of Civil Society in Poland and Hungary

I- Introduction

Cold War scholarship on East European societies under communist rule generally identified the ‘totalitarian-type’ states with the “obliteration of civil society and the total atomization of society.”⁸³ As DiPalma contends, however, such scholarship failed to distinguish between the aims of the totalitarian regimes and their actual accomplishments; that is, ‘totalitarianism’ in its real-life approximations was often confused with ‘totalitarianism’ as an ideal type.⁸⁴ During the openly terroristic phase⁸⁵ of the regimes the Soviet-type party-states were clearly able to penetrate all spheres of social life. However, as critics now point out, subsequent developments, particularly economic modernization, decreased levels of forced mobilization, growing consumption levels, and the depoliticization of the private sphere – in “a word, growing societal complexity – made the central control of all societal relations less and less plausible.”⁸⁶ Moreover, as other scholars recognize, the state monopoly of public discourse may have weakened

⁸³ Andrew Arato, From Neo-Marxism to Democratic Theory: Essays on the Critical Theory of Soviet-Type Societies (New York and London: M.E. Sharpe Inc., 1993), p. 314.

⁸⁴ Guiseppe DiPalma, “Legitimation from the Top to Civil Society,” World Politics, 44 (October 1991), p. 63. See, for example, Ana Maria Sandi, “Restoring Civil Societies in Central and Eastern Europe,” Futures (March 1992), pp. 110-117. Indeed, to many observers in the West, the demise of communism was unanticipated. As late as 1984, for example, Samuel Huntington argued that “the likelihood of democratic government in Eastern Europe is virtually nil.” Samuel Huntington, “Will More Countries Become Democratic?” Political Science Quarterly, 99 (Summer 1984), pp. 193-218. See also Jeane Kirkpatrick, “Dictatorships and Double Standards,” Commentary, November 1979, pp. 34-36.

⁸⁵ The Soviets were at their most openly ‘terroristic’ in their attempts, shortly after the end of WWII, to bring their satellite states firmly under Soviet control. Thus all domestic opposition was crushed.

⁸⁶ Arato, From Neo-Marxism, p. 315. See also Michal Buchowski, “From anti-communist to post communist ethos: the Case of Poland,” Social Anthropology, 2 (2) 1994. Buchowski argues that cultural and socio-economic factors impeded the consolidation of communism.

civil society, but it was also the pole around which intellectual dissent was mobilized.⁸⁷ Indeed, the expansion of the public political realm was the principal impetus behind the collapse of the regimes: “The philosophical study groups in basements and boiler rooms, the prayer meetings in church crypts, and the unofficial trade union meetings were seen as a civil society in embryo. Within those covert institutions came the education in liberty and the liberating strategies that led to 1989.”⁸⁸ Nevertheless, domestic resistance is an incomplete explanation of the fall of communism in Eastern and Central Europe, for it is owed as much to Moscow’s acknowledgement of the system’s material failure.⁸⁹ Moreover, the demise of communism was not a uniform process throughout the Bloc: the Polish and Hungarian cases are a clear example of this point. While pressure from below – from civil society – was a considerable factor in the collapse of both the Hungarian and Polish communist regimes, the dissident movements showed dis-similar patterns of development. In Poland, a widespread and influential civil society developed in marked opposition and in confrontation with the communist regime, a relationship that remained antagonistic until the communists relinquished power. In Hungary the violent suppression of the 1956 Revolution and an economically liberal regime produced a much smaller dissident movement that developed in opposition to the communists, but was subsequently supported and then incorporated and used by reforming elements of the communist party in order to make secure their own position within the regime. Thus these cases offer two illustrations of the development of civil society under communist rule: one developed ‘against’ the state and one developed ‘with’ the state. In sum, it is a fact

⁸⁷ DiPalma, p. 67.

⁸⁸ Daniel, N. Nelson, “Civil Society Endangered,” Social Research, 63 (2) (Summer 1996), p. 349.

that East European societies rebounded rapidly at the moment when ‘high stalinism’ came to an end. This chapter will detail the contrasting evolution of civil society under communist rule in Hungary and Poland in order to later discount arguments that explain the de-mobilization of civil society as a foreseeable and necessary cost of the transition

II. Communist Consolidation

While the post-war peace settlement provided for a democratic government in Poland, and a democratic government had been established in Hungary a few years prior to the end of the First World War, democracy enjoyed a relatively short life in both countries. The communist take-over of Eastern Europe did not, however, put an end to democracy in Poland and Hungary – the abortive attempt at liberal democracy ended some twenty years earlier. Following the post-war peace settlement, the young democracies were immediately forced to tackle extremely sensitive problems (including land reform and the position of ethnic minorities – both at home and abroad) and both succumbed to the domestic pressure. In Hungary (following six months of communist rule under Bela Kun) a coup in 1919 installed Miklos Horthy as temporary regent (a position he held until 1944) and in Poland, after eight years of chaotic democratic government, Marshall Josef Pilsudski toppled the government in a coup d’etat in May 1926. While both men ruled – Pilsudski until his death in 1935 – with a semblance of democracy, both regimes were autocratic. While the formal institutions of democracy existed, they were essentially thinly-disguised attempts to justify one-man rule. Following the liberation of Eastern Europe in 1944-45, and as the Cold War heated up,

⁸⁹ DiPalma, p. 73.

Stalin set upon a course of transforming the states of Eastern Europe into satellites states that would form a compliant buffer against further Western aggression. By 1947, communist proxies had been installed across the region.

Several common factors account for the relative ease with which the Soviets and their proxies were able to consolidate their control in Eastern Europe: the early Western disengagement from East Central Europe; post-war exhaustion (which played a significant part in mitigating local propensities for violent opposition);⁹⁰ and the decimation of the ranks of the intelligentsia (and thus, the destruction of the foundation upon which any future opposition to Soviet control could have been organized).⁹¹ The latter two factors were especially salient in Poland, which suffered the greatest number of casualties (proportionally) of all combatants in the Second World War.⁹² Moreover, in Poland in particular, the Soviet Union played an active role in destroying its latent opposition *prior* to the liberation of Eastern Europe from the Nazis.⁹³

In light of the destruction of the Second World War, many Poles began to view communist rule as certainly “better than the wartime regime of the Nazis,” and East Europeans in general became resigned to the fact that Soviet domination and communist

⁹⁰ Janus Bugaski and Maxine Pollack, East European Fault Lines. Dissent, Opposition and Social Activism. (Boulder: Westview Press, 1989), p. 5.

⁹¹ Jan Tomasz Gross, “Poland: Society and the State,” in M.M. Drachkovitch, ed., East Central Europe. Yesterday, Today, Tomorrow (California: Hoover Institution Press, 1982), p. 304.

⁹² Gross, p. 304. Seventeen percent of the Polish population perished.

⁹³ *Ibid.*, p. 304. The most spectacular operation undertaken by the Soviet Union against potential political competitors was its abandonment of the Warsaw uprising against the Nazis in the late summer of 1944. While the Red Army paused its campaign across the river from the besieged city the core of the Polish underground was wiped out. A quarter of a million Poles died during the four months of the Warsaw uprising, “including the elite of Polish youth engaged in the anti-Nazi struggle.”

rule were both inevitable and irreversible.⁹⁴ Moreover, the initial popularity of the policies espoused by the Soviets must not be minimized: promises of economic growth and a rapid rise in the standard of living, and the exploitation of nationalist and patriotic sentiments all served to minimize actual (and potential) discontent.⁹⁵ While post-war reconstruction programs – including the nationalization of industry, banking and commerce and the redistribution of land to small private farms – were met with widespread support, “the subsequent radicalization of state control in all sectors of public life began to breed fresh resentments among both the urban and rural masses.”⁹⁶ Thus it must be stressed that the communists could not overcome the widespread fear of their ultimate objective and the palpable hatred of their Soviet patrons.⁹⁷ Anti-Soviet sentiment was particularly salient in Poland as a result of centuries of Russian influence and the Soviet occupation of the Eastern part of Poland following the conclusion of a Nazi-Soviet agreement to partition the country in 1940.

III. ‘Stalinization’

Initially, during the consolidation of communist control in Eastern Europe, the Soviet Union tolerated a remarkable degree of latitude in its satellite states. Under overall Soviet direction, the Soviet-supported Polish and Hungarian communist parties were free to follow their own ‘paths to socialism’: they were free to set their own timetables for reconstruction, the pace and extent of communization and the elimination of

⁹⁴ Bugaski and Pollack, p. 6.

⁹⁵ Ibid., p. 6.

⁹⁶ Ibid., p. 6.

⁹⁷ Bennett Kovrig, “Hungary: Two Revolutions, One Compromise” in M.M. Drachkovitch, ed., East Central Europe. Yesterday, Today, Tomorrow (California: Hoover Institution Press, 1982), p. 291.

opposition.⁹⁸ However, 1948 marked the beginning of the second phase of Soviet control of Eastern Europe – the ‘Stalinization’ of the communist bloc. In part spurred by the threat posed by the split between Stalin and Tito’s Yugoslavia, the Soviet leadership attempted to cement the economic, political and military dependence of Eastern Europe on the Soviet Union. In order to accomplish this goal the Soviets reasoned that “national divergencies” would have to be suppressed, and “monocentrism and ideological uniformity” imposed across the region. Thus state control was extended to all spheres of public life: non-communists (and communists that appeared threatening to Stalin) were purged from all positions of influence – through imprisonment, exile or execution, all newspaper, media and education outlets came under communist control, political and cultural activities were severely repressed, a vehement anti-religious campaign was launched and nationalization was intensified and extended to small and medium-sized enterprises.⁹⁹ In the five years following 1947, Hungary experienced one of the most intense periods of Stalinization in Eastern Europe: agriculture was coercively collectivized and thousands of indigenous communists were summarily executed.¹⁰⁰ While the degree of state terror varied throughout the Soviet bloc – Bulgaria and East Germany suffered the most and Poland the least – all resistance to the Stalinist model was crushed both within and outside each governing party.¹⁰¹

Civil Society Subdued

⁹⁸ Bugaski and Pollack, p. 6.

⁹⁹ Ibid., p. 7.

¹⁰⁰ Juan J. Linz and Alfred Stepan, Problems of Democratic Transition and Consolidation (Baltimore and London: The Johns Hopkins University Press, 1996), p. 297.

¹⁰¹ Bugaski and Pollack, p. 7.

Every dictatorship, Di Palma argues, attempts to emasculate society so that it cannot act independently as a source of information about its politics, present and past. This is effected in most contemporary dictatorships by the appeal to ‘exceptional circumstances’ or the force of arms. Under communist regimes, however, the state “(like Nazism and Fascism in the past) claims outright cognitive monopoly as the trustee of superior truth.”¹⁰² This ‘institutionalized lie’ (or ‘existential lie’ – as Vaclav Havel came to call it) formed the basis of the communist claim to legitimacy. Much like the rulers of early modern Europe, for example, who held that their legitimacy was ordained from God, the rulers of communist Europe also argued that their right to rule needed no popular verification.¹⁰³ Official communist ideology transformed the principle of popular sovereignty into the sovereignty of the proletariat and subsequently, transformed the sovereignty of the people into the sovereignty of the party (as the vanguard of the revolution and the repository of the truth).¹⁰⁴ Here, the right to rule was self-legitimated; it was, as Maria Marcus terms it, “legitimation from the top.”¹⁰⁵ The unique accomplishment of communist legitimation, argues Marcus, is its institutionalization of “a hierarchically downwards-oriented system of power and command in the name of a

¹⁰² DiPalma, p. 64.

¹⁰³ DiPalma, p. 55.

¹⁰⁴ Maria Marcus, “Overt and Covert Modes of Legitimation in East European Societies” in T.H Rigby and Ferenc Feher, eds., Political Legitimation in Communist States (New York: St. Martin’s Press, 1982), p. 84. Given the severity of the “openly terroristic” period of communist rule in Eastern Europe the question naturally arises as to why “the system [was] not satisfied with the pre-modern type of ‘self-legitimation’.” Part of the answer lies, contends Marcus, in the social function of legitimation. Legitimation ensures not only the *voluntary compliance* of the population, it also contributes “to the process of integration and mobilisation of the society around settled tasks.” In Western societies, the state merely contributes to the maintenance of an integration that has its origins in an independent civil society. In East European social systems on the other hand, “the *collective identity* of the society can be established, at least in principle, only *through the state* which [has] exclusive control over all means of communication and socialisation.” (pp. 83-87).

¹⁰⁵ Ibid.

'real' popular sovereignty" from *below*.¹⁰⁶ Thus, unlike the pre-modern basis of legitimation, which was allocated a sacred and preordained place in a *divine* system of all beings, and unlike the classical notion of 'dictatorship', the power of which is ultimately derived from the armed might of its soldiers and police, the communist claim to legitimacy derived from "an extremely flexible ideology that, in its elaborateness and completeness, is almost a secularized religion... The principle involved here is that the centre of power is identical with the centre of truth."¹⁰⁷ As a consequence of this appropriation:

...there is absolutely no way anybody can establish what is 'true' in the normal sense of the word, nothing remains but the generally imposed beliefs... There is no applicable criterion of truth except for what is proclaimed true at any given moment... This is the great cognitive triumph of totalitarianism: it cannot be accused of lying any longer since it has succeeded in abrogating the very idea of truth.¹⁰⁸

The power of the system is made all the more significant by its ownership and central direction of the means of production. As such, the state has the ability, as the only employer, to control the daily existence of all its subjects.¹⁰⁹ State control was also extended to areas of life which are, in democratic systems, the purview of independent, non-political forces, including union, cultural, youth, veteran's and senior citizen's groups.¹¹⁰ According to Havel, however, the ultimate power of the totalitarian system is derived from its ability to confirm itself within every individual. As people are forced to live within the institutionalized lie, they are forced to cooperate with the system and thus,

¹⁰⁶ Ibid.

¹⁰⁷ Ibid. Vaclav Havel, "The Power of the powerless" in John Keane, ed., The Power of the Powerless. Citizens against the state in central-eastern Europe (London: Hutchinson and Co., 1985), pp. 23-96.

¹⁰⁸ Leszek Kolakowski, "Totalitarianism and the Virtue of the Lie" in Irving Howe, ed., 1984 Revisited (New York: Harper and Row, 1983), p. 130.

¹⁰⁹ Havel, p. 26.

act as it expects. Moreover, individuals “need not *accept* the lie. It is enough for them to have accepted their life with it and in it. For by this very act, individuals confirm the system, fulfill the system, make the system, *are* the system.”¹¹¹ Perhaps just as significant, Havel contends, is the ability of the system to create general societal norms so that confirmation of the system is eventually and automatically treated as normal and comfortable. As such, pressure is brought to bear on other individuals by the fact that, even in the absence of “external urging,” any non-involvement is treated “as an abnormality.” This, Havel argues, is the principle of “social auto-totality at work.”¹¹² The self-replication of the system is fundamental to the survival of the system because “[living] within the lie can constitute the system only if it is universal. The principle must embrace and permeate everything” if it is to exist at all, for “as long as appearance is not confronted with reality, it does not seem to be appearance.”¹¹³

Authoritarian regimes and the state controls they sanction clearly penetrate deep into civil society, invading private spaces and practices beyond those commonly associated with the political sphere.¹¹⁴ However, whereas earlier scholarship generally identified the ‘totalitarian-type’ states in Eastern Europe with the destruction of civil society and the atomization of society, most scholars now contest this judgement.¹¹⁵

¹¹⁰ Bugaski and Pollack, p. 15.

¹¹¹ Havel, p. 31. (Second emphasis in original).

¹¹² *Ibid.*, p. 37.

¹¹³ *Ibid.*, p. 40.

¹¹⁴ Elizabeth Jelin, “Citizenship Revisited: Solidarity, Responsibility, and Rights” in Jelin and Eric Hershberg, eds., Constructing Democracy. Human Rights, Citizenship and Society in Latin America (Boulder: Westview Press, 1996), p. 102.

¹¹⁵ Arato, From Neo-Marxism, p. 314. See, for example, Chris Hann, “Civil Society at the grassroots: a reactionary view,” in P.G Lewis, ed., Democracy and Civil Society in Eastern Europe (London: St. Martin’s Press, 1992), pp. 152-165. For a much earlier account see Kazimierz Wojcicki, “The Reconstruction of Society,” Telos 47 (1981), pp. 98-104. Poland, in particular, occupied a unique place in Eastern Europe in that it retained “a significant de facto degree of societal pluralism.” Most significantly,

Regardless of the system's *claim* to cognitive monopoly and social hegemony, individuals were able to maintain free spaces in the form of private and alternative microcosms of independence. As DiPalma contends, the withdrawal of society from public activity and responsibility into exclusive circles of familial relationships, for example, should not be viewed as indicative of the creation of a "social vacuum."¹¹⁶ Rather than concluding that withdrawal is evidence of an atomized society it can, alternatively, be viewed as:

...a conscious reaction of society in defense of its acquisitions... [as] a means of defense that allows the preservation of a given society's social culture, be it only customs, conversation, mentality, personality and character traits, when that becomes impossible in public and institutional life.¹¹⁷

A particularly salient example of social self-defence was the development of "semantically coded critical communication, especially among those articulate strata [including intellectuals and cultural figures] that are more sensitive to the indignities of the system."¹¹⁸ In this category of language belonged political jokes, innuendo and emphases and mannerisms of language that emancipated the language controlled by the state. Perhaps more significant than the message conveyed by coded communication was its impact upon what would otherwise have been a critical but isolated opposition because "coding created an emotional and cognitive bond among opponents of the regime, who

the relative autonomy of the Polish Catholic Church placed a limit on the systemic goal of total ideological hegemony and increased the ability of parts of civil society to resist the regime's aspirations. (Linz and Stepan, p. 255). For an account of church state relations under communism see, Dieter Bingen, "The Catholic Church as a Political Actor" in Jack Bielasiak and M.D. Simon, eds., Polish Politics: Edge of the Abyss (New York: Praeger, 1984), pp. 212-230 and Adam Piekarski, The Church in Poland (Warsaw: Interpress Publishers, 1978).

¹¹⁶ DiPalma, p. 70.

¹¹⁷ Wojcicki, p. 103.

¹¹⁸ DiPalma, 71.

came to recognize that they were not alone.”¹¹⁹ Another manifestation of free space in Eastern Europe was the development of informal social networks, constructed to improve access to highly valued or needed resources in what was, for many people, an impoverished economic market. These informal ties of organization exist in all societies, but unlike those that exist in the West – where they merely supplement market relations – they were vital in Eastern Europe, where due to economic mismanagement, the necessities of life were in a perpetual state of scarce supply.¹²⁰ These informal channels and networks grew to be especially important in a society where the government sought, at least in theory, to bureaucratize or politicize all aspects of social life. While the communist authorities invariably described informal organizations as minor dysfunctions of the system, the spillover of this level of organization should not be underestimated.¹²¹ Rather than isolating people, the imperatives of survival often brought them together.¹²² As a direct reaction to the oppression of East European societies, the informal sector acted “as an incipient form of human liberation” which began to generate its own alternative social hierarchies and value systems which, in turn, made possible the articulation and later, formation, of a “second polity” or “second society.”¹²³

There was, however, more to sustain opposition to communism than “oblique voice and collective ingenuity in the art of survival.”¹²⁴ Following the period of normalization in the Soviet bloc the existential lie became even harder to maintain. As Guiseppe DiPalma suggests, “when revolutionary times gave way to normalization,

¹¹⁹ Ibid.

¹²⁰ Steven Sampson, “The Informal Sector in Eastern Europe” *Telos*, 66 (Winter 1985-86), p. 50.

¹²¹ Ibid., p. 46.

¹²² DiPalma, p. 70.

¹²³ Sampson, p. 51.

reality – a reality more radically at variance with official doctrine – was more difficult to hide.”¹²⁵

IV. Post-Stalinism and ‘Normalization’

A significant imperative behind the post-Stalinist phase of normalization or decompression (i.e., an easing of state control over culture, society, economy and the state) had an international context. The growing technological and economic superiority of the West compelled the Soviets to give a new military and political emphasis to catching-up.¹²⁶ While the more pressing imperative for normalization was domestic, DiPalma stresses that the demand did not come from ‘below’ (from a “resilient civil society” demanding that its voice be accommodated) but rather, it came from within the regime itself.¹²⁷ Throughout the Communist Bloc, the pressure to normalize was the result of the shifting power relations between a leadership committed to “revolutionary purity” and a bureaucracy overwhelmed by more “mundane tasks”, and a party *apparatus* eager to discard the yoke of the security apparatus.¹²⁸ Nevertheless, Moscow’s ‘new course’ entailed major economic, political and cultural concessions throughout the bloc, which included the relaxation of forced heavy industrialization in favour of a more pronounced consumer orientation and the relaxation of control over cultural expression.¹²⁹ While normalization also entailed an end to the Stalinist terror and a greater predictability

¹²⁴ DiPalma, p. 71.

¹²⁵ Ibid., p. 67.

¹²⁶ Ibid., p. 58.

¹²⁷ Ibid., pp. 58-59.

¹²⁸ Gross, p. 306.

in the behaviour of the communist regimes, it neither sought to alter the basis of the system's legitimation, nor did it entail liberalization or democratization. However, Moscow's new course did encourage the perception among its latent opposition at home and in Eastern Europe that the communists were relaxing their hegemony over political and social discourse – a sign that encouraged opposition movements in a number of countries to test the tolerance of the Soviets, as both the Hungarian Revolution and the 'Polish October' subsequently demonstrated.¹³⁰

Post-Stalinist Poland

Like their Soviet counterparts, the leaders of the Polish Communist Party also consigned themselves to the process of de-stalinization.¹³¹ The Polish Communist Party was also a reluctant and cautious 'de-stalinist', but unlike the Hungarians, the Polish regime managed to contain any liberalizing trends – both from within the party and from below – until 1956. When unrest did erupt in mid-1956, it was neither centred among party revisionists, nor organized in a broad political movement. The workers protest in Poznan in June 1956 was largely an unfocussed expression of frustration, and was easily and violently suppressed by the police and army in only three days.¹³² However, as a result of the Poznan riots and similar manifestations of societal discontent, the Party, wary of a potentially explosive situation and anxious to keep the worried Soviets at bay, replaced First Party Secretary Edward Ochab with Wladyslaw Gomulka in October,

¹²⁹ Bugaski and Pollack, p. 17.

¹³⁰ Ibid., p. 18.

¹³¹ Gross, p. 306.

1956. Gomulka, previously imprisoned for ‘nationalist deviation’, was initially hailed as a folk hero by the Polish people and he quickly gained the support of many critical students and intellectuals (who believed that he would support liberalization) and the bulk of the workforce (to which Gomulka granted wage and other concessions). Gomulka also moved to bolster the popular legitimacy of his regime by moving to reduce the visible Soviet control over Poland’s domestic affairs and by reconciling with the Polish Catholic Church. But Gomulka, as a good ‘internationalist’, also understood the limits of Soviet tolerance, and soon after acceding to power attempted to pave a middle road between the hard-line stalinists in the PUWP, and the party’s liberalizing elements.¹³³ As such, the gains of the liberalizing ‘Polish October’ were soon transformed into the ‘little stabilization’ as Gomulka purged the party of both hard-liners and potential liberalizers and subjected dissenting intellectuals and non-conformist students to increased control.¹³⁴ The censorship of an influential student weekly and the prohibition of autonomous discussion groups led to violent clashes with the police but significantly, however, “there was no unification of [Polish] opposition forces, and no tangible all-encompassing program of action [among] either intellectuals or workers.”¹³⁵ According to Adam Bromkie, the relative quiescence of the Polish opposition between 1956 and the mid-1970s can be explained by a subtle *modus vivendi* that, in effect, defined the relationship between the various opposition groups and the Communist regime in Poland. The compact – based on a mutual understanding of the country’s international position –

¹³² Bugaski and Pollack, p. 19. The Poznan factory workers were provoked by the introduction of a bonus system that effectively decreased their already low wages. The regime estimated that 48 people died in the confrontation but unofficial estimates contend that the figure was closer to over 300.

¹³³ Ibid., p. 21.

¹³⁴ Ibid.

while informal, was well understood and generally respected by both the opposition and the government:

In exchange for the Communist authorities' exercise of a modicum of moderation, opposition groups abstained from challenging the regime outright. Indeed, the major confrontations during this period were entirely spontaneous and narrowly focused attacks on specific policies. The worker's outbursts stemmed from sheer desperation over their economic plight and the peasants' stubborn and largely successful resistance against the collectivization of agriculture was instinctive.¹³⁶

While the opposition strategy of the *immediate* post-stalinist era sought an outright victory over the communist regime, the goal of the dissidents in the late 1950s and early 1960s became decidedly less confrontational – a reflection of the resigned recognition of the strength of communist rule.

'Revisionist' and 'Neo-Evolutionist' Opposition in Post-Stalinist Poland

Notwithstanding the emasculating bargain consecrated between the state and Polish society, both an opposition and a coherent opposition strategy, however, managed to survive. Both the Marxist 'revisionists' (largely composed of academics and intellectuals) and the Catholic 'neo-positivists' (the critical elements of the Catholic Church tolerated by the regime) sought the gradual transformation – or 'humanization' – of the system by the exertion of pressure from within the party (or more specifically, its

¹³⁵ Ibid., p. 22.

¹³⁶ Both the government and its opposition recognized that direct Soviet intervention was highly undesirable: "For the Communists, such intervention would have meant even further curtailment of their domestic authority; and for opposition elements, it would likely have entailed drastic restriction of what modest freedoms they in fact enjoyed." Adam Bromke, ed., "The Opposition in Poland," in Poland: The Protracted Crisis (Canada: Mosaic Press, 1983), p. 94. Originally published in *Problems of Communism*, September-October 1978.

liberal wing).¹³⁷ In other words, the opposition assumed that reforms would come from above. Revisionism required that the opposition *participate* in the system by proxy, which necessitated approaching the state on the party's terms. Thus while the opposition criticized the communists on specific policies, it did so while outwardly "sharing with the party the same ideology and a common language."¹³⁸ The viability of such a strategy, Rupnik contends, was dependent upon both the existence of an influential liberal wing within the party, and a limited degree of tolerance of dissent by the system.¹³⁹ By the mid-1960s Gomulka's 'retreat' from the bargain and the ideals of 1956 decidedly weakened both conditions. By 1963 most of the leaders of the party's liberal faction had been removed from positions of influence, and by the mid-1960s writers and revisionist intellectuals argued that little was left of the concessions 'won' in 1956. This attempted retrenchment resulted in conflict in 1968, as students responded to the banning of an 'anti-authoritarian' play by demonstrating and rioting in the streets of several Polish cities. However, the final and most severe blow to revisionism in Poland and throughout Eastern Europe was the violent repression of the Prague Spring.¹⁴⁰ The Warsaw Pact invasion of Czechoslovakia in August 1968 (of which Gomulka was an ardent advocate) "seemed to prove [to Polish and other dissidents] that... reform from above and within the system was eventually doomed...because, in the final analysis, Moscow feared

¹³⁷ Jacques Rupnik, "Dissent in Poland, 1968-1978," in Opposition in Eastern Europe p.63.

¹³⁸ Ibid.

¹³⁹ Ibid., p. 64.

¹⁴⁰ Concerned by the liberalizing reforms of Alexander Dubcek (who became Communist party leader in 1968), the Soviets demanded a halt to his programme of reforms. Dubcek refused and Warsaw Pact troops invaded the country in August 1968. Dubcek was subsequently replaced by the Soviet-supported Gustav Husak and Dubcek's supporters were purged from the party.

revisionism within the party as much as spontaneous national outbursts from below.”¹⁴¹ In the short run, the invasion of Czechoslovakia completely demoralized the opposition throughout the communist bloc. In the long run, however, the repression forced the dissidents to both re-evaluate the premises of its activity and to gradually formulate a concept of opposition no longer based on an attempt to regenerate the party.¹⁴² Jacek Kuron argued that in the thirty year history of ‘People’s Poland’, only when pressure had come ‘from below’(when workers defended their standard of living for example) had Polish society been able to resist the party-state. As a counter example, Kuron argued, the revisionists had operated in a social vacuum and had therefore been an easy target of state repression. Kuron stressed that movements of national resistance, similar to those that had managed to preserve elements of independence in the past, should be deliberately established again in the present.¹⁴³ The establishment of the Committee for the Defence of Workers (*Komitet Obrony Robotnikow* or KOR) in 1976, was the first and most visible manifestation of the new opposition strategy.

The Founding of KOR

KOR was founded by fourteen Polish (mostly Warsaw) intellectuals in September 1976 in response to violent state repression in the aftermath of a worker’s strike in the summer of that year. The strikes of June 1976 were precipitated by the presentation of price reform legislation to the Polish Sejm (Parliament) on June 24. The price reforms, an

¹⁴¹ Rupnik, p. 68.

¹⁴² Ibid., p. 69.

¹⁴³ Michael H. Bernhard, *The Origins of Democratization in Poland* (New York: Columbia University Press, 1993), p. 93.

effort to support deteriorating economic conditions, proposed an increase in the price of basic food stuffs by an average of 70 per cent. The next morning, workers in over 130 factories across the country walked off the job. For the most part the strike action was peaceful. In some areas, however, violent clashes erupted between striking workers and the security forces, and in Radom, where the June events were the most violent, workers set fire to the local party headquarters.¹⁴⁴ That same night (June 25) Premier Jaroszewicz announced that “in view of the ‘valuable amendments and contributions’” presented by the striking workers, the government would rescind its reforms.¹⁴⁵ However, the state also moved quickly to punish workers involved in any form of strike activity: “demonstrators [and] dispersing strikers... were arrested, detained and, in many cases, beaten either on the street or while under arrest... Finally, an even larger group of workers were dismissed from their jobs.”¹⁴⁶ For segments of the critical intelligentsia the repression was a call to action, something that – with two minor exceptions – “had been conspicuously absent since the crushing of revisionist Marxism in 1968.”¹⁴⁷ In the days immediately following the strikes, opposition intellectuals in the small human rights movement publicly expressed their support for the victimized workers in the form of statements and manifestos which were, significantly, addressed not only to the authorities, but also to the workers and public opinion.¹⁴⁸ The same strategy would also be used by KOR upon its

¹⁴⁴ Ibid., p. 46-47.

¹⁴⁵ Rupnik, p. 81.

¹⁴⁶ Bernhard, p. 47.

¹⁴⁷ Ibid.

¹⁴⁸ Rupnik, p. 84. The human rights movement emerged in 1975-6 in response to constitutional amendments introduced by the regime in December 1975. The amendments included the constitutional recognition of ‘the leading role of the party’ in the state and a ‘perpetual alliance’ with the Soviet Union. Taken aback by the strength of the movement (which was lent support by the Catholic Church) the regime

founding in September 1976.¹⁴⁹ Its first public proclamation on 23 September – the ‘Appeal to Society and the Authorities of the Polish People’s Republic’ – announced the formation of the Worker’s Defence Committee and explained the reasons for its founding:

The victims of the current bout of repressions (sic) cannot hope to obtain aid and protection from the institutions formed to provide them... In this situation the task must be taken over by the community at large... since our society has no means of defending itself against unlawfulness other than by solidarity and mutual help.¹⁵⁰

The KOR activists at this early stage concentrated on two forms of protest: the immediate provision of moral, financial and legal assistance to the workers victimized for their anti-regime protests, and the wide publication of the workers’ situation, initially conducted via an open letter campaign (until an underground press was later established). Fundamental to the KOR strategy was its early articulation of the principle of social self-defence, for the protection of specific persecuted individuals had a far wider significance than the somewhat reactive task of responding to the needs of maltreated strikers. The truly far-reaching element of the campaign involved a novel strategy: connecting aid with publicity in the attempt to stir the silent majority out of inactive passivity and into social activism.¹⁵¹

As Jack Kuron, one of the principal architects of KOR, described the activities of the opposition in Poland, the founding of the committee signalled a fundamental transformation in the opposition movement’s mode of operation:

compromised on these controversial amendments and dropped its plan to entrench them in the Polish constitution. See Rupnick, pp. 78-80 and Bernhard, pp. 77-78.

¹⁴⁹ Ibid.

¹⁵⁰ Bernhard, p. 100.

¹⁵¹ Bugaski and Pollack, p. 91.

In a totalitarian...country two forms of opposition were traditionally recognized – conspiracy aiming at the overthrow of the imposed regime and efforts to induce the authorities to do some ‘beneficial’ things. Since the activities of the Worker’s Defence Committee are not conspiratorial, they are interpreted as a form of pressure on the authorities... But we are pursuing a completely new form of activity. In our actions we are oriented *toward society* and not toward the authorities. Through our activities it is society that organizes itself, independently of state power.¹⁵²

Significantly, whereas the revisionists of the 1950s and 1960s had sought to initiate change within the ruling communist party, the novelty of ‘neo-evolutionism’ (as the strategy was labelled by one of its chief theoreticians, Adam Michnik) lay in its strategy of effectively ignoring the party-government establishment. The spokesmen of the democratic opposition argued that society was not as defenceless under the communists as was popularly believed. As such, the strategy advocated “the creation of all kinds of independent, self-governing associations and publications alongside the party-controlled institutional framework, through which social pressure could be even more powerfully exercised.”¹⁵³ In pursuing freedom of action in the public and private sphere without first seeking explicit government permission, the opposition argued that any subsequent gains could be presented to the regime as a *fait accompli*.¹⁵⁴ In the long-term, the neo-evolutionists envisioned that the party-government establishment itself would be modified in the direction of genuine autonomy and popular participation. The reconstruction of civil society would, in effect, transform not only individual lives, but would lead inexorably to the realization of a democratic state.¹⁵⁵ Moreover, because the

¹⁵² Gross, pp. 310-311. Emphasis added.

¹⁵³ Z. A. Pelczynski, “Solidarity and the Rebirth of ‘Civil Society’ in Poland, 1976-81” in John Keane, ed., Civil Society and The State. New European Perspectives (London: Verso, 1988), p. 362.

¹⁵⁴ Bugaski and Pollack, p. 72.

¹⁵⁵ David A. Reidy, Jr., “Eastern Europe, Civil Society and the Real Revolution,” Praxis International, 12:2 (July 1992), p. 169.

change would be slow and would not directly challenge the geopolitical position of either the national communist leaders or their Soviet patrons, the opposition also postulated a reasonable chance of success.¹⁵⁶

In addition to marking an important evolution in the dominant strategy of the Polish opposition (from 'revisionism' to 'neo-evolutionism'), the establishment of KOR also marked a significant development in the relationship between the previously isolated main forces of Polish dissent: intellectuals and students, workers, and the Polish Catholic Church. Prior to the mid-1970s the main components of Polish dissidence followed somewhat separate itineraries: in 1968 students and intellectuals protested cultural and intellectual repression but received very little support from workers; in late 1970 and early 1971 workers struck and conducted mass demonstrations for what were essentially economic demands, without the support of either the intelligentsia or students, and the Catholic Church protested the repression in both instances but failed to endorse the demands of either the intellectuals or the workers.¹⁵⁷ In both cases of social unrest the lack of communication and co-operation between the intellectuals and the workers was marked. In 1968 the authorities presented the students as a privileged minority in the successful effort to divide the population.¹⁵⁸ (As did the regime's attempt to paint the March events as a part of a larger Zionist plot.) Indeed, the level of hostility was so great

¹⁵⁶ Pelczynski, p. 362. The viability of the neo-evolutionist strategy (as opposed to the revisionist strategy of co-operating with the regime and expecting change to come slowly from within the party) rested on two main premises: that Polish society "could muster enough courage, determination, and faith in itself to keep up pressure long enough to realize [its] aims" and that the degree of popular pressure would be so great as to deflect the massive resort to terror so frequently utilized in the past. The latter presumption seemed especially plausible in 1976 (despite the violent suppression of the Prague Spring less than a decade earlier) because the spirit of 'détente' that pervaded East-West relations in the mid-1970s induced a sensitivity to Western public opinion throughout the Soviet Bloc.

¹⁵⁷ Linz and Stepan, p. 262 and Rupnik, p. 60.

that the government was able to recruit workers “into special gangs to break up demonstrations in an attempt to [further] polarize” the two groups.¹⁵⁹ In 1970-71, the intelligentsia was so demoralized by its suppression in 1968 that it too failed to come to the aid of regime opponents even when the nature of the protest became more openly political. The work of KOR on behalf of maltreated workers marked the beginning of the widening of the social base of the Polish opposition, what Alfred Stepan would term “the extraordinary relationship of civil society with itself.”¹⁶⁰ For example, the historically reticent head of the Polish Catholic Church, Cardinal Wyszyński, threw the immense weight of his personal authority behind the committee. The Cardinal, while stressing the importance of ‘calm’, denounced the state’s persecution of the workers: “‘It is painful’, he declared in one of his sermons, ‘when workers must struggle for their rights against a workers’ government.’”¹⁶¹ Clearer evidence of the intellectual-church rapprochement, and official endorsement of KOR, occurred on November 18, when the Church Episcopal conference announced “that assistance given to people and families deprived of work and of means of existence is a duty for all people of good will and particularly for all believers.”¹⁶²

Solidarity: The ‘Re-Birth’ of Civil Society

¹⁵⁸ Rupnik, p. 70.

¹⁵⁹ Linz and Stepan, p. 262.

¹⁶⁰ Quoted in Linz and Stepan, p. 263. Stepan’s full development of the concept can be found in “State Power and Strength of Civil Society in the Southern Cone of Latin America,” in Peter Evans et al, eds., Bringing the State Back In (Cambridge: Cambridge University Press, 1988), pp. 317-43.

¹⁶¹ Gross, p. 310.

¹⁶² Rupnik, p. 90. Later, the Church announced that all collections on Sunday November 28 would be dedicated to helping arrested or unemployed workers.

The regime's initial reaction to KOR was purposefully contradictory. Initially the authorities publicly ignored its existence while systematically vilifying it in the official press as an enemy of state socialism. Moreover, several KOR members were dismissed from their jobs while others were subject to police harassment and intimidation. The regime's efforts to quell the rising tide of anti-regime sentiment should not, however, be minimized. In May 1977 the state launched a massive assault on the Committee in Warsaw: over 100 KOR members and sympathizers (including its most prominent members – Kuron, Michnik and Lipski) were detained. Nevertheless, the opposition movement's response was a seminal test of KOR's self-defence capacity for in spite of the fact that the Committee's most prominent and influential members were in detention, the organization maintained its ability to generate a great deal of publicity.¹⁶³ Indeed, under a barrage of national and international pressure the Polish government was forced to amnesty the imprisoned activists. Significantly, the amnesty demonstrated that the opposition “had grown sufficiently strong to prevent the party-state from either destroying it outright or severely repressing and isolating it.”¹⁶⁴ As such, the Polish government was forced to concentrate its efforts not on eradicating the opposition, but merely containing and reducing the effectiveness of its actions.¹⁶⁵ In effect, KOR – by securing the *de facto* toleration of the government – “had begun the process of securing... toleration for the public space that would precede the reconstitution of civil society in

¹⁶³ Bernhard, p. 118.

¹⁶⁴ *Ibid.*, p. 121.

¹⁶⁵ *Ibid.*, p. 130. Following the amnesty, the Committee felt emboldened enough to expand its goals from the defence of persecuted workers to the more ambitious goal of fighting for broad civil rights and combating state violations of the law. The movement was thus reoriented from ‘Worker’s Defence’ to ‘Social Self Defence’. It was thus re-incarnated in July 1977 as *Komitet Samoobrony Społecznej*, or (KSS-“KOR”). (See Bernhard, pp. 121-124.)

Poland.”¹⁶⁶ Indeed, the success of KOR inspired other Poles to form oppositional movements and institutions that grew to a size and diversity that was unparalleled anywhere in the Soviet Bloc.¹⁶⁷

The stage was thus set in Poland for an even more direct challenge to the regime: the confrontation occurred when a wave of strikes in the summer of 1980 followed the announcement of yet another round of retail price increases by a regime with a desperately struggling economy. Although the striking workers initially limited their demands to wage concessions, the response of the party-state was indecisive. Sensing the government’s indecision, the workers in Gdansk, led by Lech Walesa, seized the initiative and escalated their demands to include official recognition of free trade unions.¹⁶⁸ The resulting ‘Gdansk Accords’ were, at the time, the most significant concession by a communist party-state. The agreement, finalized at the end of August 1980, conceded the right to form independent trade unions and the right to strike. Solidarity used its new found freedom to officially establish itself, under Walesa’s leadership, in September 1980. Thereafter, its membership grew rapidly (at the height of its influence it claimed almost 10 million members – a majority of the employed in Poland). Following the Gdansk agreements the Polish government also underwent changes. Gierek was dumped as Party leader and replaced by the more moderate, Stanislaw Kania. Notwithstanding the regime’s effort to restore its credibility, as

¹⁶⁶ Ibid., p. 130.

¹⁶⁷ Ibid., p. 131. The newly formed opposition movements included *ROPCiO* (Movement for the Defence of Human Rights), a Polish chapter of Amnesty International, The Student Solidarity Committee (*SKS*) and The Flying University. Independent journals and literary *samizdat* publications also started to flourish in the late 1970s. Among the most influential established in 1977 were *Robotnik* (The Worker) and *Zapis* (*The Record*). See Bromkie, pp. 99-104 and Bernhard, pp. 148-150.

Solidarity became increasingly influential, the Party grew weaker and more indecisive. Concurrently, Solidarity (ignoring calls from within the movement for restraint) became increasingly radical in its demand for major political reform, including free elections. Under pressure from the Kremlin, which had staged threatening Warsaw Pact manoeuvres on Poland's borders, General Jaruzelski declared martial law on December 13, 1981, banned the union and arrested its leadership.¹⁶⁹ The declaration of martial law did not, however, entail the abject defeat of Solidarity. The union was reconstituted as an underground organization, where it continued the organization of strike actions and demonstrations and the publication of its influential *samizdat*. Notwithstanding the limitations it was forced to face, the organization of Solidarity was not a fruitless effort, "for the martial law regime never could feel [itself] powerful enough to terrorize society into submission."¹⁷⁰ In sum, as Adam Michnik wrote, the legacy of Solidarity was profound:

In 1980 the totalitarian state gave in and signed an agreement which allowed for the existence of the first legal and independent institutions of post-war Polish political life. They lasted but a short time; long enough, however, to convince everyone that after December 1981 it was not possible to speak again about 'socialism with a human face'. What remains is communism with its teeth knocked out.¹⁷¹

Post-Stalinist Hungary: Revolution and Re-compression

¹⁶⁸ Roger East and Jolyon Ponlin, Revolution and Change in Central and Eastern Europe (Great Britain: Pinter Publishers, 1997), p. 14.

¹⁶⁹ David S. Mason, "Poland," in Stephen White, Judy Batt and Paul G. Lewis, eds. Developments in East European Politics (Durham: Duke University Press, 1993), p. 40.

¹⁷⁰ Andrew Arato, "Civil Society in the Emerging Democracies," in M. Nugent, ed. From Leninism to Freedom (Boulder: Westview Press, 1992), p. 134.

¹⁷¹ Mason, p. 40.

Largely in recognition of the catastrophic experience of the Hungarian Revolution, the development of civil society in Hungary was to proceed at a much slower pace. In response to a deteriorating standard of living and decreasing agricultural production in Hungary, Khrushchev (the markedly moderate successor to Stalin and an important figure in the transition to from Stalinism to normalization) transferred the prime ministership from the Stalinist prototype Matyas Rakosi, to the more moderate Imre Nagy. Whereas Rakosi had been reluctant to implement the 'new course' and allow a degree of power sharing with less hard-line communists, Nagy was more decisive. Indeed, in his attempt to limit repression and restrain the forced collectivization of agriculture, Nagy "inaugurated the 'sharpest and earliest reversal of mature Stalinism to be initiated in any people's democracy.'"¹⁷² However, Nagy did not seek to undermine communist rule. In fact, Kovrig argues that Nagy sought its consolidation.¹⁷³ Nevertheless, the continued allegiance of much of the party *apparatus* to its former leader, and a shift in the balance of power in Moscow, returned Rakosi to power in February 1955 and an unrepentant Nagy, accused of dangerous liberalism, was expelled from the party. However, Rakosi's second period in office, given Hungary's limited taste of freedom under Nagy, proved to be even more unpopular than his first. Faced with increased dissent among workers, intellectuals and students demanding democracy, civil liberties and the reinstatement of Imre Nagy, Rakosi attempted to restore order with yet more draconian measures, including summary arrests and the harassment of

¹⁷² Joseph Rothschild, Return to Diversity: A Political History of East Central Europe since World War II (New York: Oxford University Press, 1989), p. 154.

¹⁷³ Nagy hoped that correcting the economic mismanagement of the previous regime and mitigating its most violent excesses would mobilize mass genuine support for the party. Kovrig, p. 292.

intellectuals.¹⁷⁴ Subsequently, the Soviets intervened yet again, and replaced Rakosi with Erno Gero. Gero, however, was too closely associated with the hard-line communists for his leadership to end the widespread dis-satisfaction with the regime.¹⁷⁵ At this point the party appeared to be in full retreat and both communist and non-communist intellectuals became increasingly vociferous in their demands for democratic reform. Following the news of Poland's quiet revolution, Hungarian students and writers stepped up their campaign of criticism, culminating in the publication of a list of demands which came to include free elections and the withdrawal of Soviet troops. In sum, in 1956 – following a decade of violent Stalinist excess (what Elmer Hankiss described as the “carpet bombing” of civil society) – Hungary experienced a rapid political mobilization which witnessed the rapid emergence of previously suppressed or state-controlled social institutions, including independent student groups, intellectual circles, writers groups and trade unions.¹⁷⁶ The speed at which the decompression progressed was, however, a significant vulnerability of the revolution, as the lack of a clearly defined leadership and organizational base – and the concomitant ease with which the Soviets were able to put down the revolution – was later to attest.

Evidently, the Soviets (distracted by crises in Poland and the Middle East) were also taken by surprise by both the pace and extent of the revolutionary uprising in Hungary.¹⁷⁷ When the embattled Hungarian leadership requested Soviet help in putting down a demonstration in Budapest on 23 October, the Hungarians and Soviets believed

¹⁷⁴ Ibid., 293.

¹⁷⁵ Bill Lomax, “Hungary: The Quest for Legitimacy,” Studies in Comparative Communism, (18), 2-3 (1985) p. 94.

¹⁷⁶ Elmer Hankiss, “Demobilization, Self-Mobilization and Quasi-Mobilization, 1948-1987,” East European Politics and Societies, 3, 1 (1989), p. 122.

that the mere presence of an armoured division in the city would quell the unrest. However, four days of unexpected armed resistance waged by an ad hoc and poorly armed group of freedom fighters left the Soviet troops demoralized and militarily defeated.¹⁷⁸ As the insurgency spread, most of the country fell to the armed rebels and a proliferation of revolutionary committees.¹⁷⁹ In the attempt to forestall the total collapse of the Hungarian Communist Party, the Soviets supported the ouster of Erno Gero and Nagy's return to power. Nagy immediately declared a cease-fire and moved to satisfy one of the major demands of the rebels in asking for the immediate withdrawal of Soviet troops from Budapest.¹⁸⁰ The Soviets eventually complied but the more radical demands of the leaders of the insurgency (mostly intellectuals and students) far exceeded the proposals presented by Nagy and other revisionist communists. The opposition calls for full pluralism, civil liberties, free elections, independent labour unions and the restoration of parliamentary democracy mitigated any attempts on the part of the Hungarian leadership to follow the Polish model of progressive, but prudent reform. Ultimately the government was "swept along in the popular tide and bowed to public pressure for national independence and the end of Leninist dictatorship."¹⁸¹ On October 30, Nagy abolished the one party system and established a genuine multiparty coalition in which the communists would occupy a minority position reflective of their popular support. Two days later, apprised of Soviet troop movements, the desperate Hungarian leadership declared the country's neutrality and withdrawal from the Warsaw Pact. On 4 November

¹⁷⁷ Gregorz Ekiert, The State Against Society (New Jersey: Princeton University Press, 1996), p. 63.

¹⁷⁸ Ibid., p. 63.

¹⁷⁹ Kovrig, p. 294.

¹⁸⁰ Ekiert, p. 64.

¹⁸¹ Bugaski and Pollack, p. 19.

1956, approximately 200 000 Soviet troops invaded the country and fierce fighting broke out in Budapest and several other major cities. Intense fighting between the rebels (with the divided support of the Hungarian Police and Army) and the vastly superior Soviet Army lasted until November 9. After only thirteen days of mass mobilization, approximately 25 000-50 000 Hungarians were killed, 200 000 people fled the country and several thousand were arrested, executed or deported to the Soviet Union.¹⁸² The Soviets deposed Nagy's government and installed a pro-Soviet administration under Janos Kadar which worked quickly to restore control. Nagy was summarily executed, the leading intellectual and workers' council activists were arrested, all autonomous organizations were banned, communist-controlled bodies were re-established in all areas of public life and all overt dissent was vigorously crushed.¹⁸³ Consequently, the new regime and its founder "were not only hated as traitors, but also actively opposed by much of the nation."¹⁸⁴

After 1958 the extraordinary legal measures employed during the post-revolution repression were toned down, and both Khrushchev and Kadar became preoccupied with the problem of avoiding policies which might again precipitate another revolution and Soviet military intervention.¹⁸⁵ The result was the gradual and deliberate 'humanization' of the regime, best illustrated by Kadar's proclamation that "whereas the Rakosites said that someone who is not with us is against us, we say those who are not against us are with

¹⁸² Ibid., p. 19.

¹⁸³ Recently uncovered evidence indicates that the scale of the post-revolutionary repression was massive: "by 1959, thirty-five thousand people were arrested for their activities during the revolution. ...Between 1956 and 1961, 280 to 300 people were executed...[and] the death sentence was still used to punish participants in the revolution... well into 1960." Ekiert, p. 78.

¹⁸⁴ Ibid., p. 38. For a more in-depth account of the revolution and its aftermath see the volume edited by Janos Bak and Lyman Legters, The Hungarian Revolution of 1956 (London: Longman, 1996).

us.”¹⁸⁶ Socialism with a ‘human face’ – marked also by the more discrete use of repression and the amnesty of political prisoners – was founded upon a compact, the essence of which was that in exchange for economic security and a rising standard of living, “there would be no overt questioning of the fundamental legitimacy of the system.”¹⁸⁷ Thus ‘Kadarism’, as the bargain came to be termed, did not amount to a genuine political compromise, for the concessions that were granted by the party-state were conceded “not as rights but rather as privileges that could be instantly withdrawn as an act of punishment for any kind of undesirable or unapproved behaviour.”¹⁸⁸ The party-state maintained its part of the bargain by encouraging the development of a second economy in which it allowed Hungarians to pursue – within limits – private ends.¹⁸⁹ Another element of what Feher and Heller described as this ‘collective bribery of the nation’ was the selective targeting of different segments of society in the effort to depoliticize them. In return for their silence, intellectuals, professionals, and selected groups of highly concentrated and skilled workers (miners, shipyard workers and steelworkers, for example) were rewarded with higher salaries and special privileges.¹⁹⁰

The Hungarian Opposition

While the Polish opposition had developed into a broad-based movement by the mid-1970s, the Hungarian opposition was limited until the mid-1980s to a small circle of

¹⁸⁵ Linz and Stepan, p. 298.

¹⁸⁶ *Ibid.*, p. 298.

¹⁸⁷ Schopflin, p. 180.

¹⁸⁸ Ekiert, p. 108.

¹⁸⁹ Gregorz Ekiert, “Democratization Processes in East Central Europe: A Theoretical Reconsideration,” *British Journal of Political Science*, 21. 302.

¹⁹⁰ Ekiert, *Democratization Processes*, p. 304.

the Budapest intelligentsia. Like their Polish 'revisionist' counterparts of the 1950s and 1960s, the dissenting intelligentsia in Hungary sought the gradual humanization of the communist regime, and in keeping with the terms of the 'compact' struck between the party-state and Hungarian society, Hungarian dissidents muted their criticism.¹⁹¹ Following the Warsaw Pact invasion of Czechoslovakia in 1968, the Hungarian revisionists suffered no less profound a setback than the Polish intelligentsia. Rather than styling themselves as 'neo-evolutionists,' however, the small Hungarian opposition remained reform-oriented.¹⁹² As such, Schopflin termed the small Hungarian opposition movement a 'para-opposition', in that it refrained from questioning the 'two pillars' of Hungarian political orthodoxy (the country's alliance with the Soviet Union and the leading role of the communist party) while still making use of the space permitted by the system.¹⁹³ The marked contrast in the development of the opposition movements in Poland and Hungary was founded in historical experience: while the Poles had learned that radical action within limits (in 1966, 1970 and 1976) could produce significant gains, the key learning experience of Hungarians was 1956, which seemed to teach that radical, collective action could only lead to disaster.¹⁹⁴ Moreover, the underlying lesson of Kadarist economic policy was that only the "individual and private pursuit of self-interest [could] lead to relative success."¹⁹⁵ Indeed, the Hungarian standard of living "was remarkable in comparison with the dismal swamp of Stalinism."¹⁹⁶ In the two decades

¹⁹¹ Bugaski and Pollack, 128.

¹⁹² *Ibid.*, p. 129.

¹⁹³ Schopflin, p. 142.

¹⁹⁴ Arato, *Civil Society*, p. 136.

¹⁹⁵ *Ibid.*

¹⁹⁶ Kovrig, p. 296.

following the revolution, the rule of the Hungarian Socialist Worker's Party had thus become more palatable:

...the abandonment of cultural russification after 1953, Kadar's cultural liberalization, and his calculated play for patriotic pride in material progress allowed the mass culture to evolve...with patriotism and materialism [as] the salient values. The middle class, no longer inhibited by pre-communist antecedents, [treasured] its new perquisites and influence.¹⁹⁷

Thus, unlike the Polish population, the Hungarian population in the late 1970s was a largely apolitical body. Nevertheless, the task which faced the opposition was not entirely arduous. As a result of major economic reform in 1968,¹⁹⁸ Hungarian society in the mid-1970s was partially modernized and the private sphere relatively relaxed. Moreover the NEM (New Economic Mechanism) considerably increased the autonomy of individual citizens vis-à-vis the state: control over job mobility was lessened and the government's control over worker income was also de-monopolized.¹⁹⁹ In addition, the state relinquished its control over housing by allowing the private purchase and ownership of homes.²⁰⁰ As a result, social networks, practices, and forms of communication

¹⁹⁷ Ibid., p. 297.

¹⁹⁸ The Hungarian New Economic Mechanism represented a partial – but no less remarkable – abandonment of detailed central planning in favour of economic regulation by means of free market financial and economic levers. See P.G. Hare, H.K. Radice and Nigel Swain, Hungary: A Decade of Economic Reform (London: Allen and Unwin, 1981).

¹⁹⁹ The extent of the state's decreased control over the economic livelihood of its citizens is evinced by the significance of the so-called 'second economy': "the proportion of total income 'derived from the second economy' by about three quarters of the population amounted to at least two-thirds of wages paid in the first economy." Linz and Stepan, pp. 298-9.

²⁰⁰ Ibid., p. 299. By the mid-1980s over half of all new housing in Hungary was constructed in the second economy

independent of the state came to exist, and it was upon this foundation that an alternative public sphere would be constructed in Hungary.²⁰¹

In response to the Polish events of 1980-1981 – particularly the transformation of Solidarity into a national movement – Hungarian dissidents embraced a form of Polish neo-evolutionism.²⁰² But unlike the Polish opposition, the smaller democratic opposition in Hungary could not draw upon an already organized and active society. Thus, “for want of grassroots support, a Solidarity-type mass movement was not an option – nor was open confrontation with the Kadar regime.”²⁰³ Notwithstanding the limitations it was forced to overcome, the Hungarian opposition managed to implement a number of successful initiatives. The first half of the 1980s witnessed the proliferation of a wide variety of intellectual, primarily university-based, circles and clubs dedicated to the study and discussion of a range of economic, social and political issues.²⁰⁴ Moreover, the mid-1980s also saw the degree of public involvement begin to grow modestly, as modern social movements (especially youth, pacifist and ecology organizations) proliferated.²⁰⁵ Among the largest citizen initiatives during this period was the Hungarian ecology movement, mobilized in response to the construction of a potentially catastrophic hydroelectric project on the Danube. The party-state reacted with a typical array of repressive measures that included the forced dissolution of demonstrations, the confiscation of publications

²⁰¹ Arato, *Civil Society*, p. 136. Linz and Stepan argue that the New Economic Mechanism—or ‘goulash communism’—was “the most pervasive experimentation of any Warsaw Pact country with markets and quasi-private property.” (Linz and Stepan, p. 298).

²⁰² Bugaski and Pollack, p. 129.

²⁰³ Rudolf L. Tokes, *Hungary’s Negotiated Revolution* (Great Britain: Cambridge University Press, 1996), p. 188.

²⁰⁴ Arato, *Civil Society*, p. 138.

and the harassment of individual activists. Yet the Danube Circle and other similar and very limited initiatives had a social and intellectual significance disproportionate to their relatively small base of support. As Szabo argues: “[these] small groups set an example: they showed how small, powerless groups could become capable of articulating very important – even crucial – but neglected socio-political issues.”²⁰⁶ Despite the profound changes that took place in the arena of public life in Hungary, it is important to stress that Kadar never permitted a diminution in the leading role of the party. Moreover associational life in civil society remained quite weak and the *organized* political opposition in Hungary was, compared to its Polish counterpart, somewhat insignificant.²⁰⁷ Here lies the crucial difference between the Hungarian and Polish transitions to democracy: whereas Polish civil society developed in marked opposition to the Communist regime, the Hungarian breakthrough was less confrontational, less a mass movement, and was largely directed by party elites.²⁰⁸

V. The Fall of the Communist Regimes

Polish politics following the declaration of martial law lapsed into a stalemate. The government was unable to reform its stagnant economy or to fully isolate its opponents and the opposition, while successful in the defence of its existence, was unable

²⁰⁵ Bernhard, p. 15. Although it must be stressed that the main impetus behind the greater public involvement was the deepening economic crisis, I do not think that this necessarily detracts from the significance of the phenomenon.

²⁰⁶ Mate Szabo, “Greens, Cabbies and Anti-Communists: Collective Action during Regime Transition in Hungary” in Enrique Larana et al. eds., New Social Movements: From Ideology to Identity (Philadelphia, Temple University Press, 1994), p. 287.

²⁰⁷ Linz and Stepan, p. 300.

²⁰⁸ Szabo, p. 290. See also Janina Frentzel-Zagorska, “Civil Society in Poland and Hungary,” Soviet Studies, 42:4 (Winter 1990), pp. 759-777.

to re-secure *de jure* recognition or to compel the party-state to implement structural reform of the economy or the political system.²⁰⁹ In May 1988, the regime faced both a moribund economy and a new round of Solidarity strikes led by a younger and more radical group of trade unionists, some of whom were neither committed to the old leadership nor intimidated by the crackdown of 1981.²¹⁰ However, it is doubtful that the opposition would have been as bold if not for the leadership of Mikhail Gorbachev (the new Soviet Leader), for he removed the most conservative political force – potential Soviet military intervention – from the purview of both the Hungarian and Polish party-states. The motivation for the adoption of *glasnost* (openness) and *perestroika* (reform) by the Gorbachev regime is highly contested. However a number of analyses point to the significance of the explicit connection in the communist bloc between economic performance and regime legitimacy:

The dismal state of the economy provided the underlying need for the reforms... Gorbachev admitted to what both Western observers and domestic critics had been saying for years: that the legitimacy of the Soviet regime (and other communist regimes) was increasingly dependent on economic success... that such success could no longer be based on ... policies of forced industrialization ... and that [growth required a commitment that could come only] from a public that had some voice and input into the process.²¹¹

What is clear is that the Soviets did not envision the end of communism in either the Soviet Union or Eastern Europe: their efforts (limited political and economic liberalization and a loosened grip on the satellites) were clearly aimed at securing – not undermining – the support for communism. Nevertheless, the room in which both the

²⁰⁹ Bernhard, p. 12.

²¹⁰ Mason, p. 41.

opposition and the government could manoeuvre in Poland was greatly expanded.²¹² In late summer, during a second wave of Solidarity-led strikes, General Jaruzelski took advantage of this space to enter into Roundtable Negotiations with the opposition and the Catholic Church. The negotiations, which concluded the following April, produced a unique set of agreements. Not only was Solidarity reinstated, but new parliamentary elections were called for June. While the opposition would be allowed to compete for only a third of the seats in the lower house of parliament (Sejm), the elections for the more powerful upper house (Senate) would be completely free and open.²¹³ Two months later, the Solidarity-led opposition won all of the seats it was allowed to contest in the Sejm and all but one seat in the Senate. While the PUWP retained control of the military and internal security, the rest of the government was non-communist and headed by Solidarity supporter Tadeusz Mazowiecki. Moreover, the changes in Poland met with a degree of “equanimity, and even approval” from the Kremlin. Thus, the message to the Poles and the rest of Eastern Europe was resoundingly clear: “the Brezhnev Doctrine was dead. Moscow was no longer an obstacle to systemic change.”²¹⁴

In Hungary by the mid-1980s, the modest economic success of the Kadar regime also came under increased pressure, as growth stagnated and public debt soared.²¹⁵ Reformist elements in the HSWP – namely Imre Pozsgay, Reszo Nyers, and Miklos Nemeth – clearly recognized that what Khrushchev had called ‘goulash communism’ had exhausted its possibilities and that political reform was key to saving the country’s

²¹¹ David S. Mason, Revolution in East Central Europe: The Rise and Fall of Communism and the Cold War (Boulder: Westview Press, 1992), 45.

²¹² Bernhard, p. 12.

²¹³ Mason, p. 42.

²¹⁴ *Ibid.*, p. 43.

stagnant economy. Following his attempt to expel four party moderates in May 1988, Kadar was effectively removed from office and replaced by Karoly Grosz. A year later the moderate elements of the party had pushed the intransigent Grosz aside and were calling for major economic liberalization and negotiations with the opposition. The new leadership of the party which (like its Polish counterpart) was positioning itself to play a key role in the emerging transition, also introduced a range of daring reforms which included the legalization of independent political parties, the announcement of partially free elections and the symbolic re-burial of Imre Nagy.²¹⁶ The reform wing also sought out alliances with the opposition which, according to Linz and Stepan, “set into motion a ‘downward reach’ by part of the state to mobilize part of civil society so as to increase its own position within the state.”²¹⁷ The resulting alliance produced an agreement to hold roundtable negotiations in June 1989. Free elections in the spring of the following year brought a moderate anti-communist government to power.²¹⁸

VI- Conclusion

While the Polish democratic oppositionists played a much more dramatic and confrontational role in the collapse of communism than did their Hungarian counterparts, using the comparison to minimize the more modest success of the Hungarian opposition is a profound disservice to an important phenomenon – namely the reconstitution of a critical public space in Hungary.²¹⁹ Nevertheless, the significant difference in this case is the fact that the Polish opposition managed to re-construct the institutional framework of

²¹⁵ By 1989 the country’s per capita debt was the highest in the world (it dwarfed that of Brazil).

²¹⁶ East and Pontin, p. 53.

²¹⁷ Linz and Stepan, p. 304.

²¹⁸ For a detailed account of the negotiations see Tokes, Hungary’s Negotiated Revolution, pp. 305-360.

a critical public sphere almost a decade before it emerged in Hungary. Moreover, whereas the Polish opposition (namely KOR and Solidarity) *forced* the liberation of civil society, in Hungary the institutional framework of civil society was *conceded* – with some enthusiasm on the part of party reformers – by the party-state before the real emergence of civil society.²²⁰ Thus these two cases illustrate two patterns of development of a critical civil society under communist rule: one formed *with* the state and one formed *against* the state. Christopher Bryant²²¹ argues that the de-mobilization of civil society in Poland after the fall of communism is explained by the fact that it is experiencing difficulty in moving from a conceptualization of civil society against the state to civil society in a mutually constructive relationship with the state. Herein lies a value of the use of the Hungarian and Polish case studies: in Hungary, civil society did not mobilize against the state (as did its Polish counterpart) but in effect mobilized with the state (or at least those elements of the state that would form the post-communist governments). As a test of Bryant's hypothesis, one would thus expect that Hungarian civil society has retained some of its vitality. As we will see, in an examination of the marked collapse of civil society under conditions of radical economic liberalization in both countries, such is not the case.

²¹⁹ Indeed, Linz and Stepan suggest that "it would be a mistake to see the Hungarian transition as being initiated and controlled solely by reformers in the regime." Linz and Stepan, p. 300.

²²⁰ Janian Frentzel-Zagorska, "Patterns of Transition" in Robert F. Miller, ed. The Development of Civil Society in Communist Systems (Australia: Allen and Unwin, 1992), pp. 42-43.

²²¹ Christopher Bryant, "Poland's Post-transition Civil Society," British Journal of Sociology, 45:3.

Chapter 3

After Communism: the Ascendancy of 'Savage Capitalism'

I- Introduction

Two related developments have dominated the period of transition in Poland and Hungary since the collapse of communism: a rush to 'shock' the two countries out of the economic stagnation that was the legacy of communist mis-management, and the implicit and sometimes explicit attempt to insulate economic policy-making from popular pressure and the inevitable demand to moderate the pace of economic reform. On the other hand, the widely influential dissident conceptions of democracy and civil society – and often the dissidents themselves – have all but disappeared from political discourse in the intervening decade between the collapse of communism and the establishment of the nascent East European democracies. The ascendancy of economic neo-liberalism and elitist conceptions of democracy (as demonstrated by real limitations on democratic practice) has produced social anomie and widespread disenchantment with the market and democratic projects. In other words, where there was marked evidence of enthusiasm and hope, there is now disinterest and disillusionment. Concomitantly the political and social picture in both Poland and Hungary has fragmented in a stunning way given the social cohesion of the recent past.¹ Notwithstanding the popular dis-satisfaction with the pace and costs of economic reform, it must be conceded that in marked contrast to other states in the region, democratic regimes have been established and are functioning well in both Poland and Hungary. While political power has been conceded by the communist regimes to democratically elected political forces, a definitional

prerequisite of a consolidated democracy – namely an independent and lively civil society – has not materialized in either country, thus mitigating the significance of the pre-transition alignment of civil society. Thus, using the understanding of democratization developed by Schmitter and Karl – an understanding that draws a distinction between the limited conditions necessary for the establishment of a functioning democratic polity and the more substantial requirements of a secure democracy – Poland and Hungary must be conceptualized as lying somewhere between the ‘transition’ and ‘consolidation’ phases of regime transformation. This failure is significant because it is in the public sphere that a normative commitment to the norms of democratic governance are developed and maintained in the course of everyday life. In the absence of this condition, demagoguery and populism have been received with more than disparate enthusiasm. While the dangers posed by populist and exclusionary politics are not absent from public discourse in the Western democracies they do pose a more substantial risk in Poland and Hungary than they do elsewhere, where democracy can be considered consolidated.²

This chapter will thus detail the extent to which elitist conceptions of democracy have informed institutional reforms and the ascendancy of neo-liberal informed economic reform in Poland and Hungary.

II- Institutional Change and Economic Reform

¹ Joanna J. Mizgala “The Ecology of Transformation: The Impact of the Corporatist State on the Formation and Development of the Party System in Poland, 1989-93,” *East European Politics and Societies*, 8:2 (Spring 1994), p. 45.

² As evinced by the popularity of the right-wing, anti-immigrant populism of Le Pen in France, the right wing militia groups in the United States, and most recently, Christine Stewart in Australia.

Almost ten years after the fall of the Berlin Wall the post-communist countries of Eastern Europe and the Soviet Union have clearly not lived up to the expectations that greeted the fall of communism and have, in fact, developed into at least two markedly contrasting models of post-communist development: those characterized by their political and social authoritarianism and those that evince some development of competitive and pluralist polities. At one extreme, countries in the former category include the Ukraine, Serbia, and Romania where the civil and democratic rights of most citizens are by no means secure. At the other are Poland and Hungary, where successive competitive and free elections have produced regimes committed to democracy.³

In procedural terms democracy has proved extremely resilient in the two countries. According to Linz and Stepan, democracy can be considered procedurally secure when the core procedural components of the democratic polity are relatively stable (i.e. constitutionalism, the rule of law, and a working consensus of the procedures of governance). Against these limited criteria, democracy measures up quite well. Indeed, political parties have peacefully alternated power several times in accordance with electoral outcomes in both Poland and Hungary.⁴ Poland has had three parliamentary elections since the former communist regime relinquished control. The first contest in 1989 saw Solidarity candidates win all but one of the seats they contested in the Lower House of Parliament and 99 of 100 seats in the newly created Senate. While the first

³ Ralf Dahrendorf, *After 1989: Morals, Revolution and Civil Society* (Basingstoke: Macmillan, 1997). p. 6. According to Thomas Nowotny, Belarus, Slovakia and Russia can be added to the list of states where democracy is in real danger. Thomas Nowotny, "Transition from Communism and the Specter of Latin-Americanisation," *East European Quarterly* 31:1 (March 1997).

⁴ Comisso lists several key characteristics of a procedurally secure democracy that are shared by Dahl, Held and Huntington: government based on the consent of the governed, consent formalized in a constitution which specifies a division of powers; consent is expressed in regular and free election; universal, uncoerced suffrage and the enjoyment of basic freedoms, speech, and assembly. Ellen Comisso, "Is the Glass Half Full or Half Empty?" *Communist and Post-Communist Studies*, 30:1 (March 1997), pp 3-4.

election was circumscribed by strict rules and was thus only partially contested (65 percent of the upper house was effectively reserved for the communists and their allies) following this period of transition parliamentary elections in October 1991 resulted in a fully representative system. In addition, while the first post-communist President of the country was elected by the members of the National Assembly, the next President – Lech Walesa – was elected by popular vote in a majoritarian run-off arrangement.⁵ Similar conditions have also prevailed in Hungary where the first post-communist government won power in Eastern Europe's first fully free multi-party national elections in 1990. Moreover, national elections in 1994 proceeded, according to at least one observer, remarkably well for a country with little experience running a democratic polity.⁶ Notwithstanding these remarkable developments, successive Polish and Hungarian governments have demonstrated tendencies that are remarkably undemocratic, both in their design and in their effect.

Immediately upon gaining power from the communists, the newly elected governments in Hungary and Poland set upon the task of reforming their ill-managed and battered economies. In general, market reforms across Eastern Europe included mixtures of the following steps: a drastic reduction in state expenditures, including deregulation of most consumer prices and the elimination or reduction of price subsidies on consumer goods; permitting bankruptcy and unemployment; restructuring of the social welfare and

⁵ Michael Bernhard, "Civil Society after the First Transition," Communist and Post-Communist Studies, 29:3 (September 1993), p. 310.

⁶ Robert M. Bigler, "Back in Europe and Adjusting to the New Realities of the 1990's [sic] in Hungary." East European Quarterly, 30:2 (June 1996), p. 207. Moreover, international monitors have been largely satisfied that the conduct of elections and the procedures governing the counting of votes have been consistent with democratic practice. Comisso, p. 4.

income-maintenance network, including unemployment insurance; and the privatization of state-owned firms and enterprises.⁷ While both Poland and Hungary faced severe economic crises in the late 1980s, the task that confronted the first popularly elected government in Poland was especially daunting because the country was essentially bankrupt. The Polish government could not afford the payments on its external debt, consumer goods were in extremely short supply and the annual rate of inflation was close to 1000 percent.⁸ Commentators and financial institutions in the West – followed shortly by policy-makers in many East European countries – claimed that rapid, externally-enforced ‘shock therapy’ was the only solution to the economic stagnation that faced the region. The IMF-enforced ‘big-bang’ (in that the state does not attempt to mitigate either the pace or the social cost of its reforms) approach to economic stabilization was manifest most drastically first in Poland.⁹

Since the early 1970s the IMF has taken on an ever more visible role as the manager of foreign exchange crises and the organizer of international debt agreements.¹⁰ Its principal policy instrument has been conditionality lending. Conditionality, in short,

⁷ Adam Przeworski, Democracy and the Market (Cambridge: Cambridge University Press, 1991), p. 146.

⁸ Ivan T. Berend, “Alternatives of Transformation: Choices and Determinants – East Central Europe in the 1990s” in Beverly Crawford, ed., Markets, States, and Democracy. (Boulder: Westview Press, 1995), p. 134.

⁹ Michael Williams and Geert Reuten, “After the Rectifying Revolution: the contradiction of the mixed economy?” Capital and Class, 49 (Spring 1993), p. 80. The International Monetary Fund (IMF) – a product of the 1944 Bretton Woods Conference – was established in 1945 to regulate the postwar international monetary system and to aid in the maintenance of systemic economic stability. Ostensibly a politically neutral organization, the IMF, and its sister institution the World Bank, have come under increased criticism in recent years, in particular for its inherently political structural adjustment programs in developing countries. For lucid criticism of the IMF and the Bank see, for example, Susan George and Fabrizio Sabelli, Faith and Credit (London: Penguin Books, 1994), T.J. Biersteker, “Reducing the role of the State in the Economy: A Conceptual Exploration of IMF and World Bank Prescriptions,” International Studies Quarterly, 34 (1990), Richard Swedborg, “The Doctrine of Economic Neutrality of the IMF and the World Bank,” Journal of Peace Research, 23:4 (1986) and B.K. Campbell and J. Loxley, eds., Structural Adjustment in Africa (United Kingdom: Macmillan Press, 1989).

¹⁰ Erwin R. Tiongson, “Poland and IMF Conditionality Programs 1990-1995,” East European Quarterly, 31:1 (March 1997), p. 56.

entails IMF demands that the borrower states enforce a set of IMF macro-economic prescriptions as a precondition of the receipt of stabilization funding. IMF prescriptions typically involve four components: currency devaluation, domestic anti-inflationary policies which always involve a reduction in government spending and wage restraints; the elimination of state subsidies to industry and trade liberalization; and privatization of elements of the public sector.¹¹ In effect, this IMF 'advice' seeks to dampen domestic demand by reducing real wages to control inflation and improve overall trade balances. Moreover, the power of the Fund derives not only from its leverage over the receipt of funding, but also from its function as an international credit agency. Typically, other multilateral institutions and public and private sources of aid will refuse to aid countries that persist in defying IMF advice.

Notwithstanding the enormous influence that the IMF wields over borrowing states, the institution insists that its tasks of promoting international trade and a balance of payments stability is a politically neutral task. However the issues it seeks to redress and the methods advocated by the IMF – which are designed to induce a sharp recession – are clearly political. Additionally the IMF is neither centrally concerned with economic growth nor redistributive justice.¹² From Latin America to sub-saharan Africa, everywhere IMF conditionality-based loans have been imposed the costs always include marked decreases in real wages, increases in the price of food stuffs and fuel, unemployment, and a hollowing out of the state sector. It thus comes as no surprise that

¹¹ T.J. Biersteker, "Reducing the role of the State in the Economy: A Conceptual Exploration of the IMF and World Bank Prescriptions," *International Studies Quarterly*, 34 (1990), pp. 477-492.

¹² Tiongson, p. 56. Critics of structural adjustment lending include Morris Miller, Canada's former executive director at the World Bank. Miller argues that the "macropolicy advice incorporated in the SALs (structural adjustment loans) touches the very core of the development policy process... The rate and manner of growth and related societal objectives of the recipient countries are the very stuff of that elusive

IMF stabilization policies have been the source of popular unrest in every continent where they have been implemented. The massive social costs involved in IMF intervention even suggest that authoritarianism is a necessary condition of the successful implementation of IMF-enforced stabilization.¹³

III- Economic Restructuring in Poland and Hungary

The relationship between Poland and Hungary and the IMF was defined by the U.S. endorsement in 1989 of the idea of using the IMF as the “gatekeeper” of Western economic aid to the former communist bloc. In other words, adherence to IMF strictures would be the condition of the provision of economic assistance. While it was clear that conditionality would be strictly enforced, the newly formed democratic governments of Poland and Hungary were initially amenable to the IMF advice. Thus the first Polish post-communist minister of finance (Leszek Balcerowicz) made use of the government’s immense reserves of popular support and legitimacy to implement his first marketization and stabilization program in 1990. His far-reaching program included an increase in interest rates, the sharp devaluation of the Polish currency, a cut in basic consumer goods subsidies (from 30 percent of state expenditures to 15 percent), strict wage controls and

but important concept called sovereignty.” Morris Miller, Coping is Not Enough! The International Debt Crisis and the Roles of the World Bank and International Monetary Fund (Illinois: Dow Jones, 1986).

¹³ Eliana Cardoso and Ann Helwege, Latin America’s Economy: Diversity, Trends and Conflicts (Massachusetts: MIT, 1992), p. 169. Thomas Skidmore’s analysis of IMF-enforced stabilization programs in Brazil, Argentina, and Mexico concludes that all successful re-structuring programs have been carried out by authoritarian governments. Thomas Skidmore, “The Politics of Economic Stabilization in Postwar Latin America” in James Malloy, ed., Authoritarianism and Corporatism in Latin America. (Pittsburgh: University of Pittsburgh Press, 1987). Adam Przeworski also argues that neo-liberal economic reforms (because of the pain they involve) must be enacted “by fiat, or railroaded through legislatures...” Adam Przeworski, “The Neoliberal Fallacy” in Larry Diamond and Marc F. Plattner eds., Capitalism, Socialism and Democracy. (Baltimore: The Johns Hopkins University Press, 1993). Similarly, Arato argues that the goals of “elite democracy do converge, and their common opponent turns out to be organized civil society.” Arato, *From Neo-Marxism*, p. 309.

the liberalization of consumer prices.¹⁴ Even pro-market observers of the Balcerowicz Plan commented on its desire to go even further than IMF prescriptions.¹⁵ Indeed, the marketization plan introduced by the first post-communist government – a government composed overwhelmingly of intellectuals and the old KOR network – was described as decidedly “anti-working class” in its “de-emphasis of employee participation and [the] *encouragement* of domestic recession... as a way of building sound economic foundations.”¹⁶ Significantly, the collapse of the East European economies was accompanied by massive and permanent unemployment and the “... rapid enrichment of the few and the impoverishment of many.”¹⁷ In Hungary, the level of poverty (measured as the proportion of the population living below subsistence level) increased to thirty per cent from ten per cent of the population in the late 1980s¹⁸ and in Poland, poverty – particularly among the employed – has increased 17 percent since 1989.¹⁹ Moreover, even the election of a former trade-unionist did not result in moderation: President Lech Walesa was characterized by his own supporters as a ‘Thatcherite’.²⁰

In Poland, an important determinant of the move to economic liberalism was the failure of reforming-communists to affect any serious change or improvement in the condition of the Polish economy in the years prior to the collapse of the Communist Party. As such a wholesale departure from socialism was made more attractive. However, many observers also contend that it was the pressure from outside influences, especially

¹⁴ Berend, p. 134.

¹⁵ James Bjork, “The Uses of Conditionality: Poland and the IMF,” *East European Quarterly*, 29:1 (March 1995), p. 98.

¹⁶ David Ost, “The Crisis of Liberalism in Poland.” *New Perspectives Quarterly*, (Spring 1990), p. 87.

¹⁷ Mieczysław Kabaj and Tadeusz Kowalik, “Who Is Responsible for Postcommunist Successes in Eastern Europe?” *Transition*, 6: 7-8 (July-August 1995), p. 8.

¹⁸ Ferge, p. 110.

¹⁹ Nelson, p. 357.

²⁰ Williams and Reuten, p. 94.

Western politicians and international institutions such as the IMF and the World Bank (who demanded that the transformation to a market economy be rapid and radical in exchange for economic assistance) that was the major determinant of the adoption of radical market economics.²¹ As such, “it was quite rational that a sort of competition began among the first democratically-elected governments: [for it was believed that whoever was] faster and most radical would presumably gain a greater part of sympathy, recognition, and last but not least, Western help.”²²

While it was clearly recognized that the transformation of the socialist economies would wreak social havoc, governments in Poland and Hungary did not respond by protecting and strengthening the social safety net. Rather, social welfare provisions have been directly targeted for reform by both the new democratic regimes and their creditors in the West. It was argued that in order to ‘wean’ East Europeans off ‘dependence’ upon the state and to adjust their expectations, they would have to feel real pain. Under communist rule the majority of East Europeans enjoyed the state provision of a generous social welfare system that in some cases was provided on a more substantial level than in the capitalist welfare states.²³ In addition to guaranteeing employment, the provision of social services in Eastern Europe generally included free and universal health care and education, social insurance, an advanced maternal and paternal leave program, food subsidies and state subsidies for home-building. Moreover, access to state provisions for

²¹ Berend, p. 132. For a detailed account of the emergence, and acceptance, of economic liberalism among Poland’s reforming elites, see Voytek Zubek, “The End of Liberalism? Economic Liberalization and the Transformation of Post-Communist Poland,” *Communist and Post-Communist Studies*, 30:2 (June 1997).

²² Berend, p. 132.

²³ Zsuzsa Ferge, “Social Citizenship in the New Democracies. The Difficulties in Reviving Citizens’ Rights in Hungary,” *International Journal of Urban and Regional Research*, (March 1997), p. 107.

social welfare were constitutionally guaranteed rights.²⁴ Notwithstanding its authoritarian origins, social policy in the former communist bloc was relatively successful. For example, pre-war absolute poverty rates of fifty to seventy per cent – levels that in some cases persisted into the 1950s – were significantly reduced to ten per cent by the mid-1980s.²⁵ Under the control of reform-oriented policy-makers, however, social policy in Eastern Europe is now driven by the desire to cut expenditures and eliminate so-called dependence upon the state. Thus the principle of subsidiarity; the idea that the state should offer help only as a last resort (after family and Church resources have been exhausted) and the move from the universality of social policy provision to ‘targeting to the truly needy’, are championed as solutions to wasteful government spending. Subsidiarity has been enforced most vigorously in Poland and Hungary through the use of funding constraints, which have included the elimination of hospital beds for long-term care, the closing down of child care institutions and the introduction of user fees. Additionally, while the desire to more effectively target public resources to the poor may in part be motivated by a genuine sense of altruism (evinced perhaps by the declaration

²⁴ Critics point out however that unlike social welfare in the West – which T. H. Marshall argued was the “end product of a long historical process of building up entitlements or rights” – social policy provisions under communist rule were granted not as social rights but as proof of the “benevolence or magnanimity of the state;” the foundation of an unwritten social contract which traded submission for patrimonial protection and social security. In the West, on the other hand, social rights were designed to make secure previously won civil and political rights; under communist rule civil and political rights existed in law, but not in practice. In the absence of these rights East Europeans could not truly become citizens (as their counterparts in the West became) but remained subjects. Tarkowska and Tarkowski, p. 106 and Ferge, pp. 103-104. Jan Adam also argues that East European social policy also reflected a top-down bargain consecrated between the state and the people: “The Communist leaders hoped that by showing the public that the regime cared about the weak... and was able to settle social problems which the capitalist system could not or did not want to solve...they would get the needed legitimacy and support.” Jan Adam, ed., “Social Contract” in Economic Reforms and Welfare Systems in the USSR, Hungary and Poland (New York St.Martin’s Press, 1991), p. 3. See also Ferenc Feher, “Paternalism as a Mode of Legitimation in Soviet-type Societies” in T.H. Rigby and F. Feher, eds., Political Legitimation in Communist States (London: Macmillan, 1982).

²⁵ Ferge, p. 107.

that 'if you give to the rich, you rob the poor')²⁶ in practice discretionary assistance is often accompanied by onerous and exclusionary 'behaviour' or 'mode of life' tests. Concomitantly, the IMF and the World Bank have been forcefully supportive of the marketization of social services, which typically entails turning over previously government-funded and guaranteed social services (such as health care and education) to the profit-making private sector. IMF 'successes' in this regard have included the abolition of the public health system in Hungary in 1992 (and its replacement with a more restricted health insurance scheme) and the introduction of proposals to weaken the social insurance pension scheme by lowering benefit standards and eliminating its solidaristic elements (i.e., the introduction of pensions geared to contributions).²⁷ An implication of the abolition of the public health system is that an increasing number of those who cannot pay the contribution, but nevertheless do not qualify for state help (i.e., the self-employed) in addition to those who are deemed undeserving of state help (i.e., the homeless) are denied access to health care. While overall social expenditure in Hungary and Poland has only slightly decreased in the years since the communists relinquished power, it has done so when need has grown significantly. Even World Bank analyses have highlighted the broad expansion of poverty in the transition economies. As a result, social welfare in both countries has failed to meet the massive increase in demand caused by widespread unemployment and impoverishment.²⁸ Moreover, this gap between the supply of social services and their demand was only exacerbated by the fact that the marked increase in social need was largely unanticipated. Indeed, there was a striking discrepancy between the anticipated results of shock therapy and actual policy

²⁶ Ibid., p. 108.

²⁷ Ibid., p. 109.

outcomes in Eastern Europe. Perhaps most importantly, while an increase in unemployment and a general contraction of the economy was anticipated – indeed shock therapy is *intended* to cause economic hardship – the massive decline of measured GDP in the transition economies (ranging from 10 to 40 per cent between 1987 and 1993) was not.²⁹ In sum, “the effects of cold-turkey capitalism and privatization has been much greater than was popularly anticipated in 1989.”³⁰

IV- Dashed Hopes and Failed Expectations

In the analyses of many Western observers, the collapse of communism in Eastern Europe has acquired a markedly liberal interpretation; that is, that liberal democracy *triumphed* in Eastern Europe over a failed communist experiment.³¹ There are three senses in these observations in which democracy is said to have prevailed: first, as the practical triumph of liberal democratic institutions (in place of both communist autocracy *and* the oppositional coalitions organized against communist rule); second, as an ethical-political imperative (in so far as all alternatives to liberal democracy are considered ineffective and undesirable); and third as the institutional embodiment of the aspirations of the democratic opposition to Communism (in that liberal democratic institutions are said to be the intended outcome of the revolutions).³² In at least one

²⁸ Ibid., p. 108.

²⁹ Nelson, p. 355. In Hungary, GDP dropped 23% between 1990 and 1994. A figure which dwarfed in its proportion the output and income loss of both the United States and Germany during the Great Depression. The Polish economy finally returned to 1985 levels of production in 1994 and Hungary only managed to return to mid-1980s levels by 1996.

³⁰ Ibid., p. 358.

³¹ Jeffrey C. Isaac, “The Meanings of 1989,” *Social Research*, 63: 2 (Summer 1996), pp. 295-302. See for example, Francis Fukayama, “The End of History?” *The National Interest*, (Summer 1989) and Gale Stokes, *The Walls Came Tumbling Down: The Collapse of Communism in Eastern Europe* (Oxford: Oxford University Press, 1993).

³² Isaac, pp. 295-302.

respect this interpretation is problematic. Upon closer examination of the views of the democratic oppositionists themselves, it is clear that they were never unambiguously *liberal* democratic.³³ In fact, Vaclav Havel and many Polish dissidents were extremely critical of the type of consumer society idealized in liberal democratic discourse and many oppositionists were also highly sympathetic with the idea of worker self-management as a component of a system of real democracy.³⁴ While Polish (and some Hungarian) dissidents envisioned a model of politics (based on the dissident notion of anti-politics) that recognized the importance of liberal democratic institutions, they also recognized that these “need to be supplemented and reinvigorated by... civic initiatives that challenge the way these institutions typically function.”³⁵ Thus it should come as no surprise that while the *consequences* of rapid marketization were unanticipated by policymakers in the West and Eastern Europe, the adoption of the neo-liberal economics that formed the foundation of the economic plans was also neither anticipated nor even envisioned by many of the intellectuals who worked to defeat the communist regimes. Their approach had always been an evolutionist one, in that they envisioned a ‘Third Way’ that provided for extensive citizen participation in politics by navigating between the positive features of capitalism and socialism. Clearly then, the forceful application of economic liberalism throughout Eastern Europe was a stunning departure from the long-held views of the democratic opposition.³⁶ The power of *both* the market and the state were seen as potential constraints on the exercise of the type of popular participation so

³³ Ibid., p. 303.

³⁴ Berend, p. 130.

³⁵ Isaac, p. 313.

³⁶ Karol Jakubowica, “Changing Perspectives on social communication in Central and Eastern Europe.” Media, Culture and Society, Vol. 16 (1994), p. 271, and David Ost, Solidarity and the Politics of Anti-Politics. (Philadelphia: Temple University Press, 1990).

valued by the dissidents. Rather than demand the minimalist state popular among by neo-liberals, the democratic opposition in Eastern Europe borrowed from Gramsci the recognition that if civil society “is to affirm both liberal and socialist values, [it] must... resist expropriation by a particular class within civil society.”³⁷ Thus the state, they argued, must preserve the minimal conditions necessary for the reproduction and survival of a vibrant civil society. While this entails institutions as diverse as an independent judiciary and regulated markets, the dissidents also argued that a strong social safety net was also a necessity. In other words, in the absence of the secure economic conditions made possible by the provision of social welfare, civil society cannot survive where individuals must devote all of their attention to the maintenance of volatile living conditions.³⁸ However, notwithstanding the influence that the opposition had upon the collapse of the East European communist parties, many of those dissidents who sought a different path found themselves “pushed aside in favour of more radical programmes of liberalization” following the transfer of power.³⁹ In Hungary, while the previously illegal opposition did accede to parliament, it did so in opposition. The democratic opposition’s more radical groups – the feminist, ecological and leftist activists who endorsed conceptions of civil society and popular participation – were thus out-manoeuvred by the political elites that emerged from the transition from communism.

³⁷ David A. Reidy, Jr., “Eastern Europe, Civil Society and the Real Revolution,” *Praxis International*, 12:2 (July 1992), p. 172.

³⁸ *Ibid.*, pp. 171-172.

³⁹ Williams and Reuten, p. 91. Even where liberals acceded to power in Eastern Europe, a perfunctory lip service was paid to the ideals of the dissident movement even when the actual policies imposed were markedly pro-liberal. For example, the opposition winner of the first free elections in Hungary, the Hungarian Democratic Forum, declared its support of a ‘Third Road’ in its first two party congresses in 1989, “maintaining that ‘a strict market-based economy would enrich a narrow group and impoverish the majority.’” Berend, p. 131.

Most ordinary citizens in Eastern Europe were also equally unprepared for the imposition of cold-turkey capitalism and the rigours of 'shock therapy'. Immediately following the collapse of communism, the free market, as it was perceived by East Europeans, was warmly welcomed. Not only did the new economic technocrats satisfy the "popular craving to be governed by experts rather than ideological incompetents" but the impersonal, seemingly non-discriminatory bias of a free market also satiated the desire to be set free from the power and avarice of the communist nomenclatura.⁴⁰ This widespread and deeply felt anti-communist and anti-Soviet sentiment also made natural the association between patriotism and the economic change of 1990.⁴¹ However, survey data has suggested that East Europeans expected a much different form of capitalism than that what was actually imposed upon them. While a 1989 study demonstrated an almost universal endorsement of the methods of a Western private market economy, there was a simultaneous and widespread acceptance of the interventionism of the state economy.⁴² For example, while the overwhelming majority of respondents accepted the fact that inefficient workers should be fired, and that the freedom of the private sector should be assured, an equally substantial majority of respondents agreed that the state should guarantee employment and control the profits of private enterprises.⁴³ Surveys in 1991-1994 also suggested that more East Europeans value the greater state supports and social equality of the West European welfare state than the individualist and socially stratified American capitalist ideal.⁴⁴ As such one may "speak of the mythologisation of the

⁴⁰ Hilary Wainwright, Arguments For a New Left (Oxford: Blackwell, 1994).

⁴¹ Bjork, p. 97.

⁴² Witold Morawski, "Economic Change and Civil Society in Poland" in Paul G. Lewis, ed., Democracy and Civil Society in Eastern Europe (New York and London: St. Martin's Press, 1992), p. 104.

⁴³ Ibid, pp. 104-5.

⁴⁴ Mary E. McIntosh et al, "Publics Meet Market Democracy in Central and Eastern Europe, 1991-1993." Slavic Review, 53:2 (Summer 1994), p. 500. Also see McIntosh and MacIver, "Transition to What: Publics

benefits of a market economy and even a utopian view of the” free market – a result, perhaps, of the unfamiliarity of many East Europeans with the vagaries of the market economy, but also the influence of the wildly optimistic predictions made by East European elites and their Western creditors concerning the promise of an American-style free market economy.⁴⁵ However, the survey data may also evince the fact that the region “is almost desperately ready to opt for a vision which at least promises to run the economy according to different rules.”⁴⁶ A 1993 Hungarian opinion survey indicated that over a third of its respondents expected a free market moderated by a West European style welfare state; almost a third desired a ‘Hungarian way’ – a market economy dominated by small firms and self-employment; and less than one in ten respondents preferred a market where every individual fends for her/himself.⁴⁷ In any event, ‘shock therapy’ has markedly failed to alter these expectations of the ‘proper’ IMF-approved role of the state in the capitalist economy. While neo-liberals likely bemoan such attitudes as myopic, the fact is that capitalism and liberal democracy have failed to live up to the expectations that greeted the collapse of the communist regimes.

V- Democracy vs. The Neo-Liberal Free Market

There is a clear tension in Poland and Hungary between the desperate need to reform the tattered economies and the simultaneous need to secure the social stability required by the political institutions of the democratic polity. The tension emerges, Offe contends, because the transformations underway in Poland and Hungary are political

Confront Change in Central and Eastern Europe.” East European Studies Program Occasional Paper Series, Woodrow Wilson Centre, 1993.

⁴⁵ Morawski, p. 104.

⁴⁶ Ibid., p.105.

projects that thus require popular legitimation. However, because the transition to a free market involves painful adjustments it also makes a drastic limitation on popular participation a very attractive alternative to policy-makers throughout Eastern Europe.⁴⁸ Offe argues that the reluctance on the part of East European publics to accept the official wisdom that they wait for the promised beneficial outcomes is based upon two misgivings: first, the population has reasonable grounds for suspecting that the privatizing efforts of the new political elites will not benefit a substantial majority of the population but will in fact lead to the enrichment of the few. Second, because nobody can guarantee that the promised improvement in living standards will in fact materialize, there exists no reason to believe that the massive impoverishment of the majority will in fact be a temporary phenomenon.⁴⁹ As such – as I suggested in the introduction of this chapter – the concept of ‘elite democracy’ has been turned by politicians in Eastern Europe “from a mere description of fact into a norm.”⁵⁰ As Williams and Reuten lament, even where civil society has not completely collapsed, “anti-democratic developments abound”: executive, military and police powers have increased while trade union rights have been widely restricted.⁵¹ Indeed political elites in Poland recognized that Polish society was unprepared for the neo-liberal reforms that were in its “objective interest” and thus argued that “the reforms had to be realized by somehow bypassing the representative institutions.”⁵² There was even talk, Mizgala maintains, about the “‘Chilean variant’ or a ‘guided democracy’ (i.e., a Latin American-type market

⁴⁷ Ferge, p. 100.

⁴⁸ Claus Offe, “Capitalism by Democratic Design?” *Social Research*, 58:4 (Winter 1991), pp. 877-879.

⁴⁹ *Ibid.*, p. 878.

⁵⁰ Arato, *Interpreting*, p. 633.

⁵¹ *Ibid.*

⁵² Mizgala, p. 127

dictatorship where opposition is crushed in favour of free-market principles)⁵³ as desirable procedures for speeding up the process of economic transformation.”⁵⁴ The outgrowth of this bureaucratic or technocratic mentality was the concentration of power in the Polish executive branch during the Mazowiecki and Bielecki governments, the essentially total control of the economy by the Finance Ministry and the influence of the nomenclatura-controlled Polish National Bank on the decision-making processes.⁵⁵ In Poland this entailed the de-politicization of what were important policy choices by means of presenting them as technicalities to be dealt with by the executive rather than the representative institutions. There is, in other words, a widespread acceptance among the new political elites:

... of using electoral mechanisms, party politics, and parliamentary decision-making to vastly narrow the channels of participation, to reduce, that is, the role of the population in politics in time (once every four years), in space (the ballot box), and in social terms (by promoting the atomization of citizens). As in the West, this procedure is to work, supposedly, by producing democratic legitimacy without democratic participation.⁵⁶

One of the more transparent attempts on the part of the Hungarian government to eliminate the expression of criticism was its attempt to achieve control over potentially sensitive cultural institutions such as the state-owned radio and television networks and the school system.⁵⁷ Most notoriously the government tried to sack the heads of the state

⁵³ Where the invisible hand, in other words, “is surely guided by a strong, visible arm.” Paul Streeten, *Markets and States: Against Minimalism*, World Development, 21:8 (1993), p. 1284, 1281-1298.

⁵⁴ Mizgala, p. 131.

⁵⁵ Ibid.

⁵⁶ Ibid. This is evinced, according to Kowalik and Jacek Kuron, by the Polish government-led weakening of the Solidarity trade union movement. See Tadeusz Kowalik, “On the Transformation of Post-communist Societies: The Inefficiency of Primitive Capital Accumulation,” International Political Science Review, 17:3 (1996), p. 292.

⁵⁷ Wainwright, p. 29.

run radio and television corporations for encouraging open debate and airing views critical of the government.⁵⁸

VI- Conclusion

The fear of widespread resistance to economic reform (or a 'premature democratic opening') in Eastern Europe is predicated on recognition of the intuitive notion that the market may eventually "require the development of a democracy, but democracy does not demand the emergence of a market."⁵⁹ More specifically, Polish and Hungarian political elites may have recognized that economic reforms imposed on the back of society will engender a response inimical to the conditions necessary for the imposition of shock therapy. There is an obvious contradiction here between the broadly held contention that the social benefits of reform will eventually outweigh the costs, and the equally widely held view that the reforms will generate popular resistance.⁶⁰ These contentions are reconciled (by the same elites) by suggesting that those who lose in the short-term will focus exclusively on their short-term losses and ignore the long-term benefits. Thus, because elected governments are clearly "more vulnerable" to the popular electoral pressure that is the necessary outcome of this so-called myopia, there builds the desire to "beat democracy to the punch."⁶¹ However, because "capitalism by design" is a vastly different phenomenon than the evolution of capitalism in the West in the last century, the transition to the market economy in Eastern Europe requires highly visible

⁵⁸ Ibid.

⁵⁹ Offe, p. 875.

⁶⁰ Stokes, p. 500.

⁶¹ Stokes, p. 501.

decision-making and popular justification.⁶² Clearly, this conflict between the economic and political imperatives facing Polish and Hungarian political elites would be less problematic if they had only to consider the wishes of eight per cent of the population, as was the case for British capitalists and policy-makers in the nineteenth century. However, the governments of Eastern Europe do not have this luxury.⁶³ Neither, obviously, do governments in the West. However there is a marked dichotomy between what the Polish and Hungarian governments have been forced to do in the name of ideology and economic austerity and what would be politically possible in the West:

It is one thing to decide whether a state should give its citizens a right they have not enjoyed before and another to decide to withdraw from them a right they have gained and become accustomed to... If Britain had not had a National Health Service already, the government of Margaret Thatcher would certainly not have proposed introducing one; but as it existed before Mrs. Thatcher's time, her government didn't suggest closing it down.⁶⁴

As it was earlier noted, socialized medicine was one of the first victims of the effort to wean Hungarians off 'dependence' upon the state. In sum, as Linz and Stepan argue, a "definitional prerequisite" of a consolidated democracy – namely a vibrant post-transition civil society – is crucial to the long-term prospects of the democratic polity: a condition that has materialized in neither Hungary nor Poland. As such, a critical failure of decision makers in both Eastern Europe and the West, is their neglect of the social conditions that are so vital to the sustainability of civil society: social solidarity, patience and commitment to the democratic project. As it will be advanced in the next chapter, these social conditions cannot find support in conditions of extreme economic privation and insecurity. In the rush to 'shock' their respective economies, the Polish and Hungarian

⁶² Offe, p. 879.

⁶³ Centeno, p. 140.

governments – and their creditors in the West – have ignored this vital element of the secure, and consolidated democracy. These consequences of the Polish and Hungarian attempts to deal with the dilemma of the double transition will be examined in the next chapter.

⁶⁴ Janos Kornai, "The Post-Socialist Transition and the State" The American Economic Review, 82:2 (May 1992), pp. 1-22, 16.

Chapter 4

The Ascendancy of 'Savage Capitalism and the Demise of Civil Society

I- Introduction

The architects of the transition in Eastern Europe have argued – with considerable effect – that the economic reforms undertaken in the region are the route to both a vibrant capitalism and a sustainable democracy. Moreover they have stressed that their reforms are the only realistic alternative available to reforming elites.⁶⁵ To make secure their claims, policy-makers have attempted to insulate the Polish and Hungarian governments from popular pressure in the name of systemic economic stability. They have, in effect, adopted a minimalist or elitist conception of democracy. A recognition – perhaps – that contrary to the assertion of Jeffrey Sachs, democracy and the neo-liberal conception of the free market are not necessarily inextricable. More specifically, unlike preceding transitions to democracy which were concerned with processes of a strictly constitutional and political sort – in Latin America and Southern Europe for example – where a region is confronted with an even more demanding problem, that is the double transformation of the economic and the political systems, democracy and the free market have demonstrated an apparent mutual polarity. It is for this reason that those policy-makers and pundits who favour the establishment of a neo-liberal market before all else are likely to be untroubled by the evidence of alienation and political disinterest in Poland and

⁶⁵ It is in this respect, as it was previously noted, that liberal democracy is said to have 'triumphed' in Eastern Europe, an interpretation of events that encouraged Francis Fukayama to aver in the "End of History" that "[we have reached] the universalization of Western liberal democracy as the final form of human government." Jeffrey C. Isaac, "The Meanings of 1989," Social Research, 63:2 (Summer 1996), p. 292.

Hungary; in the elitist conception of democracy⁶⁶ the atomization of society actually serves to maintain order and the status quo. In other words, a society where individuals are forced to devote ever more time to the maintenance of insecure and deteriorating living standards cannot mobilize to defend its interests either individually or collectively (as a part of civil society). Critically however, the fear – which has materialized in both Poland and Hungary (and more dramatically elsewhere) – is that as frustration with ‘freemarketdemocracy’ grows, so does the attractiveness of anti- and non-democratic alternatives to democracy. This assessment is based on mounting evidence that suggests that the commitment to democracy suffers most in conditions of economic insecurity. Correspondingly, comparative research has concluded that the most important attitude for democratic consolidation is public support for gradual change.⁶⁷ Rapid, externally enforced marketization accompanied by income inequality, research suggests, will heighten insecurity while conflicting with the preference for gradual change; a mix that does not bode well either for the re-vitalization of civil society or for the consolidation of democracy.⁶⁸ In Poland and Hungary inequality and poverty, no matter how they are defined or calculated, have increased dramatically. Under such conditions, indifference to public interest has grown as people withdraw their social resources (especially time) from the public sphere (i.e., civil society) and devote their energy to survival in a more hostile world.

It is widely accepted that the market reforms imposed throughout Eastern Europe have proved detrimental, and even life-threatening, for a very large group of people and

⁶⁶ Where, according to Schumpeter et al, stability in the democratic polity is best served by a populace that retreats from all political activity following the election of its leaders, under the premise that “once they have elected an individual, political action is his business, not theirs.” Schumpeter, p. 295.

⁶⁷ Nelson, pp. 358-9.

while it may be (as proponents of neo-liberalism assert) in their long-term best interest to wait for shock therapy to sort itself out, the severity of the economic dislocations means that such people simply cannot afford to do so; survival necessitates the development of coping strategies.⁶⁹ This chapter will first focus on coping strategies in times of economic upheaval and will then examine the implicit dangers of atomization and social anomie in consolidating democracies.

II- Coping With Change: Disillusionment and Social Anomie

The impact of shock therapy on a particularly neglected (both politically and academically) group of East Europeans – Polish and Hungarian women – is illustrative of both the social malaise and the general tenor of political debate that both informs and undermines the public sphere in Poland and Hungary. Women throughout Eastern Europe have been forced to bear a disproportionate share of the burden of the transition. Women are experiencing higher levels of unemployment; single parent families (the vast majority of which are headed by women) are much more likely to be officially poor than other types of families; the representation of their interests has been drastically diminished in parliamentary institutions; and they are often the rhetorical subject of malevolence in the rebirth of traditional, conservative values that attack their place in society.⁷⁰ A particularly salient and publicly-fought battle in the new conservative politics of “home, hearth and

⁶⁸ Ibid., p. 359.

⁶⁹ Przeworski, p. 161.

⁷⁰ For a description of the impact of ‘shock therapy’ on women’s employment conditions in Poland see Ewa Hauser et al, “Feminism in the Interstices of Politics and Culture: Poland in Transition” in Nanette Funk and Magda Mueller, eds., Gender Politics and Post-Communism. (New York: Routledge, 1993), pp. 265-267. For a similar account of the deteriorating economic situation of women in Hungary see Maria Adamik, “Feminism and Hungary” in the same volume. (Especially pages pp. 209-211).

religious revival” was the attempt, in both Hungary and Poland to criminalize abortion.⁷¹ While women – like men – have been the victims of impersonal market forces that do not favour or discriminate in their application of real hardship, Polish and Hungarian women are suffering greater privation because they have also been subjected to attacks that have sought to re-define the role of women in society in favour of traditional and misogynistic values that aim to make the public political sphere the exclusive realm of men. Thus the assault on the position of women in post-communist Europe has also been much more subtle than the effort to restrict access to abortion. For example, the Hungarian Ministry of Social Affairs, in its support and promotion of the principle of subsidiarity, is in effect promoting an end to communist-era policies that supported the participation of women in the workforce. The Ministry declared that: “The functions of the family (i.e., women) have been taken over more than possible, and more than necessary by the nurseries, kindergartens and school in the case of children, by the health service in the case of sick adults, and by social institutions in the case of the elderly.”⁷² Thus the Social Act adopted in 1993, in its emphasis on the maintenance obligations of the family, its reduction of hospital beds for long term care, and the elimination of childcare institutions, can clearly be seen as an aid in the effort to restrict a woman’s role to that of mother and homemaker. Even where the rhetoric is not as malevolent – where kindergartens are closed down in the name of dismantling the state in favour of free market forces for example – the effect is still the same. The responsibility for the day care of children is left

⁷¹Jeffrey C. Goldfarb, “Why Is There No Feminism after Communism?” Social Research, 64:2 (Summer 1997), p. 235.

⁷² Ferge, p. 109.

to women as unpaid work.⁷³ Given that the presence of two wage-earners is for many families a necessity in the aftermath of shock therapy, the retreat of the state in these areas of social welfare will only lead to an increase in what feminist writers have called the 'double burden', a term used to describe the fact that women often have two workplaces, one in the labour force and one in the home.⁷⁴ The implication of the double burden for women's involvement in civil society is fairly obvious. If women are forced to pick up where the state abandons its responsibility, how are women going to find the time to join publicly-spirited organizations and initiatives? The answer – clearly – is with great difficulty. Thus it would appear that anti-feminist rhetoric in Eastern Europe is far from inconsequential. While feminist authors have done much to re-evaluate what was often only a facade of sexual equality under communist rule, the post-communist position of women compares unfavourably with their social and political standing under communist rule, where an officially-sanctioned policy of sexual equality (supported by social welfare provisions such as childcare and generous maternal leave benefits which at least alleviated the double burden) contrasts markedly with the conservative anti-feminism which pervades democratic politics in Hungary and Poland.⁷⁵

⁷³ Drude Dahlerup, "Learning to Live With the State. State, Market, and Civil Society: Women's Need for State Intervention in East and West," Women's Studies International Forum, 17:2/3 (1994), p. 123.

⁷⁴ An ever more burdensome workload for women has been a well documented phenomenon in other states where the IMF has enforced its economic diktats. See Caroline Moser, "Gender Planning in the Third World: meeting practical and strategic needs" in R. Grant and K. Newland, eds., Gender and International Relations. (GBR: Open University Press, 1991), pp. 83-121. G.F. Dalla Costa, "Development and Economic Crisis" in M. Dalla Costa and G.F. Dalla Costa, eds. Paying the Price. (New Jersey: Zed Books, 1993), pp. 91-120, and in the same volume, Andree Michel, "African Women, Development, and the North-South Relationship." The impact of neo-liberal economic reform has also been felt by women in the West, where the trend "to move people like the elderly ('as long as possible in one's own home'), and the physically and mentally disabled out of the institutions, is presented as a move from big cold institutions to private, close relations – when in fact the consequences are either neglect or increasing women's burden of unpaid work." Dahlerup, p. 123.

⁷⁵ Modern scholarship points out that communist social policy was highly undemocratic, imposed 'top-down', and often served merely to encourage the participation of women in the labour force when such participation was economically necessary. See Olga Toth, "No Envy, No Pity" in Gender Politics and Post-

Clearly then, “if the existence of feminism depended only on the existence of gender injustice, and the need to address it, feminism would be a thriving enterprise in Central Europe.”⁷⁶ However, those women that were key figures in underground democratic movements prior to the fall of communism have all dropped – or have been forced out – of public life.⁷⁷ Moreover, even where women are visible in public life, it is rare for women lawmakers to act on behalf of women or even acknowledge the particularly onerous burden borne by women. What explains this phenomenon, where the women who are clearly targeted by newly-instituted democratic governments remain largely silent; where there is almost a total absence of organized protest?⁷⁸ Part of the answer lies in a pervasive anti-communist and anti-feminist discourse that finds common cause in the thoroughly discredited model of the communist-era female politician and the related disdain for the quotas that provided for a relatively high number of women in the East European parliaments.⁷⁹ The rhetoric is also informed, if only in part, by pre-1989 sexism and a nationalist mythology that equates gender equality either with ‘bourgeois’ Western feminism or imperious communist social planning. Anti-communism and anti-

Communism and Lalith deSilva, “Women’s Emancipation Under Communism: A Re-Evaluation.” East European Quarterly 28:3 (September, 1993).

⁷⁶ Goldfarb, p. 235.

⁷⁷ *Ibid.*, pp. 235-236 and Elizabeth Matynia, “Women After Communism: A Bitter Freedom,” Social Research, 61:2 (Summer, 1994), pp. 351-2. Moreover, analyses of civil society in communist Eastern Europe - indeed of civil society in general - typically ignore women and gender issues. This gender-blindness creates the impression, in this case, that women have been silent in Eastern Europe over the last 50 years. More specifically, general accounts of Eastern Europe under communism typically ignore both the role of women in the anti-communist dissident movements, and their position post-communism. In light of the type of rhetoric that now passes for public discourse in Eastern Europe (i.e., the dirge of anti-feminist emotion led in Poland by the Catholic Church) it is perhaps not surprising that there has thus been a movement among feminist scholars to highlight the more favourable aspects of the position of women under the communists. For an examination of the position of women in the new democracies see Joanna Goven, “Gender Politics in Hungary: Autonomy and Anti-Feminism” in Gender Politics and Post-Communism, Nanette Funk and Magda Mueller, eds. (New York: Routledge, 1994) and in the same volume, Malgorzata Fuszara, “Abortion and the Formation of the Public Sphere in Poland.”

⁷⁸ Miguel Angel Centeno and Tania Rands, “The World They Have Lost: An Assessment of Change in Eastern Europe,” Social Research, 63:2. (Summer, 1996), p. 384.

⁷⁹ Matynia, p. 355.

feminism – it would appear – are mutually attractive even among some women themselves.⁸⁰ The general backlash against communist policies does not, however, account for the fact that women themselves (not communist-era policies) are often the target of the often quite intense animosity. The other part of the answer to the apparent paradox of extreme privation and relative silence on the part of women can – perhaps – be found in a more general and systemic explanation of social atomization that has also shredded the fabric of civil society.⁸¹

In general, sociologists have observed two strategies for coping with economic and social adversity: the retreat from social life (i.e. a reemployment of the increasingly valuable resources of time and energy from participation in publicly spirited activities to the maintenance of rapidly deteriorating living standards) and, has been the case in both Poland and Hungary, the turn towards populist and sometimes illiberal alternatives to the status quo that offer what market democracy has so far failed to deliver; some semblance of personal economic security. In the case of the former strategy, the general social consequences of the abandonment of the social sphere have been well-documented by sociologists and anthropologists: “in an effort to protect... the immediate family... the circle of reciprocity narrows from community to clan and finally to the nuclear family, as people draw back resources from the wider social group.”⁸² In short, under the conditions of extreme economic distress experienced by the majority of Poles and Hungarians, greater time and effort must be devoted to the goal of the protection of

⁸⁰ Many women in the new Eastern Europe would gladly – and understandably – forsake their employment outside the home in favour of housework if only to ease the ‘double burden’. Joanna Goven, “Gender Politics in Hungary: Autonomy and Antifeminism” in Gender Politics and Post-Communism, p. 225.

⁸¹ Centeno and Rands, p. 386.

⁸² Foley and Edwards, “Social Capital.” American Behavioral Scientist, 40: 5 (March-April 1997), p. 675. For example, see M. Sahlins, Stone-Age Economics (Chicago: Aldine-Atherton, 1972).

falling living standards. Social resources are therefore withdrawn from circulation as social consciousness becomes more economy-oriented. In turn, “those values which are linked to the material conditions of life” (i.e., securing employment and increasingly unattainable basic consumer goods) come to dominate “the values of a higher order, which certainly include the sense of social solidarity,” patience and participation in the public sphere.⁸³ For women in particular, although their consciousness is necessarily widened by the state’s abdication of its responsibility for protecting the weak, the young and the sick, their resources (i.e., time) are not. In fact, as it was previously noted, the double burden makes women’s further participation in the public sphere a particularly onerous proposition. In the more extreme cases of economic dislocation, conditions where “children have banded together to prey on adults, and the stronger and more ruthless adults forge alliances with them for their own survival and gain...” have also been well-documented.⁸⁴ Under these conditions, which intuitively suggest the increased need for self-help and self-organization, the fact of deteriorating living standards, the discrepancy between material standards and the expectations that greeted the fall of communism, and the severe inequality that has seen a small minority of East European elites prosper, can only result in both a rejection of the economic and political system that has imposed the privations, and the desire to keep going by any means.⁸⁵

Accompanying the attempt by East Europeans to defend their material well-being (by the re-direction of time and effort) is a pervasive feeling of loss and widespread citizen disenchantment with both the market and the democratic projects. The degree to

⁸³ Kolarska-Bobinska, *Civil Society and Social Anomy*, p. 284.

⁸⁴ Foley and Edwards, p. 675.

which Poles and Hungarians are disengaging from civic and political life can also be seen as a manifestation of this frustration. Evidence abounds that the social anomie that was a forced and essential characteristic of communist rule has re-emerged in the new democracies. Notwithstanding the mobilization of a significant proportion of society against communist rule, a sense of anomie was a fundamental characteristic of Polish life in the years of martial law before the communists relinquished power. There was a palpable dissonance, sociologists argue, between widely accepted social values, and their means of attainment. The result was a popular sense of impermanence, apathy, pessimism, loneliness, and lack of meaning in life throughout Polish society.⁸⁶ As such, it could be argued that the conditions that favoured anomie under communist rule have now disappeared: restrictions upon the public expression of opinions have been eliminated, and the political system is no longer composed of Soviet interlopers but is democratically elected and supposedly shares values with the society it represents.⁸⁷ However, anomie in the new Eastern Europe is not now a condition of the restrictions imposed by an illegitimate government, its causes can be found in conditions described by Emile Durkheim: that is, the violent dislocations of the rapacious free market which cause a disturbance in the collective order, “which even the joy at the change... of the old departing system cannot neutralize.”⁸⁸ Widespread anomie results because the process of what Durkheim termed ‘declassation’ – “the movement downward of entire social groups on the ladder of wealth, power and prestige” – develops even in those made marginally

⁸⁵ Kolarska-Bobinska, *The Changing Face*, p. 184.

⁸⁶ Lena Kolarska-Bobinska, “Civil Society and Social Anomy in Poland,” *Acta Sociologica*, 33:4 (1990), p. 271. See also Elzbieta Tarkowska and Jacek Tarkowski, “Social Disintegration in Poland: Civil Society or Amoral Familism?” *Dissent* (Summer 1993), p. 103-109.

⁸⁷ *Ibid.*, p. 282.

⁸⁸ *Ibid.*, p. 282.

better off by change, the sense of discomfort and disorientation.⁸⁹ There is thus a sense, especially pronounced among the Polish and Hungarian intellectuals who helped defeat the communist regimes, that they have been robbed of the promise of the change of systems, that in essence, victory has entailed the denial of the original program of civil society and the promise of a better life.⁹⁰ There is therefore, an obvious and striking difference between the post- and pre-communist eras. Whereas the retreat from the public sphere under communist rule was a vocal rejection of state socialism and a reactionary and rebellious social defence of its customs and personality – which were under attack in public life,⁹¹ disillusionment and the abandonment of the social sphere (manifested by the refusal to vote, a marked disinterest in political events and turning away from other associational activities) in the post-communist era can be seen as a silent rejection of the free market and liberal democratic projects by a substantial proportion of the Polish and Hungarian people. The abandonment of associational life can thus be seen as both a manifestation of widespread anomie or disillusionment, and as a strategy for managing adversity. Both of these tendencies are antithetical to the vibrant civil society and, concomitantly, a stable and secure democracy.

III- Disinterest and The Retreat From Public Life

Evidence of a sense of disillusionment is never far from the surface of East European politics. Electoral contests throughout the region have been plagued by general dis-interest. Recorded levels of popular participation are especially troubling in Poland

⁸⁹ Lena Kolarska-Bobinska, "The Changing Face of Civil Society in Eastern Europe," in Zsuzsa Ferge and J.E. Kolberg, eds. *Social Policy in a Changing Europe*. (Boulder: Westview Press, 1992), p.183.

⁹⁰ Andras Bozoki and Miklos Sukosd, "Civil Society and Populism in the Eastern European Democratic Transitions." *Praxis International* 13:3 (October 1993), p. 229.

and Hungary in light of the fact that they replicate results in post-communist countries where civil society did not rebound under communist rule. While the turn-out at the first 'almost'- democratic elections in Poland in June 1989 was surprisingly low (when only 60 percent of the electorate participated) participation was even lower for the first fully democratic parliamentary elections in October 1991, when almost two thirds of eligible voters did not cast a ballot.⁹² In the June 1994 Polish local elections only twenty five per cent of eligible voters turned out to vote⁹³ and the presidential election in 1995 that resulted in the defeat of President Lech Walesa saw a bare majority of Poles participate. Additionally, in Poland, the decline in membership in socialist mass organizations has not been countered by increased membership in alternative groups, be they non-governmental or political parties. For example, membership in Solidarity dropped from ten million to some 2.5 million adherents in 1990. Similar levels of disinterest have also prevailed in Hungary where less than 50 per cent of the population participated in the second round of the inaugural parliamentary elections in 1990, and a crucial referendum later in the same year saw only 14 per cent of the population turn out to decide whether the President should be directly elected by the people or whether that power should remain with the parliament.⁹⁴ Membership in the Hungarian environmental movement that was a "robust source of opposition prior to 1989" has also evaporated.⁹⁵

⁹¹ DiPalma, p. 70.

⁹² Kolarska-Bobinska, Civil Society and Social Anomy, p. 278.

⁹³ Nelson, p. 345.

⁹⁴ Grzybowski, Marian. "The Transition to Competitive Pluralism in Hungary" in Sten Berglund and Jan Ake Dellenbrant, eds., The New Democracies in Eastern Europe: Party Systems and Political Cleavages. (England: Edward Elgar, 1994), pp. 169-202.

⁹⁵ Commisso, p. 14. See also Mihaly Simai "Hungarian Problems," Government and Opposition, (Winter 1992).

Polling surveys in Poland and Hungary also suggest that a marked disinterest in politics and a disbelief in the efficacy of democratic participation accompanies the low electoral participation rates. Indeed, survey data suggests that trust and confidence in the market and democratic projects is disturbingly low. In Hungary more than half of the national samples in late 1996 saw the old communist regimes as preferable to the new political system.⁹⁶ In Poland, popular trust in the president, parliament, and political parties rates lower than the support recorded for the military and the church.⁹⁷ The level of discontent with the political and economic status quo is also evinced by the degree of public support for a 'stronger' and more interventionist government and the support received by the openly xenophobic and populist fringe candidate in the 1990 Polish Presidential elections. Stanislaw Tyminski – with vague promises of instant wealth for all Poles – won 23 per cent of the popular vote at a time when the effects of shock therapy were starting to be felt. Additionally public opinion polls have demonstrated both majority support for rule 'with a strong hand' and growing anti-semitism.⁹⁸ Concomitantly, within two years of the collapse of communism, free elections brought former-communists to power in Poland in 1993 and Hungary in May 1994.⁹⁹ The director of the Gallup-Hungary polling firm described the 1994 Hungarian national elections as "a revolt against the market economy..." in an electoral contest that saw the governing party offer more radical reform and the victorious former communists offer a re-assuring

⁹⁶ Nelson, p. 346.

⁹⁷ Ibid, p. 349.

⁹⁸ David S. Mason. "Poland" in Stephen White, Judy Batt and Paul G. Lewis, eds., Developments in East European Politics. (Durham: Duke University Press, 1993). A 1993 poll revealed that 40% of respondents believed Jews 'played too big a role in the country's public life'.

⁹⁹ Bigler, p. 205. In regards to the election of Gyula Horn (a former communist Foreign Minister) in Hungary the New York Times lead article on May 31 1994 was titled "Welcome Back, Lenin".

return to communist-era economic policies.¹⁰⁰ Perhaps the most dramatic electoral result in post-communist Europe however, was the victory of Aleksander Kwaniewski, a former communist official, over President Lech Walesa, the heroic former leader of Solidarity, in November 1996. While, as Daniel Nelson stresses, these vignettes of social and political attitudes in the former communist bloc are “neither comprehensive nor conclusive” they do, significantly, “suggest the collapse of hope, trust, and confidence among peoples in post-communist states.”¹⁰¹ This evidence of social malaise is especially marked in light of the fact that it was the hope of the democratic dissidents that upon the abolition of communist rule, East Europeans would revel in their newly won freedom: a joy that would manifest itself precisely in a release of social self-organization and democratic participation (rights for which East Europeans had previously marched, rioted and died) not a lack of activity. In short, widespread disaffection is reflected in public opinion data and election results that suggest that East Europeans long for the personal economic security that was essentially guaranteed for most of society under communist rule. In effect, writes a Russian historian: “In our amoeba-like social life... we have a reverse scale of values... Against the market are almost a majority of our citizens. For them, the prospect of a market economy resembles a Stalinist exercise in logic: ‘I’ll force you to be happy you bastard!’”¹⁰²

As it was suggested in the previous chapter, many East European (and Western) neo-liberals openly espouse an authoritarian state (what some observers have labelled the

¹⁰⁰ Ibid., p. 206. It must be added that notwithstanding their election promises, the former communists were as enthusiastic supporters of market reform as were their liberal opponents upon taking power.

¹⁰¹ Nelson, p. 347.

¹⁰² Morawski, p. 102.

'Pinochet Solution') as the only means of managing the social dislocation of the transition to the free market.¹⁰³ However, this effort is not the only threat to democratic consolidation in the region. Indeed, a vapid public sphere leaves space for what Hall terms "symbolic politics" – alternatives which are superficially attractive but in fact, socially repressive.¹⁰⁴ As Nelson emphasizes, comparisons between Eastern Europe and conditions of social indifference in the longer-established democracies in the West are misleading, not only because the degree of dissatisfaction is not as marked, but also because disaffection with politicians and political processes in the West, where voter turnout in local elections (and in some cases national contests too) mimics the voter apathy in Eastern Europe, does not normally extend to systemic rejection.¹⁰⁵ Indeed, in Eastern Europe, where "fundamental constitutional principles" are often at stake with each election, engagement in public life is vastly more important for systemic survival.¹⁰⁶ Moreover, the political and social consequences of apathy and anomie in emerging democracies are significantly more dangerous than the attendant costs of anomie in the established Western democracies. While sociologists lament that apathy in the capitalist and social democratic countries has resulted in an increase in street crime and "a steady attenuation of everyday co-operation and civic friendship... mutual assistance, political likemindedness" and noisier cities, in the former communist bloc the threat is potentially much more likely and therefore more dangerous.¹⁰⁷ Indeed, many observers warn that a vacant public sphere is fertile ground for a form of: "...illiberal nationalism and

¹⁰³ Williams and Reuten, p. 94.

¹⁰⁴ Hall, p. 357.

¹⁰⁵ Nelson, p. 346.

¹⁰⁶ *Ibid.*, p. 345.

¹⁰⁷ Michael Walzer, "The Idea of Civil Society," *Dissent*, (Spring 1991), p. 293..

fundamentalism [which feeds] on people's economic frustrations."¹⁰⁸ While fringe elements in the United States for example, (i.e., the militia groups) openly advocate the violent overthrow of the U.S. government, they draw upon an extremely limited pool of radical discontent. Another source of fundamentalist politics in the U.S. – the Christian Right – while also advocating radical systemic social change, also draws support from a small, albeit vocal, minority of the American electorate. The danger in Poland and Hungary (and elsewhere in Eastern Europe) is that the majority of the population can legitimately claim that the promise of democracy and capitalism has failed them miserably. Thus, a turn to radical politics in the region has a wider base upon which to build support. While some Western observers of politics in Eastern Europe are clearly condescending in their perception of the political proclivities of East Europeans,¹⁰⁹ not all fears of the condition of the East European public sphere are necessarily ethnocentric, but are founded on a sympathetic understanding that the turn to radical alternatives to the status quo is natural for those with little hope. While those marginalized by the neo-liberal capitalism imposed in Poland and Hungary typically possess very little “political power, particularly since they are likely to comprise the aged, peasants who are geographically isolated, and people with the least education... they [do] constitute” potential support for those who seek to capitalize on the unpopularity of the market and democratic projects.¹¹⁰ Indeed politics in Eastern Europe has increasingly been coloured by populist rhetoric: a politics divided into “those who are above and those who are

¹⁰⁸ David Ost, “Labor, Class, and Democracy: Shaping Political Antagonisms in Post-Communist Society” in *Markets, States, and Democracy*. p. 178.

¹⁰⁹ See for example, Thomas S. Szayna, “Ultra-Nationalism in Eastern Europe,” *Orbis*, (Fall 1993). Szayna paints a frightening – and by most accounts, exaggerated – appraisal of the strength and influence of ultra-nationalist parties in Eastern Europe.

¹¹⁰ Przeworski, p. 161.

below.”¹¹¹ When political elites have played the “populist card” in Eastern Europe, calls for a stronger state – a state capable of ameliorating the rapacity of the free market in Eastern Europe – have often been coupled with a nationalist demagogy that is typically anti-feminist (indeed, ‘anti-women’), homophobic, anti-semitic, anti-Western, anti-capitalist, and xenophobic, thus obfuscating typical distinctions between ‘left’ and ‘right’.¹¹² Bozoki and Sukosd argue that it is precisely the weakness of civil society that facilitates this appearance and intensification of divisive populism, for the weaker the worker, agrarian and employee organizations of civil society, the weaker are the bonds of solidarity and consensus which – crucially – minimize the appeal of divisive politics.¹¹³ As it was pointed out in the first chapter, it is a critical value of civil society that it is only in a well-developed public sphere that groups (i.e., feminist organizations) can organize to defend themselves against both state power *and* other groups in civil society. Moreover, unlike the populist initiatives which emerged in the American Midwest at the end of the 19th century for example, populist politics in Eastern Europe has not served the mobilization of citizens into democratic activism. Populist politics in Poland and Hungary has yet to take on the radical democratic character of politics from below, as typified by nineteenth century American populism, and has thus far been directed by political elites from above that have sought to capitalize on the legitimate concerns of those impoverished and made insecure by the change of systems. In short, East European populism has relied on radical and negative demagogy – almost to the exclusion of programs for development and reform.

¹¹¹ Bozoki and Sukosd, p. 231.

¹¹² *Ibid.*, pp. 231-232.

IV- Conclusion

The growing discrepancy between peoples' expectations and the social position which enables their attainment in Poland and Hungary has resulted in a re-emergence of the frustration and a lack of meaning to life that characterized their societies under communist rule.¹¹⁴ This alienation has undermined support for democratic principles – as evinced by a belief in the value of competitive elections, equal justice, and freedom to criticize the government – because such support depends upon general systemic optimism.¹¹⁵ This sense of anomie has only been exacerbated in Poland and Hungary by a conscious effort on the part of the governing elites to make access to the political process harder for 'unauthorized' actors. Concomitantly there has been a limitation of space "for the aggregation, mobilization, and articulation of... openly pursued interests [in civil society]."¹¹⁶

According to Berelson, Schumpeter and Dahl, the principal value of the elitist model of democracy is its security, and widespread citizen disinterest (manifested – although they do not use the term – by a weak or elitist civil society) is the essential guarantor of this stability. However, as the theoretical literature and empirical data from Hungary and Poland has demonstrated, it does not necessarily follow that prescriptions for a secure democracy, in regions where the political system has been relatively stable for over a century, should be applied in countries where systemic and individual security is at a premium. In other words one can, in effect, confront the pluralist-elitist model on its own grounds: one must not necessarily support the contention that the economic

¹¹³ Ibid., pp. 236-237.

¹¹⁴ Bobinska, p. 284.

¹¹⁵ Nelson, p. 358. See McIntosh et al, p. 502.

¹¹⁶ Mizgala, p. 175.

reforms imposed on Eastern Europe are ethically problematic in order to conclude that they are misguided. What the double transition has demonstrated in Poland and Hungary is that the prescriptions imposed upon the region are in part premised on an important misnomer: that is that democratization and the establishment of the free market are an interchangeable phenomenon. Thus at the very least, the observational evidence from Eastern Europe has highlighted the fact that markets are poor “vessels of democratization.”¹¹⁷ More substantially, however, from a perspective that views popular participation (the focus of the next chapter) as in fact essential to the consolidation of democracy, the double transition has underscored the fact that democracy is threatened because extreme market-based reforms have increased the very social disinterest and alienation that is so critical to the equilibrium model of democracy to a threatening level. As Walzer argues, the point is not that the autonomy of the market automatically and necessarily “collapses into egotism... only that autonomy in the marketplace provides no support for [the] social solidarity...” that is so critical to the functioning of an effective civil society.¹¹⁸ In short, such support and trust is built in civil society, and civil society cannot flourish under conditions of economic uncertainty when people are forced to live precariously on the margins of the market economy.

While the preceding chapter detailed the rebounding of civil society under communist rule, and this chapter examined the impact of neo-liberal economic reforms upon social and political life in post-communist Eastern Europe, the next chapter contends that the path imposed upon Eastern Europe is by no means the only alternative

¹¹⁷ Barber, p. 268.

¹¹⁸ Walzer, p. 296.

available to policy-makers in Hungary and Poland (and those in the West who suppose to ease the transition to democracy and the free market). Indeed, the dissident literature produced under communist rule lends considerable support to the proposal that a reform program based upon the needs of citizen participation is not only possible, but also highly desirable.

Chapter 5

Alternatives to Shock Therapy: Social Citizenship and 'Anti-Politics' in Post-Communist Europe

I- Introduction

The key to the debate on the dilemmas of the double transition in Eastern Europe can be effectively conceptualized as lying in the differing conceptions of the individual's role in civil society – or citizenship – most suited to post-communist Europe. The reforms imposed thus far in Hungary and Poland have sought to limit democratic rights by insulating economic policy-making from popular pressure. Thus Polish and Hungarian policy-makers have, in effect, forwarded a narrow conception of civil society and citizenship which is essentially limited to participation in the free market. The same policy-makers – and their supporters in the West – have also forcibly argued that their conception of the role of the citizen is the only realistic alternative available to East Europeans. However, there exists in the history of the development of citizenship in the West and the programme of the democratic oppositionists themselves, conceptions of democracy and citizenship that are considerably more attuned to the particular dilemmas of a consolidating democracy. This chapter will suggest that the programme of the democratic opposition under communist rule is as important in post-communist Europe as it was under authoritarian rule. Specifically, the anti-communist opposition argued that liberal democratic conceptions of individual freedom and liberal institutions of constitutional government were insufficient guarantors of human freedom and dignity. The type of politics practiced by the dissidents – underground publications, petitions and protests – on the other hand, were seen not only as a means of reforming socialism, but

also as the foundation of a more rewarding citizenship. In short, not only do these efforts produce a vibrant civil society – an end in itself as far as the anti-communist dissidents were concerned – but crucially for politics in post-communist Poland and Hungary, they also practice and give meaning to democracy in everyday life; a phenomenon, the empirical and theoretical literature has suggested, that is desperately needed in Eastern Europe. Moreover, an examination of the development of social citizenship in the West suggests that the material basis necessary for the development of such a politics is also not without historical precedent. This chapter will argue that a realistic basis for the revitalization of a moribund civil society lies in dissident conceptions of citizenship that are materially and socially supported by a Western-like welfare state.

While it is a fact that democratic political institutions have only existed in countries with predominantly market-oriented economies, it does not follow that democracy can only exist where such markets are the mirror image of the classical liberal model of a self-regulating market economy.¹¹⁹ Indeed, what the East European publics so admired in the West was not capitalism, but a still imperfect social democracy.¹²⁰ While East Europeans have been exhorted to be flexible, patient and sufficiently disciplined in spite of evidence that the shock will not be a therapeutic one, the most advanced and successful economies in the world are mixtures of markets that have flourished with the assistance of deliberately imposed government interventions in the market.¹²¹ John Kenneth Galbraith explains this peculiar paradox in the following way: the economic advice and financial assistance proffered to East Europeans over the past decade has

¹¹⁹ Robert Dahl, "Social Reality and Free Markets," *Dissent*, (Spring 1990), pp. 224-226.

¹²⁰ J.K. Galbraith, "The Rush to Capitalism," *New York Review of Books* 25 October 1993. p. 53.

come from “devout theologians” who have “long regretted the concessions that Western economies have accorded to social action. They don’t like what they see at home, so it naturally forms no part of their recommendations for countries now emerging from communism.”¹²² As such, Poland and Hungary have been compelled not to imitate the present West European or even North American economic models which are polluted by ‘welfarism,’ but to pattern their economies on the kind of free markets that are supposed to have existed in the United States a century ago.¹²³ Indeed, the programme imposed on the region has been of such a markedly ahistorical nature, that it has been termed ‘simplistic or primitive ideology.’¹²⁴ However, the situation would not be so tragic if not for the second characteristic typical of Western assistance. That is, as it was contended in the previous chapters, the casual encouragement by the Polish and Hungarian governments and their Western donors of human deprivation, unemployment, inflation, and markedly reduced living standards as a matter of course.¹²⁵ The human cost of the double transition in Eastern Europe clearly demands a re-appraisal of the related conceptions of democracy, participation and citizenship, that have thus far informed policy-makers in both Eastern Europe and the West.

II- Anti-Politics Re-visited

¹²¹ Dahl, p. 226.

¹²² Galbraith, The Rush to Capitalism, p. 51.

¹²³ Michael Williams and Geert Reuten. “After the Rectifying Revolution: the contradictions of the mixed economy?” Capital and Class 49 (Spring 1993) p. 90. According to Galbraith, what has been offered to Eastern Europe “is an ideological construct that exists all but entirely in the minds and notably in the hopes of the donor. It bears no relation to reality.” Galbraith, The Rush to Capitalism, p. 51.

¹²⁴ John Kenneth Galbraith “Which Capitalism for Eastern Europe?” Harper’s Magazine (April 1990), p. 19.

¹²⁵ Galbraith, The Rush to Capitalism, p. 51. Przeworski sites three examples of this commitment to suffering: “Union leaders speak publicly of their ‘hope that there will be unemployment.’ Finance ministers declare that if unemployment fails to rise to 8 or 10 percent, it will be ‘a sign that the reforms are not working.’ Government leaders declare their determination to persist ‘regardless of all the political pressure upon us.’” Przersowki, The Neo-Liberal Fallacy, 40.

The most influential East European dissidents, including Vaclav Havel, Adam Michnik, George Konrad and Jacek Kuron, all recognized the value of liberal constitutionalism and its attendant institutions. However, they also recognized its limitations and its frustrations:

What emerges clearly from... the literature of Central European dissent... is the belief that the impersonality and consumerism of modern society, the bureaucratization of political agencies, and the debasement of political communication... produce a shallow politics, a disengaged citizenry, and the domination of well-organized, entrenched corporate interests.¹²⁶

Their complaint against Western consumer-culture reflected dis-satisfaction not only with its consumption-driven markets, but also its hollowness as a foundation for a meaningful social existence; an existence made more intolerable by a profound sense of civic alienation that isolates individuals from nonmaterial sources of their being, and disconnects them from their communities.¹²⁷ Thus while the East European dissidents clearly recognized that liberal democratic institutions are a vital basis of human freedom, they also argued that they must be supplemented and reinvigorated by civic initiatives that challenge the way democracy typically functions.¹²⁸ The utility of their notion of anti-politics – of a reinvigorated civil sphere – was threefold: not only was it significant as a means of opposing communist rule and establishing and revitalizing democratic values, it also had as its mandate the goal of “sustaining individual freedom and empowerment in [an otherwise impoverished] modern mass society.”¹²⁹ In other words, civil society, in its effect of marrying rights and responsibilities, offers a civic identity

¹²⁶ Isaac, p. 315.

¹²⁷ Benjamin Barber, *Jihad vs. McWorld* (New York: Ballantine Books, 1996), p. 275.

¹²⁸ Isaac., p. 313.

¹²⁹ *Ibid.*, p. 316.

that belongs neither to the state nor the market, but to citizens alone.¹³⁰ And while a revitalized democratic citizenship was not necessarily considered a cure for the sort of spiritual malaise engendered by modern consumer society, spiritual malaise was recognized as a roadblock to a revitalized citizenship because – as the East European dissidents argued – it impairs the capacity to create the community and civic initiatives on which a civil society and a democratic culture must rest and without which a truly democratic polity cannot survive.¹³¹

The debate over new foundations of citizenship in Eastern Europe has not been confined to academic circles. In addition to its relevance to public policy, it has also had a very public airing in Eastern Europe in a long-running debate carried out in the media between two former dissidents in the Czech Republic. The philosophical distance between Czech President Vaclav Havel and Prime Minister Vaclav Klaus could not be more pronounced. Broadly speaking, Vaclav Havel draws on the visions of civil society and *anti-politics* developed by the democratic oppositionists, while Vaclav Klaus draws on typically neo-liberal conceptions of the relationship between individuals, the free market and the state. At the centre of their disagreement are their conceptions and use of the term *citizen*. While Klaus contends that the proper conception of citizenship should entail nothing more than individual freedom and the possession of certain universal rights, Havel's notion is much broader.¹³² Havel argues that in addition to the enjoyment of individual rights, the citizen is also responsible to the wider community. The consequence of this responsibility, contends Havel, is that *citizens* must be actively

¹³⁰ Barber, p. 285.

¹³¹ *Ibid.*, p. 275.

¹³² Jiri Pehe, "Civil Society at Issue in the Czech Republic," RFE/RL East European Report 3:32 (August 1994), p. 14.

involved in communal life: “[active] participation in public affairs, and other civic involvement are as important to the functioning of a democratic system as is individual freedom.”¹³³ Moreover, while Klaus has also maintained that civil society is merely a sphere of individual, market-like transactions, Havel insists that civil society has a deeper relevance, in that it “gives people space to assume their share of responsibility for social developments [while cultivating] the feeling of solidarity between people and love of one’s community.”¹³⁴

Havel’s main concern is that a democratic polity reduced to mere mechanisms and institutions is in permanent danger of atrophy: a concern that is especially pronounced in emerging democracies where democratic values need to be put into practice in civil society in order to invigorate democracy and keep it alive. Klaus, on the other hand, has argued that freedom, political pluralism, and an unfettered market are sufficient guarantors of a just and decent society.¹³⁵ In this respect, Klaus closely resembles those – including Berelson and Dahl – who view extra-parliamentary political activity as threatening and illiberal.¹³⁶ Proponents of civil society, Klaus avers, are merely attempting to construct new bureaucratic layers between society and the state, and are searching for dis-proven ‘third ways’ to organize a democratic society.¹³⁷ Similarly, Elisabeth Kiss contends that while the programme of anti-politics played an immeasurably important role in organizing the opposition to communist rule, such a

¹³³ Ibid., p. 14.

¹³⁴ Isaac, p. 325.

¹³⁵ Pehe, p. 29.

¹³⁶ See also Stephen Holmes, “Back to the Drawing Board: An Argument for Constitutional Postponement in Eastern Europe,” *East European Constitutional Review*, 2:1 (Winter 1993).

¹³⁷ Pehe, p. 29.

model is insufficient as a vision for ongoing, normalized politics in a complex society.¹³⁸ Because the new social order will depend to a greater degree on stable governments, parties and parliaments – institutions abjured by the oppositionists in favour of more ‘genuine’ agencies – Kiss contends that anti-politics “translates badly into the post-communist era.”¹³⁹ Havel, on the other hand, contends that the partisanship and intransigence of political parties makes them an inadequate substitute for a vibrant civil society. Moreover, while Vaclav Klaus views the rapid expansion of the free market as the essence of individual freedom and efforts to strengthen civil society as attempts to weaken the political agencies of economic shock therapy, Vaclav Havel sees the free market as both a necessary institution and a threat to many important forms of association. Thus unlike Klaus Havel understands that the market must be regulated and embedded in certain ways.¹⁴⁰ In sum, the debate between Vaclav Havel and Vaclav Klaus has publicized the marked tension between the form of liberal democracy currently instituted and the vision of those who struggled most vigorously against communist rule.¹⁴¹ What the dissident-informed interpretation of the transition from communism has laid bare, is the inadequacy of neo-liberal conceptions of citizenship, not only where democracy has yet to be consolidated but also, perhaps, where the democratic polity is considered more secure.

Yet while the kind of civic initiatives that were the practice of anti-politics – petitions, protests, vigorous critical debate, civil disobedience – are clearly not anti-liberal either in theory or practice they are in “deep tension” with the normal institutions

¹³⁸ Isaac, p. 304. See also Bruce Ackerman, The Future of Liberal Revolution (New Haven CT, Yale University Press, 1992), pp. 32-33.

¹³⁹ Isaac, p. 304.

¹⁴⁰ *Ibid.*, p. 325.

of liberal politics in that they entail a style of politics which is more participatory and more rebellious.¹⁴² In effect, the consciousness-raising and practice of anti-politics imposes ethical demands upon politicians and governments that are antithetical to the typical functioning of liberal democracy, which requires living in 'half-truth.'¹⁴³ In response to those who seek to insulate decision-making from this 'extra-parliamentary' pressure, one must ask whether there are no more radically democratic alternatives to liberal democracy that might play some role in combating authoritarian populism and securing democracy. In light of the precarious foothold of democratic reform and the havoc that radical economic reform has wreaked upon civility in Eastern Europe, "we must see that the antipolitics of the Central European democratic oppositions is not *passe*."¹⁴⁴ Significantly, conceptions of anti-politics and civil society are not presented as an alternative to liberal democracy but they do, however, seek to reinvigorate it and keep it 'honest'. The Czech case is instructive in this regard as President Vaclav Havel has made it clear that notions of civil society can inform real public policy issues (in the Czech case, the decentralization of regional administration and exempting non-profit organizations from the payment of taxes). While Stephen Holmes is right – the institutionalization of parliamentary democracy and the transformation of moribund state-socialist economies are pressing tasks – it does not necessarily follow from that "that all energies must be channelled in this direction, nor that those energies that are channelled elsewhere constitute extra-parliamentary threats to a democratic transition."¹⁴⁵ Indeed,

¹⁴¹ *Ibid.*, p. 304.

¹⁴² *Ibid.*, p. 316.

¹⁴³ Thus, Stephen Holmes has argued that "the challenge in Eastern Europe today is to prevent extra-parliamentary leaders from building public support on the basis of [what he terms] non-democratic and non-electoral forms of legitimacy." Holmes, p. 24.

¹⁴⁴ Isaac, p. 319.

¹⁴⁵ *Ibid.*, p. 320.

Andrew Arato argues that civil society is "... the key to the possibility of innovation in East Central Europe and the possible locus of reconciliation between economic reform and political democracy."¹⁴⁶ Where the potential for reconciliation lies [as T.H. Marshall (1945) and John Kenneth Galbraith (1990) have argued] is in a more active state presence in the economy in order to ameliorate those socially destructive tendencies of the free market and provide support for those conditions of social solidarity that make civil society and democracy sustainable.

III- Conceptions of Citizenship and the Social Democracy

T.H. Marshall, writing in the 1940s, argued that to secure social integration and social harmony, a subordination of self-interest to the common interest must be evoked. He argued that an urban-industrial society cannot, even in principle, be organized on the basis of the pursuit of unmitigated self-interest.¹⁴⁷ In a challenge to Marx's analysis of the society of his day, social democrats asserted that social harmony need not be wholly coerced or manipulated, but may be rooted in interests common to all. Marshall argued that social citizenship, as the foundation of the emerging social-democratic nation-state, provides this framework within which the individual becomes part of a larger, more cohesive political community.¹⁴⁸ However, such solidarity requires a commitment to the socio-political order. For Marshall, social citizenship supports the material basis of this collective purpose in that it evokes "a direct sense of community membership based on

¹⁴⁶ Andrew Arato, "Interpreting 1989," *Social Research*, 60:3 (Fall 1993), p. 639.

¹⁴⁷ G.J. Room, "The End of the Welfare State?" in W.J Mommsen, ed., *The Emergence of the Welfare State in Britain and Germany 1850-1980*. (London, Croom Helm, 1981), p. 411. For criticism of Marshall, see M. Mann, "Ruling class strategies and citizenship," *Sociology* 21 (1987), pp. 339-357 and M. L. Harrison, "Citizenship, consumption and rights," *Sociology* 25 (1991), pp. 209-213..

¹⁴⁸ Mathew Horsman and Andrew Marshall, *After the Nation-State* (London: Harper Collins, 1995), p. 216.

loyalty to a civilization which is [made] a common possession.”¹⁴⁹ Few contest T.H. Marshall’s assertion that social citizenship is the core idea of the social democratic welfare state.

In general, the welfare state vests responsibility for social welfare with the state and largely eliminates individual vulnerability in various areas, such as provision for unemployment, old age security, health care and in some cases, housing and child care. Here it is useful to consider a conception of the welfare state as it is defined by Asa Briggs. Briggs contends that a *welfare* state is one in which organized political and administrative power is utilized in the effort to ameliorate the socially disruptive impact of “... the play of market forces...by guaranteeing individuals and families a minimum income irrespective of the market value of their work... and by ensuring that all citizens... are offered the best standards available in relation to a certain agreed range of social services.”¹⁵⁰ Briggs considers the latter direction absolutely essential to the definition of the welfare state. Unlike means-tested assistance – increasingly the system of choice in post-communist Europe and the West alike – and corporatist social insurance, the universalistic system promotes equality of status, in that optimum rather than minimal standards are guaranteed as a matter of right and entitlement, regardless of class or market position.

Marshall incorporated his conception of the welfare state and social citizenship into his linear model of the development of rights. He suggested that the eighteenth century witnessed the gradual achievement of rights of individual freedom, speech, thought and faith; the nineteenth century, rights of political participation; and the

¹⁴⁹ Room, p. 412.

twentieth century, those of social and economic welfare.¹⁵¹ Ralf Dahrendorf described the progressive enjoyment of citizenship this way:

From an early point onwards [this] century, more and more people came to believe that civil and political rights are not worth an awful lot unless they are backed up by a certain basic social security which enables people to make use of these rights and makes it impossible for others to push them around in such a way that the rights become an empty constitutional promise without any substance...¹⁵²

Similarly, Marshall argued that full citizenship required the coexistence of civil, political and social rights. Additionally he asserted that the optimum condition for industrial society was the maintenance of a balance between the economy and social rights.¹⁵³ In sum, Marshall argued that citizenship in the West came to be defined as “a matter of possessing certain rights, including social welfare rights which are delivered by the state as the embodiment of all citizens, who share equally in political power by means of the vote: the ‘citizenship of entitlement’.”¹⁵⁴ Without the simultaneous enjoyment of this full set of rights, the others become worthless, eroded by the rapacity of the free market.

IV- Whither the Citizen?

At the heart of liberal-democratic politics in the West throughout the twentieth century has been an assumption of a congruent relationship between rulers and the ruled. Congruence is assumed at two different points: first, between citizens and the decision-makers whom they are, in principle, able to hold accountable; and secondly, between the

¹⁵⁰ Asa Briggs, in Geoffrey Finlayson, Citizen, State, and Social Welfare in Britain 1830-1990 (New York: Oxford University Press, 1994), p. 4.

¹⁵¹ Finlayson, p. 5.

¹⁵² *Ibid.*, p. 5.

¹⁵³ Nick Manning, “T.H. Marshall, Jurgen Habermas, Citizenship and Transition in Eastern Europe,” World Development, 21: 8 (August 1993), p. 1314.

¹⁵⁴ Finlayson, p. 4.

'output' of decision-makers and their constituents.¹⁵⁵ However, as Jurgen Habermas contends, the Western state is facing a double legitimation crisis – not dis-similar to the former communist states – in that both points of congruence are splintering under the pressure of market-driven forces. As the capacity of the social democratic state to perform its welfare functions is threatened, what becomes of citizenship in its social democratic form?

Ideologists of the market, such as Ludwig von Mises, equate consumer freedom in the marketplace with the sovereignty of the people in a democracy: “In a daily plebiscite in which every penny gives a right to vote, the consumers determine who should run the plants, shops and farms. The control of the material means of production is... subject to the confirmation or revocation by... consumers.”¹⁵⁶ Ultimately, however, economic democracy is an unsatisfactory substitute for the form of citizenship which derived from the state for two reasons. First, whereas a democracy operates on the principle of one person, one vote, the market, as it is mythologized by Milton Friedman, Friedrich von Hayek and Ludwig von Mises, for example, operates on the principle of ‘one dollar, one vote’. Thus, to the extent that individual consumers command unequal amounts of wealth, they will exert as consumers unequal amounts of power.¹⁵⁷ Furthermore, “the power to consume is predicated on possession; without possessions, there is no power to express democratic free will, if that expression is to have as its vehicle the act of consuming.”¹⁵⁸ Social citizenship on the other hand, “...is a rejection of the morality

¹⁵⁵ David Held, “Democracy, The Nation-State and the Global System” in David Held, ed., Political Theory Today. (Oxford: Polity, 1991), p. 198.

¹⁵⁶ Ludwig von Mises quoted in Andrew Schmockler, The Illusion of Choice: How the Market Economy Shapes Our Destiny. (New York: State University of N.Y. Press, 1993), p. 45.

¹⁵⁷ Schmockler, p. 46.

¹⁵⁸ Horsman and Marshall, p. 217.

and rationality of possessive individualism: that is, [it denies] that one's essential individuality is tied to ownership."¹⁵⁹ As such 'economic democracy' is an unsatisfactory template upon which to model the transition in Poland and Hungary because in its celebration of the individual-consumer, it undermines the sense of community which is fracturing under the same pressure as social citizenship in the West. The effect of the dismantling of the welfare state is that national politics in the West is "increasingly framed in exclusive or 'status' terms, rather than the inclusive citizenship terms associated with social democracy."¹⁶⁰

Marshall's model has come under criticism for, among other things, its anglo-centrism. Moreover, Andrew Arato contends that because the attempt to introduce a West European type of welfare state and interventionism in emerging democracies may involve – as various experimental devices in Latin America have demonstrated – “the redistribution of what has not been and in the given context will not be produced” and, in the former Soviet Bloc, a return to pre-existing paternalistic and clientelistic networks, Marshall's conception of social citizenship should not be transplanted to emerging democracies.¹⁶¹ However, this does not justify the conclusion that if the people of Eastern Europe and Latin America desire Europe's present they must suffer through a long period resembling Europe's early experience of the expansion of unregulated capitalism and the many costs such a path entails. And it does not, as Dahrendorf suggests, necessitate the establishment of a free market before there can be any thought of compensating for its

¹⁵⁹ David P. Shugarman, "Citizenship and Civil Society: Redressing Undemocratic Features of the Welfare State" in Gregory Albo et al, eds., A Different Kind of State? Popular Power and Democratic Administration. (Toronto: Oxford University Press, 1993), p. 79.

¹⁶⁰ Philip McMichael, "Globalization: Myths and Realities." Rural Sociology 61: 1 (Spring 1996), p. 39.

¹⁶¹ Arato, From Neo-Marxism to Democratic Theory. (London and New York: M.E. Sharpe Inc, 1993.), pp. 308-9.

deleterious effects.¹⁶² To insist upon both conditions – that Poland and Hungary imitate a mythologized past without benefit of the lessons learned by social democrats – suggests that ideological considerations (an ideological zeal, Przeworski warns, that is informed by no more “than a mixture of evidence, argument from first principles, self-interest, and wishful thinking”) have taken precedence over common sense.¹⁶³

Indeed, if the key to social order during periods of marked uncertainty is reliability and predictability based on mutual confidence, then the transition to democracy and the free market in Poland and Hungary “may require enough solidarity, unity and sense of common purpose to allow citizens to accept not only limitations on their own behaviour vis a vis other groups, but more importantly, support a faith that other groups share a similar commitment.”¹⁶⁴ A commitment to minimize the socially destructive vagaries of the free market – as Marshall emphasized – may be the key to ensuring such solidarity in the region. Significantly, it may also be the key to re-vitalizing East European civil societies and protecting the nascent democracies. As the empirical and theoretical literature has evinced, the conception of citizenship thus far imposed on Poland and Hungary has failed to secure popular support for the democratic project. Marshall’s conception of social citizenship, on the other hand, would eliminate in the region those conditions (i.e., economic insecurity) that have undermined the conditions of social solidarity that support the vibrancy of civil society and make fragile democracies sustainable. Indeed, it has been noted that single most important element in the growth of the not-for-profit sector in the United States in the 1960s and 1970s was the growth of state support of the welfare state. Concomitantly, the withdrawal of public support for the

¹⁶² Arato, *Interpreting* 1989, p. 617.

¹⁶³ Przeworski, *Neo-Liberal Fallacy*, pp. 40-41.

poor, education, libraries, arts and community services in the 1980s forced the retraction of the voluntary sector.¹⁶⁵ As Foley and Edwards suggest, the twin phenomenon of fiscal constraint (captured under the broad neo-liberal inspired concept of 'globalization') placed upon the capacity of governments to confront social and economic problems and the ferocious economic restructuring "that has overturned communities and shattered the work lives and expectations of millions over the past two decades...simply cannot be ignored as we attempt to understand the sense of malaise that afflicts public discourse in the United States and around the world."¹⁶⁶

V- Conclusion

The choice offered to the Polish and Hungarian people thus far has been a zero-sum option of a "caricatured Big Brother government that enforces justice but in exchange plays the tyrant...or...some caricatured runaway free market that secures liberty but in exchange fosters inequality and social injustice and doggedly abjures the public weal."¹⁶⁷ The West has urged on Eastern Europe the latter option – a kind of capitalism that West European and North American governments would not dare to risk.¹⁶⁸ The danger for democratic consolidations in the region is that as the sense of personal insecurity increases, growing numbers of people have a decreasing stake in the system and thus, no allegiance to it. However, in their model of anti-politics East Europeans themselves possess a powerful example not only of the power of the self-limiting

¹⁶⁴ Centeno, Dilemmas of the Double Transition, p.138.

¹⁶⁵ M. Foley and B. Edwards, "Social Capital," p. 676. See, for example, L.M. Salamon, Partners in Public Service: Government-nonprofit relations in the modern welfare state (Baltimore: The Johns Hopkins University Press, 1995).

¹⁶⁶ Foley and Edwards, p. 675.

¹⁶⁷ Barber, p. 284.

¹⁶⁸ Galbraith, Which Capitalism, p. 20.

revolution and civic initiative, but also the value of what we possess – and the limits of social democracy – in the West.¹⁶⁹ Thus, while – as Isaac laments – the “democratic tool box of the Central European dissidents” is surely in danger of being over-shadowed by normal politics, it remains significant to politics in Eastern Europe and also, incidentally, to the erstwhile social democracies of the West. Indeed the historian J. G. A. Pocock argues that an affirmation of our citizenship, or recognizing that as individuals we must associate with others in the effort to have voice and action in the shaping of our world is a key to living in the postindustrial world.¹⁷⁰ For Poland and Hungary the significance of anti-politics lies in its recognition of the importance of truly democratic forms of participation to both systemic stability and individual fulfilment: if each individual could be assured of the protection of representation and negotiation capacity in the mediating bodies of a vibrant civil society then at least a part of the uncertainty that accompanies the dislocation of the transition would lose its weight...” and East Europeans “... would have a moral basis in the feelings of solidarity and mutual obligation within ‘civil society’” upon which to found their patience.¹⁷¹

¹⁶⁹ Isaac, p. 329.

¹⁷⁰ Barber, p. 274.

Chapter 6 Conclusions

The euphoria which greeted the end of communist rule in Eastern Europe was exceeded only by the enthusiasm for democracy and the free market among the peoples of the region and the triumphalism of liberals in the West. As such not only was the question settled as to what it was thought the East Europeans desired, so too it was decided was the route by which they would get there. Constructing the new democracies – specialists in both the East and the West contended – would require nothing more than getting the market “right” and “the export of prefabricated constitutions and made-to-order parliamentary systems.”¹⁷² The results – in the region as a whole – are disappointing at best and tragic at worst. Even where the former communist bloc has not degenerated into civil war or thinly-disguised dictatorship, in Poland and Hungary for instance democratic rule cannot yet be considered consolidated. What the lofty expectations of Western liberals in the early 1990s ignored is that democracies – especially those struggling to consolidate – require the development of a psychological and emotional commitment to the new order. Democracy is more than a way of government or an easily attained “political method”¹⁷³ it is, in the words of John Dewey, a way of life or an “associated mode of living in a civil society.”¹⁷⁴ Thus what the IMF and neo-liberal pundits again failed to recognize (a fact evinced by mountains of evidence from Latin America and Africa) is that the neo-liberal informed conception of economic development and the free market undermines the development of the sense of solidarity so crucial to the functioning of civil society and concomitantly, democracy.

¹⁷¹ Offe, p. 891-2.

¹⁷² Barber, p. 278.

¹⁷³ Schumpeter, p. 242.

Clearly, such solidarity cannot be sustained in societies where poverty and marked maldistributions of wealth are advanced and supported by governments as a matter of course. Crucially then, the debate over the question of whether the market or democracy must come first has been settled: the neo-liberal market will preclude the consolidation of democracy in the crucial short term. Understandably, this was not the vision celebrated by Poles and Hungarians at the end of communist rule, or that which was fought for by dissidents and workers alike. Nor is it a vision that is celebrated by social democrats in the West.

While ordered societies have existed since time immemorial, the principles that have defined the modern state are only a few centuries old and the most significant transformation in state-society relations only emerged in late nineteenth and early twentieth century Europe: the development of the welfare state and concurrently, social citizenship. The growing influence of the globalized economy threatens social citizenship in the West because it has eroded the ability of the state to pay this ransom that the working classes exacted from their rulers over the course of a century.¹⁷⁵ In other words, “the welfare state is left with the problem of securing the prosperity of its people without any real control over the economy.”¹⁷⁶ In their unremitting attack on state power, neo-liberals have thus ignored the necessity of state capacities.¹⁷⁷ As a result, as Jurgen Habermas contends, not only is the modern state suffering a crisis of legitimation, whereby it is unable to rely on mass loyalties, more importantly, it is also suffering a

¹⁷⁴ Barber, p. 279.

¹⁷⁵ Ralph Miliband, *The State in Capitalist Society* (London: Wiedenfield and Nicholson, 1969), p. 109

¹⁷⁶ Robin Brown, “Globalization and the End of the National Project” in John MacMillan and Andrew Linklater, eds. *Boundaries in Question: New Directions in International Relations* (London: Pinter Publishers, 1995), p. 60.

¹⁷⁷ Hall, p. 535.

rationality crisis, whereby the state cannot perform its traditional functions.¹⁷⁸ Clearly then, the welfare state and the conception of citizenship it supports (one characterized by an active public sphere) are also threatened in the West. But it was, as it was earlier noted, this vision of society that was idealized by the Eastern European dissidents and peoples alike. As T.H. Marshall argued, the welfare state provides the material basis for the sense of social solidarity that is clearly absent from Eastern European politics. The key to the consolidation of democracy in both the West and Hungary and Poland lies then in a recognition of the inadequacy of the market as a substitute for civil society. To paraphrase Michael Walzer, the ideology of neo-liberalism and individualism, which argues 'let the market decide,' does not answer the question, how shall we live?¹⁷⁹

¹⁷⁸ Horsman and Marshall, p. 219.

¹⁷⁹ Michael Walzer, "The Agenda After Reagan," The New Republic, March 31, 1982.

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