Economic Reform and Political Change in Eastern Europe

A Comparison of the Czechoslovak and Hungarian Experiences

Judy Batt

Lecturer in Soviet and East European Politics University of Leicester



in association with the CENTRE FOR RUSSIAN AND EAST EUROPEAN STUDIES UNIVERSITY OF BIRMINGHAM

Contents

Acknowledgements					
	List of Abbreviations				
C	irtoc	on the state of th	Х		
	Int	roduction	1		
P	ART	I PLANNING, MARKETS AND POLITICAL SYSTEMS			
1	Ec	onomics	7		
	Α		7		
	В	Alternative Models of Market Socialism	13		
2	Politics				
	Α	Hayek, Planning and Freedom	26		
	В		31		
	Ċ	,	36		
	D				
		and Democracy	42		
P	ART	II THE POLITICS OF REFORM IN CZECHOSLOVAKIA AND HUNGARY			
3	Th	e Political Preconditions of Reform	49		
	Α	The Origins of the Communist Regimes	49		
	В	Stalinisation	56		
	•	(i) Economics	56		
		(ii) Politics	63		
	С	From 'New Course' to Partial Reforms	67		
		(i) Czechoslovakia	67		
		(ii) Hungary	77		
4	Th	e Decision to Reform	90		
	Α		91		
		(i) Czechoslovakia	91		
		(ii) Hungary	95		
	В	Political Change	100		
		(i) Czechoslovakia	101		
	_	(ii) Hungary	109		
	С	The Decision to Reform	116		
		(i) Czechoslovakia	116 126		
		(ii) Hungary	120		

vi Contents

5	The Logic of Reform Thought - from Economics to Politics				
	Α	The Plan, the Market and the 'Social Interest'	134		
	В	Sociology, Social Inequality and Power	148		
	C	Political Reform or Political Containment?	158		
6	Economic Reform and Political Crisis in Czechoslovakia				
	1963–8				
	Α	The Novotný Regime	174		
	В	Progress and Paralysis of the Economic Reform	184		
	С	The Politicisation of Reform	193		
	D	Economic Reform in the Politics of 1968	206		
7	The Political Limits to Economic Reform in Hungary				
	196	8–7 8	233		
	Α	Political Change under the Kádár Regime	236		
	В	The Political Limits to Enterprise Autonomy	243		
	C	Social Reactions to Reform and the Recentralisation			
		Process	256		
		(i) Wages	258		
		(ii) Prices	262		
		(iii) Workers and Peasants	264		
		(iv) Interests in the Recentralisation Process	267		
	Co	nclusion	279		
No	Notes and References				
Bi	blioį	graphy			
	(i) `	General, Theoretical and Comparative Works	326		
	(ii)	Works on Czechoslovakia	330		
	(iii)	Works on Hungary	340		
In	dex		347		