

Review
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The Internal Contradictions of Hungary

János Kornai is a highly distinguished, internationally prominent Hungarian economist who taught both at [Harvard](#) and Hungarian academic institutions for almost two decades. He has been showered with honors all over the world and his books translated into dozens of languages. For much of his life he lived under a communist political regime to which he was "rationally, morally, and emotionally opposed." Beginning in the 1960s, under the rule of János Kádár, he achieved a peculiar coexistence with that regime, benefiting from its more permissive policies, which allowed him to travel abroad for extended periods of time. He avoided outright political involvements, but his writings had great political significance; they were groundbreaking studies demonstrating and documenting the incorrigible flaws and failures of socialist economic systems.

Mr. Kornai's new memoir, "By Force of Thought" (MIT Press, 399 pages, \$40), is comprehensive, well organized, handsomely produced, and complete with notes, a bibliography, chronology, and glossary of major historical events and protagonists. It is both an intellectual autobiography and a chronicle of life in communist [Hungary](#) and that includes informative discussions of his Mr. Kornai's works and their reception.

Although he had ample opportunity to move to the West, Mr. Kornai decided to stay in Hungary, where he has recently retired. Even while at Harvard, he divided his time between [Cambridge, Mass.](#), and [Budapest](#). He thus acquired a unique comparative perspective of capitalist and state-socialist systems.

Mr. Kornai's political transformation follows the familiar and authentic trajectories of disillusionment. He was a true believer between 1947 and 1955, while he worked for the daily newspaper of the Hungarian Communist Party. In 1949, he was sent to a party school: a token for his loyalty that could lead to a leadership position. He had "complete confidence in the party and accepted the notion that [it] embodied true ideas, pure morals and service to humanity." Like many young people of Jewish background following World War II, he was attracted to the communist regime since he and his family owed their lives to the Soviet armed forces that liberated Hungary from the pro-Nazi government. In retrospect, he sees himself in that period as a "sleepwalker" oblivious of the social-political realities around him and one who "accepted ... without demur" the charges against László Rajk, an old communist and victim of the major Hungarian purge trial. As Mr. Kornai recalls, "Never for a moment did I think that the troubles were systemic, originating in the system itself ... I subscribed to ... the notion that these were just growing pains. ... Central planning must be more efficient than market anarchy. ... I

attached special importance to the expectation that workers in a socialist enterprise would work conscientiously, for 'the factory was theirs.'"

Mr. Kornai's political awakening was influenced by Miklós Gimes, a fellow journalist who was executed in 1958 for his role in the 1956 Hungarian Revolution. Most important was Mr. Kornai's realization that theory and practice parted company and that the discrepancies were papered over by official lies. Like many others who traversed the same path, he came to reject first the brutal methods used by the regime and later the justificatory ends and theories as well. He went through a process of "emotional and intellectual restructuring that lasted several years." He also ceased to be a Marxist, unlike many Western intellectuals who, while rejecting communist systems, insisted that Marxist theory was wholly innocent of the wrongdoings committed on its behalf. Mr. Kornai was not one of those fighting "desperate rearguard actions" to salvage comforting beliefs. He quoted with approval a contemporary Hungarian philosopher who said that he came to reject Marxism "not because [the Party] did the whole beastly business in the name of Marxism, but because Marxism does not explain what is going on around me."

Mr. Kornai argued in his books that state-socialist systems produced chronic, endemic shortages for systemic reasons. He also believed that "the lasting solution to misery lies in reforming production, not distribution." Closely observing the half-hearted attempts of the Kádár regime at economic reform, he reached the conclusion that "the patching and darning of socialism had to end. There was no third road."

Mr. Hollander, professor emeritus of sociology at the [University of Massachusetts Amherst](#), is the author of "The End of Commitment: Revolutionaries, Intellectuals, and Political Morality" (Ivan R. Dee).