

By Force of Power: On the Relationship between Social Science Knowledge and Political Power in Economics in Communist Hungary

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As in every other regime, so under the conditions of state socialism, no scholar can assert herself merely “by force of thought.” Whatever modern social order we observe, we will find that no scholar can simply disengage from the prevalent hierarchies of power in domains internal and external to her or his field. The image (and self-image) of the scholar who, in terms of career as well as of the objectives of his intellectual-scientific agenda, successfully asserts himself autonomously thanks to the intellectual power and cognitive virtues of his accomplishment belongs to the Mertonian imagery of Science (Merton 1996, pt. 3). As such, it is, at best, a normative ideal (mirroring the idea of free and autonomous science) and, with no exception, a discursive construction resulting from Goffmanian decisions as to what to foreground and what to leave veiled in the background (Goffman 1959). Framed oftentimes in carefully crafted narratives, such constructions are manifest in everyday conversations of practitioners from various scholarly fields, in interviews given by scientists to public media, and in the more or less prominent scholars’ autobiographical writings and memoirs. In some cases, the message transpires already from the title of the memoir. See, for example, the Swedish economist Gustav Cassel’s two-volume opus *I förnuftets tjänst (In the Service of Reason, 1940)* or, more important, from the viewpoint of the present writing, János Kornai’s “irregular memoirs,” *By Force of Thought* (2006).

In the modern and late modern era, the production of social science knowledge, just as any other more or less resource-intensive cultural, artistic, or academic enterprise, is crucially dependent on a protective and enabling belt of *patrons*. Arguably, this applies particularly under the conditions of the state-socialist social order, where the absence of academic autonomies and ideocratic tendencies often prompts political interventions with scholarly life. Under such conditions, empirically oriented social science scholarship or, indeed, any enterprise in the various fields of social thought generating anything of any cognitive value needed for their protection all the resources that informal networks crisscrossing institutional boundaries could render.

In what follows, I explain, in terms of such networks and practices of patronage, how it came to be that in Hungary, after 1953, the field of economic research gained a considerable degree of autonomy and could yield some remarkable intellectual performances attracting attention beyond national and systemic boundaries, as testified by the works of Kornai, Ferenc Jánosy, and Éva Ehrlich. I focus on one of the grand seigneurs of Hungarian economics, István Friss (1903–1978). I have chosen Friss because his significance as the single most important patron in the high echelons of the party-state hierarchy in the 1950s and 1960s not only has failed to be acknowledged but has been quite systematically ignored or, at least, kept from public view. This can be said to have been the result of the converging narratives of historians (Berend 1990), the “internalist” historians of reform economics (Szamuely 1986; Borsányi et al. 1994), and Kornai’s memoirs. This body of literature tends not only to downplay Friss’s contribution but oftentimes even demonize him as a major conservative communist and retrograde force in the domain of things political and economic.

Friss and His Institute of Economics

After the Soviet intervention in June 1953, appointing Imre Nagy prime minister, “New Course” policies in Hungary had a serious impact that survived well into the Kádár era beyond the revolution and counterrevolution of 1956–58. With regard to economics, the following changes were of particular significance (Péteri 1997): a scientific understanding of the economic and political crisis shared almost universally within the ranks of the economic policymaking elite of the party-state; a radical upgrade in the status of empirically grounded social-scientific (especially economic) knowledge and its producers; and the expansion and development of the

disciplinary infrastructure of economics including the establishment of a new Institute of Economics within the Academy of Sciences (January 1955), as well as the relaunching of the *Economic Review* (October 1954) and, somewhat later, of the Hungarian Economic Association (December 1959). These developments enabled the research economists, at the price of an all-pervasive policy orientation, to gain a certain amount of freedom from the intellectual confinement that Marxist-Leninist political economy brought with it and to adopt a new identity of the empirically oriented social science professional in contrast to the ethos of the party soldier during the Stalin era. The role of Friss in bringing these changes about could hardly be overstated.

In his “irregular memoirs,” Kornai reveals a recurring perplexity with regard to the phenomenon of Friss, consistently on occasions when Friss exhibited benevolence toward him and/or toward the cause of economics. In Kornai’s account, Friss behaves predictably as a party functionary can be expected to behave: uncompromisingly loyal to his party. Deviations from this pattern come as an anomaly and surprise, and are explained in terms of a mysterious “complexity” of Friss’s personality or his “multiple souls” (Kornai 2005, 121, 125, 209–11). In my rendering, the Dr. Jekyll and Mr. Hyde sides of Friss are both organic components of one and the same persona of an elite communist patron of social science research.

Friss, a member of the Hungarian Communist Party since 1922, leading economic policymaker of the party from 1945 on, head of the economic policy department of the Central Committee (CC) in 1948–54 and 1956–61, member of the CC from 1948 to the end of his life, was one of the “old communists” enjoying considerable reputation, prestige, and power even in times when he had no position in the party-state’s executive apparatus. Except, perhaps, his last few years, when he got closer to a consistently reform-communist position,¹ the political complexion of Friss was perceived by his immediate environment as conservative. Indeed, he was a disciplined and loyal communist, never wavering in his service to what he believed to be the cause of the socialist project. But Friss was never a simpleton Stalinist. For one thing, he was a well-educated man. He studied economics at the Berlin Handelshochschule (1922–24) and the London School of Economics and Political Science (1924–25). He spoke several languages, and his reading habits alone (starting every day with

1. Conversations with Tamás Nagy (by László Antal and Éva Voszka), February 14, 1986, Oral History Archives, Institute of the 1956 Revolution, Budapest.

the *Financial Times* and the *Neue Zürcher Zeitung*) set standards at his institute that were far from typical at other research institutions in the field.² He was the single most powerful communist politician articulating and pleading for a scientific understanding of the crisis of the Stalinist socioeconomic order. He was, therefore, deeply invested in the project of placing communist policymaking on scientific footing, and he was determined to make a tangible contribution to securing the scientific economic knowledge required by that project. When Friss was ousted for the first time from the CC apparatus (autumn 1954), due to his disagreement with the economic policies of Nagy's government, he started out organizing the new Institute of Economics of the Academy of Sciences with the objectives of creating an organization (1) adhering to a noncompromising empiricist research program (free of the exegetical exercises and scholasticism of the Stalin era) and (2) oriented to the needs of a new style of knowledge-intensive economic policymaking. For the rest of his life, the institute, the talent recruited to it, and its empiricist research program remained the "babies" of Friss, oftentimes putting himself at risk to protect and nourish them.³

In 1953–56 a majority of the institute's senior members and an even greater majority of the junior ones had wholeheartedly taken Nagy's (and, in the autumn of 1956, the revolution's) side, in opposition to Mátyás Rákosi's regime, which was tumbling down. Many of them regularly attended and also partook in the discussions of the Petöfi Circle, and worked for and/or advised Nagy's government; some were also known to have protested the Soviet military intervention and the early phases of the counterrevolutionary terror set loose by the Kádár government. In the pre-revolutionary days, Friss would not only abstain from discouraging or threatening his employees; he also defended them against the wrath of the Stalinist leadership. He wrote to Rákosi, in February 1955, as the Stalinist backlash against Nagy's reformism and its followers began, as follows:

Among our economists, as well as in broader circles, an increasing number share the understanding with regard to the recent turn manifest in the party's daily [toward a state of affairs prevalent prior to the New Course] that one should keep silent rather than speak, write, and partake

2. András Nagy, interview by author, Budapest, December 21–27, 1988.

3. István Friss, private autobiographical note in connection with a "degrading medal" he received on his sixtieth birthday, dated June 14, 1963, handwritten note, István Friss Papers, Hungarian National Archives, 861. f. 5. ő.e. (hereafter cited as IFP, MOL).

in debates. For the one who speaks, writes, and partakes in debates can easily prove to be in error, and the one who is in error might easily be hit into the head. . . . We could just ignore this concern if our economics rested on as solid grounds as it does in the Soviet Union. Under our circumstances, however, we might easily undermine the as yet only budding culture of engaging in [professional] discussions.⁴

It comes, thus, as little surprise, that the institute, which soon enough after its establishment had earned the hostility of the Stalinist party-bosses preceding October 1956, came into the crosshairs of the red contrarevolutionary terror in 1957–58. Friss soon found himself squeezed up against the wall. From December 1956 until 1961, he was again head of the CC Department of Economic Policy, keeping also his directorship at the institute. This certainly meant an improvement in terms of the resources at his disposal to protect his institute. But, in what could be termed *the patron's dilemma* in communist cultural life, he was soon to learn that the more effort he exerted on behalf of his clientele, the cause of the institute, and its empiricist program, the more he undermined his own position and reputation actually enabling him to act as a patron.

He pushed back as much as he could the efforts of the former Stalinist party leaders (now in exile in the Soviet Union) who tried to steer the public discussion about economic issues toward and boost an “anti-revisionism” campaign. Friss’s exchange of letters with Andor Berei, himself a former high-level apparatchik of Rákosi, bears witness to this,⁵ as does the Provisional Executive (Political) Bureau’s resolution on June 14, 1957, that, no doubt upon the suggestion of Friss, prevented Berei’s poisonous article, written to reveal the “revisionist threat” in economics, from publication. As the conservative Left grew louder in the public sphere, however, Friss came under increasing pressure also from the highest party leadership to take a firm public stance against revisionist and anti-Marxist deviations in the economic domain (targeting especially the views of György Péteri, Tamás Nagy, Péter Erdős, and Kornai). Facing this pressure, he had managed to persuade the Politburo not once to put off his planned major public appearance to deliver a verdict over those who had gone astray and seemed unwilling to find their way back to the fold. Con-

4. István Friss to Mátyás Rákosi, Budapest, February 4, 1955, typewritten copy, IFP, MOL, 861. f. 162. ö.e.

5. István Friss to Andor Berei (Moscow), Budapest, October 20, 1957, typewritten copy, IFP, MOL, 861. f. 146. ö.e.

sidering that the attack against economic revisionism (by agitprop hacks like Géza Ripp, Endre Molnár, and others) started already in the first two months of 1957, and considering also that publishing books in communist Hungary during the 1950s was not merely a matter between the author and the publishing house, the postponement until September 1957 may very well have made it possible for Friss to see to it that Kornai's thesis (defended in September 1956) could see the light of day as a book in March 1957, and to promote and enable, by granting his official consent to and, thus, shielding Kornai from the possible consequences of the publication of the book in English, in Britain (Kornai 1959b).

But by September 1957, with the decision of the Politburo, the public condemnation of economic revisionism could not be further postponed. The patron's dilemma caught up with Friss: the time came for him to prove that he was a loyal party-soldier and demonstrate that he too was properly concerned about economic revisionism and its contributions to the "counterrevolution" of 1956. Yet, even in this precarious situation, Friss chose to craft his public lecture to the Political Academy of the Hungarian Socialist Workers' Party so as to be able to combine condemnation of revisionism in general with exoneration in *all* the particular individual cases that the agitprop apparatus had been attacking since early 1957. About Péter, a pioneer of radical reform economics, Friss (1957, 42–44) declared "*György Péter is not a revisionist . . . [although] . . . there is a certain revisionist tendency in his writings due to the fact that . . . [his] arguments are not consistent and mature enough*" (emphasis added). With regard to other economists—Tamás Nagy and Erdős, he did not even care to use the fine distinction between "revisionism" and "revisionist tendency"; he flatly rejected both accusations. While it might seem that Friss yielded to the anti-revisionist agitprop campaign in the case of Kornai, careful reading of Friss's text will reveal even here some significant nuances. Friss (1957, 44) wrote (and mentioned in his lecture) that Kornai's conceptualization of "economic mechanism" as "the totality of methods of economic management, the form of organization of economic life, the whole machinery of economic activity," together with his suggestion that the economic mechanism needed to be changed, "*can be understood as meaning that Kornai fully rejects our socialist economic system. As there is no other alternative, he would presumably replace it with capitalism. If this is what Kornai thinks [Ha Kornai így gondolja], this would be no longer an anti-Marxist view, this would be the open rejection of Marxism*" (emphases added).

Many in the audience and among the readers of Friss's lecture surely noticed that this paragraph at the same time reasserted the institute's empiricist research program, praising Kornai for his adherence to its main principles—and presented as a *potential* critique against Kornai claiming that if he had failed, he had done so only because he failed to observe some of the golden rules of empiricism with regard to the limits of valid generalizations.

In fact, Friss left the question open of whether Kornai committed the “crime” he had been accused of. Friss's hedging devices—such as “this can be understood as meaning,” “he would presumably,” “if this is what Kornai thinks,” and “this would be”—should be read as proofs (1) of Friss's *denial* of Kornai's culpability and (2) of the intention to give Kornai the benefit of the doubt and to prompt him to defend himself and dispel the suspicions raised against his work by Stalinist critics, through publicly “explaining himself” (which, by the way, Kornai did).

Curiously enough, Friss's speech has instead been presented in the literature as the apotheosis of the anti-revisionist campaign. In Iván T. Berend's (1990, 68–69) narrative, it was the speech heralding the triumph of the conservative communist line over reformism. Friss figures as the designer of the conservative “anti-reform” in Berend's (1997, 154) memoirs, too.

It is much easier to understand Kornai's reaction when he sat in the audience of a Friss lecture in 1957. What he then heard was as if Friss were delivering a death sentence on him. In my interview with Kornai, he remembered having been shocked, scared, and scandalized. He heard Friss saying that he had betrayed Marxism—an ominous claim in those days, when people were hanged or sentenced for long terms for political “crimes.” But he also remembered that he was encouraged informally to withdraw some of his propositions and publicly announce it, for such a step would improve his situation.⁶ As time passed, however, his verdict on Friss did not get milder. Three years after the publication of a detailed history of the purge of the institute (Péteri 2002), in his memoirs, presented as a series of “mini-essays” on the history and sociology of social sciences (Kornai 2005: 15), Kornai rendered the episode as follows: “I could hear as István Friss, the same person who only a year before praised me, gave a bonus, and upgraded my position at the Institute, now ostracized the very same book.” Kornai (2005, 120) then went on construing

6. János Kornai, interview by author, Budapest, May 14, 1987.

Friss's words and deeds as if he and the agitprop apparatchiks driving the anti-revisionist campaign were united in attacking him: "This was not an intellectual duel in between parties of equal chances. On the one hand, it was János Kornai, on the other, Géza Ripp, Endre Molnár, Emil Gulyás and István Friss." Just on page later, Kornai (2005, 121n) even uses the derogatory expression "Frissék" (the Frisses), emphasizing the homogeneity of the "gang" and the leadership of Friss over it.

Yet, the truth, in evidence in the text of the lecture itself, was not merely that Friss still tried to push back against the agitprop assault but also that he put himself at serious risk doing so. Already before the lecture at the Political Academy, Friss's credit with the party apparatus had reached an all-time low. Only four days before Friss gave his lecture, József Sándor had a conversation with Vladimir Baikov, a high-level official (councillor) at the Soviet embassy in Budapest. Sándor was someone who could not and should not be ignored: he was the chief of staff of János Kádár's office, head of the Department of Party and Mass Organizations in the CC apparatus, and member of the CC. To begin with, the topic of the conversation was Hungary's deplorable economic situation, which, to the surprise of Baikov, Sándor explained as follows: "In my opinion we won't get out of this [economic] blind alley as long as our economy is led by comrade Friss, who was just as skillful and smart in camouflaging his rightist views under Rákosi as he is today, under Kádár" (Baikov [1957] 1993).⁷ Sándor then went on to describe how Friss had been protecting "bourgeois elements pretending to be economic experts" at the Ministry of Foreign Trade, in opposition to the efforts of a high party functionary to purge the ministry's personnel. But Sándor assured Baikov ([1957] 1993) that they (the "good communists") would take care of those intruders and would "put even comrade Friss into his well-deserved place." Significantly, the accusation against Friss was that he had helped "bourgeois elements pretending to be economic experts" (Baikov [1957] 1993) to stay in their jobs—an accusation quite similar to what he could count on had he wished to prove soft-hearted with regard to the major "sinners" of his own institute.

If the dogmatic conservative leftists and even some of the "centrist" functionaries in the CC apparatus had been only suspicious of Friss before September 1957, his lecture seems to have convinced them of his "rightist opportunism." They were more perceptive of the nuances of his lecture than Berend or Kornai. On October 11, 1957, at the meeting of the party

7. All translations from Hungarian are by the author.

organization of the CC apparatus, in Friss's absence, Kádár criticized Friss's performance at the Political Academy. Kádár stated that Friss was unable to say either yes or no and that he lacked political courage. Having heard about Kádár's critique, Friss two days later sent a letter to the Politburo asking them to let him know if he still was trusted by the party or if he should resign from his post as the head of the economic policy department. Kádár responded in a long letter, copied to all members of the Politburo. He told Friss that he should not take his comradely critique as a sign of lack of trust; rather, it was a sign that his all-too-indulgent treatment of economists in a public lecture left the members of the party apparatus concerned. They did not like the idea that economists who, they believed, caused serious ideological and/or political damage before and during October 1956 should be able to get away with it. He explained to Friss: "Although, I am sure, it has not been your intention, the concern has been enhanced by your all too tactful critique exercised in your lecture. I felt it was my duty, also publicly, to still this concern."⁸

Thus, by the time a higher party investigation was initiated against the institute in the CC on February 8, 1958, Friss's room for maneuver had become seriously restricted. I have provided a detailed history of this party investigation elsewhere (Péteri 2002). What needs to be emphasized here is Friss's struggle to avoid a disaster for his institute, its empiricist research program, and its most talented (and most exposed) scholars. The Stalinist, anti-revisionist zealots smelled blood, and they saw the opportunity to move forward in large ways. The investigating committee's synthetic report (based on several partial reports on the various sections of the institute) was delivered to the CC Secretariat on April 16, 1958. At the Secretariat's discussion of the report, two members of the Secretariat (and the Politburo), György Marosán and Sándor Gáspár, argued for making "a tabula rasa," that is, to disband the Institute of Economics, as it proved in 1956 to have been "the center [*góc*] of the counterrevolution in the economic field," and they asserted that it would be desirable to "start again [a new institute] with fifteen such people who are capable of assisting the party." Kádár struck a much less militant tone, but found the "tabula rasa" idea appealing.⁹

Reporting separately about the Section of General Economics of the Institute, László Házy, an old Muscovite communist who was put into the

8. János Kádár to István Friss, October 15, 1957, IFP, MOL, 861. f. 38. ö.e., fols. 3–5.

9. Minutes of the April 24, 1958, meeting of the Secretariat of the Hungarian Socialist Workers' Party's Central Committee, MOL, 288. F. 7. cs. 26. ö.e.

rector's chair of the Karl Marx University of Economics by the Kádárist counterrevolution, and Molnár, a young Stalinist agitprop apparatchik, frontally attacked the institute's empiricist research program. They claimed that there had been a direct causal connection between the "political distortions" in such works as Kornai's *Overcentralization of Economic Management* and "the empirical character [of] the analysis of partial problems" proposed by the institute's research program. They maintained that this program made it possible for the scholars working at the institute to avoid revealing their true political-ideological views while making them underrate "the achievements of the [Marxist-Leninist political] economy of socialism and [adopt the view] . . . that scientific research should be made independent not just of daily political concerns but of politics in general."

Háy and Molnár not only suggested removing four scholars from the institute (among them Kornai) but also suggested transferring them to "practical economic positions" and preventing them altogether from continuing a scholarly career. Finally, they suggested that the party leadership should "strengthen" the institute by appointing a new director with a firm hand to replace Friss. Also, they wished for new leaders for the institute's party organization who would be capable of adhering to an uncompromising course in ideological and political matters and could prevent any future institute leader from repeating the present leadership's (i.e., Friss's) "pacifism and self-complacency."¹⁰

Considering these challenges, it cannot be emphasized enough how successful Friss's patronage eventually proved to be. He pulled all the strings he could in order to neutralize the Stalinist attack. No doubt, what he could mobilize primarily was his still-good standing and contacts with old "home-communists" and people in high economic-policy-making positions who became members of the investigating committee sent out by Secretariat of the CC. These high-ranking people, like István Tömpe (chair), or István Antos, János Keserű, György Lázár, and Sándor Sebes, had no predisposition to purges, unlike Molnár. Just as luckily for Friss and his institute, the investigation was overseen on behalf of the CC by the head of the Department of Scientific and Cultural Affairs, László Orbán, and not by the agitprop department. Orbán was a student of the London

10. László Háy and Endre Molnár, "Jelentés a Közgazdaságtudományi Intézet Általános Közgazdasági Osztályának helyzetéről" ("Report on the Situation Obtaining in the Section of General Economics of the Institute of Economics"), March 1, 1958, MOL, 861. f. 33/1958. cs. 19. ö.e.

School of Economics and Political Science in early 1930s. He joined the communist underground in Hungary in 1937. It was to Orbán whom Friss addressed a letter of protest, in his capacity as head of the economic policy department of the CC. The letter was about the composition, focus, and method of those investigating the Section of General Economics of the institute (where Kornai worked). Friss objected to the inclusion of Molnár, a lower-level functionary of the agitprop department of the CC, because he had been strongly biased against several members of the section, which was in evidence in Molnár's articles published in 1957 in various journals, the party daily, and the conservative Left's own forum, the weekly *Gazdasági Figyelő* (*Economic Observer*). Friss also objected to the focus and method of the investigation conducted by Háý and Molnár against the institute's Section of General Economics: having interrogated eight members of the section in the rector's office of the Karl Marx University of Economics, they concentrated exclusively on political activities, showing no interest for the section's scholarly work. Friss claimed that the investigators knew precious little about that scholarship, and what they knew about it, they had proved incapable of understanding.¹¹

Friss failed to persuade Orbán to take Molnár off the committee (quite probably, the protest came too late and by then was beyond Orbán's power to make any changes), but in all other respects Friss successfully counteracted the attack with the help of those committee and CC Secretariat and Politburo members who gave him a sympathetic hearing. While at its lower levels the agitprop apparatus did include zealots like Ripp and Molnár, the top functionary responsible for agitprop, István Szirmai, CC secretary and a Politburo member, was also a more liberally oriented colleague of Kádár and little interested in engaging in the anti-revisionist campaign against the economists. The synthetic report of the investigating committee failed to condemn the institute's empiricist research program. In fact, the first preliminary version of the report even explicitly confirmed the program and obliged the communists of the institute to see to it that the writings of the institute's researchers "are based on detailed and many-sided empirical materials."¹²

Friss also managed to steer the conclusion of the investigation away from the tabula rasa option, and those who wished to fire a larger number

11. István Friss to László Orbán, February 28, 1958, copy, IFP, MOL, 861. f. 33/1958. cs. 19. ö.e.

12. István Tömpe, "Jelentés a Közgazdaságtudományi Intézet munkájáról" ("Report on the Work of the Institute of Economics"), March 14, 1958, MOL, 288. f. 33/1958. cs. 19. ö.e.

of the institute's scholars, preferably so that they would also be banned from academia for good, were disappointed, too: only three institute scholars were removed—Kornai, Antal Máriás, and András Nagy. Friss, instead of losing the directorship of his institute, had to show that he had a “firm enough hand” by firing these three scholars. We have good reason to believe that dismissing Kornai was the most painful moment of the purge against his institute. Indeed, it depended less on his own will than on Kornai that the latter had to leave. As Kornai admits in his memoirs, at the end of November 1956 he met, along Nádor Street where the institute had its offices at the time, an acquaintance of his. He knew her from his time as the economic policy editor of the *Szabad Nép* (1948–55), the daily paper of the Communist Party: she was also a party functionary, and they frequented the same party-owned rest house during summer vacations. When they met, she was one of the party secretaries of the newly established Hungarian Socialist Workers' Party (HSWP) committee of the Fifth District of Budapest. During this conversation Kornai (2005, 122) was overwhelmed by an urge to bravely reveal for her the following: “I am no longer a Marxist.” I emphasized that I was telling her this not whispering, not confidentially, as ‘a private person.’ I asked her to take *ad notam* my announcement, in her capacity as the district party secretary.” Little wonder, then, that Friss's efforts to save Kornai for the institute fell short.

Friss was encouraging Kornai and all the others whose acts and words came under critical scrutiny during the investigation to spell out where they stood. This was also a demand of the CC Secretariat's final resolution of April 24, 1958.¹³ At the June 24, 1958, meeting of the institute, with Orbán present, Kornai did follow the advice. He did not condemn Nagy or October 1956 as a “counterrevolution.” But he had made public penance to dispel any doubts over his socialist faith:

First of all I wish to pin down firmly that it has always been, and even today is, my definite conviction that socialism is a social formation and economic system superior to all that precedes it. All those errors and problems of the economic management that the economic discussions of the last years revealed can be taken care of and resolved *within* the socialist system and *within* the frameworks of the socialist planned

13. The April 12, 1958, resolution of the Secretariat of the Central Committee of the Hungarian Socialist Workers' Party on the work of the Institute of Economics, MOL, 288. f. 7. cs. 26. ö.e. See also in MTA LT Papers of the President of the Academy of Sciences, István Ruzsnyák, 36/2.

economy. Already today a number of things are different in the economic mechanism than they were in the period 1955–56 which my former study [the *Overcentralization of Economic Management*] described. The government made considerable efforts to diminish the bureaucratic excesses of the centralization of economic management, to give more autonomy to the lower-level organizations, the companies, to simplify the methods of planning and management, and to develop the system of economic incentives. It is the intention of the party and government to make further progress along this road. I might call attention here to the discussion about the three-year plan and to the speech delivered these days by comrade Jenő Fock [secretary of the CC responsible for economic policy]. For me, and I think for all economists for whom the building of socialism is a cause close to their hearts, this speech was encouraging.¹⁴

Kornai's walk to Canossa also included a 1959 article in the *Economic Review* in which he defended the same "superiority-thesis" against Péter Kende's article published in the *Revue économique*. A close friend from Kornai's time at the *Szabad Nép*, Kende, according to Kornai (1959a, 1086), adopted a "neoliberal view (which incidentally even in the West is pretty much obsolete by now) filled with false illusions with regard to the price mechanism of the capitalist market economy."

All of this may have come as too little too late, yet it certainly assisted Friss in his efforts to help Kornai to find a place where he could continue work as a research economist. Friss mobilized his rich network of contacts and saw to it that all three expelled scholars quickly landed at research institutions. Nagy returned to the Institute of Economics in 1973 as senior research scholar; Friss took back Kornai in a part-time position at the institute already in 1964. In 1967 Friss offered him a full-time position, as the head of the mathematical economics section. This Kornai graciously accepted, as he writes in his memoirs, even though somewhat grudgingly, as Friss failed to mention altogether, even less to apologize for, the fact that less than ten years before Friss kicked him out of the institute.

What made all this happen was the force of power rather than the force of thought—it was a patron who willingly deployed all his social capital accruing from his high position in the formal and informal hierarchies of the communist movement to what became his passion after the debacle of

14. Minutes of the June 24, 1958, meeting of the Institute of Economics of the Hungarian Academy of Sciences, IFP, MOL, 861. f. 77. ö.e.

the Stalinist social, political, and academic order: to place economics on a “truly scientific platform” (following the empiricist research program) and bring it into a symbiotic relationship with what to his mind constituted the most knowledge-intensive enterprise in socialist society—economic policymaking. After the 1958 party investigation, the institute remained under Friss’s directorship; and even though he left his position as the head of the economic policy department of the CC apparatus in 1961, one of the single most important achievements of his patronage stayed in place ever after—the general party control of the field of economics remained firmly in the hands of the party’s economic policy leadership. From among the ranks of agitprop, Ripps and Molnárs popped up every now and then. They barked, but their bite was toothless.

Friss got another feather in his hat as a patron. There was another party investigation conducted at the time against György Péter, the president of the Central Statistical Office. It started in 1957 and concluded with a Politburo resolution of August 18, 1958. As Judit Gelegonya, the biographer of Péter, herself contributing to the tendency of demonizing Friss, unwillingly and in surprise had to acknowledge, the resolution of the Politburo was relatively “mild” and free of all the excesses and groundless accusations of the documents produced during the investigation by the Budapest HSWP committee. These groundless accusations failed to find their way into the Politburo resolution, “and in this, the role of István Friss had been decisive—[it] was thanks to the fact that the Department of Economic Policy of the Central Committee which prepared the draft resolution, *could not help* but [*kénytelen volt*] weed out the untrue denunciations” against Péter (Gelegonya 1990, 170–71).

The Father Figure

However grudgingly it came, Gelegonya’s admission appears more honest than the story Kornai concocted in an interview about the publication of his first book, *Overcentralization of Economic Management* (1957), as if wishing to yield to an urge to continue vilifying Friss.

Luckily enough, [Friss] proved inconsistent even in this [i.e., denouncing Kornai and his book]. He turned a blind eye toward the publication of the book. The director of the Közgazdasági és Jogi Könyvkiadó [Publishing House of Economics and Law] Tibor Keresztes, and its chief editor, Margit Siklós, shouldered the risks of publishing it.

Q: *Entirely on their own?*

A: You should remember, the central [committee] apparatus of the party had in '57 many more pressing issues to attend to than the publication of a book.

Q: *In other words, the central [committee] apparatus lacked capacity to control everything.*

A: Probably, the leaders of the publishing house made it at their own risk or, perhaps, they asked someone who nodded, but I think the book did not undergo those strict controls which later on, in the period when the communist system was more consolidated, became the standard with regard to publication of politically problematic works.

But the Central Committee apparatus in this case was Friss himself—Kádár brought him back to the apparatus as head of the economic policy department at the same time that he retained his directorship at his Institute of Economics. It is quite remarkable that Kornai in the same breath can tell the story about how saddened and frightened he got when Friss declared in his Higher Party School lecture (a lecture he gave as the top personality in the party hierarchy with regard to matters economic) that he (may have) had abandoned Marxism *and* deny credit to Friss for the publication of his book (coming out almost at the same time that Friss gave his lecture). Kornai also told his interviewer that Friss, “who at the time was my director,” had given his permission (also) to the English publication of *Overcentralization*—without even alluding in this respect to the need that this would require an explanation in light of everything else he had just mentioned about Friss (Kornai and Tardos 2014, 86–87). The political risk in connection with both publications, in fact, weighed less on Kornai’s or the publishers’ shoulders than on Friss’s.

Friss loved his institute, and he was quite attached also to its leading and most productive scholars. This is clearly shown in the correspondence preserved among his papers originally donated to the Archives of Party History Institute of the CC of the HSWP. His two main corresponding partners from the institute, it seems, were Kornai and András Bródy. Significantly, Friss not only addressed both of them by their first name but also used a diminutive form or nickname, usual among friends and between parents/adults and children—Jancsi and Andris, respectively. Both Jancsi and Andris, however, addressed Friss as Comrade Friss, making it absolutely clear in which direction the hierarchical slope was lean-

ing. There was an important difference, though, between the two: Friss and Bródy addressed each other in terms of *Őn* or *Maga* in Hungarian (like the German *Sie*). Communication between Friss and Kornai, on the other hand, was conducted in the intimate terms of *Te* in Hungarian (like the German *Du*), usual among family members and close friends.¹⁵

As Bródy revealed when I interviewed him, “[There was this] very curious thing—of all the scholars attached to the institute, it was only Kornai with whom Friss was on the more intimate second-person-singular basis.”¹⁶ It may have been so because of the regular working relationship between Kornai, the economic editor of the party’s daily paper, and Friss, the head of the CC’s economic policy department, in most of the Rákosi era. But it transpires from their exchanges that Friss also treated Kornai with particular warmth and care, almost as if he had been his father (age-wise a plausible proposition). Every now and then, this was acknowledged with gratitude in Kornai’s responses—like in his letter of May 23, 1973, which he started by letting Friss know how very happy the latter’s May 6 letter made him, “with its attention, its friendly tone, and its many interesting pieces of information.”¹⁷

The exchanges from the 1970s between Friss and Kornai reflect some of the most typical transactions taking place between patron and client in state-socialist academia. A case in point is when Kornai (1972a, 1972b) secures Friss’s assistance to arrange for the Hungarian publication of his *Rush versus Harmonic Growth*. On August 14, 1971, Kornai wrote a long

15. István Friss to András Bródy, typewritten copy, Budapest, June 26, 1971, IFP, MOL, 861. f. 146. ö.e.; István Friss to János Kornai, typewritten copy, Budapest, March 23, 1973, IFP, MOL, 861. f. 155. ö.e.; István Friss to János Kornai, typewritten copy, Budapest, May 4, 1973, IFP, MOL, 861. f. 155. ö.e.; István Friss to János Kornai, typewritten copy, Budapest, April 9, 1973, IFP, MOL, 861. f. 155. ö.e.; note by János Kornai to István Friss, typescript, Budapest, August 14, 1971, IFP, MOL, 861. f. 146. ö.e.; János Kornai to István Friss, typescript, Budapest, March 14, 1972, IFP, MOL, 861. f. 155. ö.e.; János Kornai to István Friss, typescript, Princeton University, October 24, 1972, IFP, MOL, 861. f. 155. ö.e.; János Kornai to István Friss, typescript, Princeton University, December 4, 1972, IFP, MOL, 861. f. 155. ö.e.; János Kornai to István Friss, typescript, Stanford University, Stanford, Cal., March 6, 1973, IFP, MOL, 861. f. 155. ö.e.; János Kornai to István Friss, typescript, Yale University, May 23, [1973], IFP, MOL, 861. f. 155. ö.e.; András Bródy to István Friss, handwritten, Lusaka, April 17, 1971, IFP, MOL, 861. f. 146. ö.e.; András Bródy to István Friss, handwritten, Lusaka, August 5, 1971, IFP, MOL, 861. f. 146. ö.e.; András Bródy to István Friss, handwritten, Lusaka, October 13, 1971, IFP, MOL, 861. f. 146. ö.e.; András Bródy to István Friss, handwritten, Lusaka, January 8, 1972, IFP, MOL, 861. f. 146. ö.e.

16. András Bródy, interview by author, Budapest, October 31, 1986.

17. János Kornai to István Friss, typescript, Yale University, May 23, [1973], IFP, MOL, 861. f. 155. ö.e.

note to Friss. With the note went an attachment, the revised manuscript of the Hungarian version of *Rush versus Harmonic Growth*. Kornai wrote that he had, “along the lines we’ve talked about and agreed on,” sent an earlier version to “comrade István Hetényi, asking for his opinion.” Kornai had already talked to Hetényi—secretary of state, president of the Central Office of Planning, and, like Friss, member of the CC of the HSWP—and the revision he sent to Friss now had taken onboard the critical commentary received. Kornai emphasized that Hetényi “liked the study and suggested it should be published.” The plan Kornai obviously discussed with Friss was that he would ask Hetényi to produce a written “peer review” (*lektori jelentés*) that would mean substantial support for the book’s publication. It would also be a major service rendered by Hetényi in terms of “watching Kornai’s back” at a time when, yet again, critical writing about the state socialist social order could imply serious risks (Péteri 2017, 321). Kornai signaled that the peer review was promised by “comrade Hetényi” and that as soon as he received it, he would show it to Friss. He also provided Friss with a long list of colleagues at the institute, the Central Office of Planning (COP), and COP’s research institute who all read, generally liked, and commented on the manuscript, and let Friss know that all the comments received had been considered in revising the text. Kornai now wrote to Friss not merely to ask him to read and comment on the revised version but also to help him publish the book in Hungary as well. Kornai responded that he had started discussing the matter with Akadémiai Kiadó (the publishing house of the Hungarian Academy of Sciences), with Deputy Director Mrs. Róth, and, through her, with its director, “comrade Bernáth.” He promised to send them Hetényi’s peer review as soon as he received it. But Kornai was told by Mrs. Róth that, “it would make the way of the book [to publication] much smoother if you [István Friss] could let them know in a short letter that you support the publication of the book.” Kornai then emphasized for Friss: “I would be most grateful if you could do so. . . . This short letter [of support] . . . would be necessary A.S.A.P. . . . [for the publisher to be able to] start seriously taking care of the matter. . . . With advance thanks for your help . . . János Kornai.” Kornai then added a postscript: “The Hungarian edition of ‘Anti-Equilibrium’ has come out. If you don’t mind, I’d rather give you a dedicated complimentary copy [*tiszteletpéldány*] of the less easily accessible English edition coming out in the Autumn.”¹⁸

18. János Kornai to István Friss, typescript, Budapest, August 14, 1971, IFP, MOL, 861. f. 146. ö.e.

This is exactly how patronage works: asking for the patron's advice and comments, involving him or her in the complex tactics required for the publication of a piece that might be expected to touch some political-ideological nerves, and, thus, making the patron develop a stake and get engaged in the client's project. In this way, Kornai got the support of two CC members of the HSWP, one of them also secretary of state and president of COP, for publishing his critical work *Rush versus Harmonic Growth*. This support made it safe for Kornai to come out with the essay in the West and enabled him, at the same time, to publish the piece in Hungary. Hetényi (1973) had not only obliged with a positive peer review but also published it in the *Economic Review*. With two CC members confirming that the essay was OK, the bosses of Akadémia Kiadó did not need to worry about possible reprisals should the book prove to be the wrong kind of stuff hitting the fan.

Something similar must have been afoot with the publication of *Anti-Equilibrium*. In this case, Kornai wished for Friss to write a preface to the book, and he sent Friss the manuscript to read and comment on it.¹⁹ Despite misgivings about certain passages in the book,²⁰ Friss thought that the book provided an excellent opportunity to point out the necessity to develop appropriate responses in economic policies to some of the big challenges of the times. As he wrote in his outline for what was to be dictated as a letter/note for Kornai, an example of these challenges was the need "to put an end to the tension ('suction') generated by ourselves [by our economic policies] on the markets of investment [goods] + construction. Here there is an immediate connection with the book that would make it not only easy but also desirable for me to write the preface. Of course, we would need to agree about this, for I can see that there are not only points of agreement but also disagreement—first we need to talk."

Friss also, somewhat sadly, registered in his notes meant only for his own use, "I guess [Kornai] has not acquainted himself with my articles of the recent years + probably does not know my views expounded in various discussions, meetings."²¹ The book came out the year after—without a preface by Friss but, beyond a doubt, with (and thanks to) his support.

19. István Friss, handwritten notes about the manuscript of János Kornai's *Anti-Equilibrium* dated May 13, 1970, IFP, MOL, 861. f. 191. ö.e., fols. 220.

20. István Friss, handwritten notes about the manuscript of János Kornai's *Anti-Equilibrium* dated May 13, 1970, IFP, MOL, 861. f. 191. ö.e., fols. 216.

21. István Friss, handwritten notes about the manuscript of János Kornai's *Anti-Equilibrium* dated May 13, 1970, IFP, MOL, 861. f. 191. ö.e., fols. 220.

Considering the times they were to be published (1971–72, during the purge of critical sociology and social theory) and their obvious critical edge toward the state socialist economic order, none can blame Kornai for having rallied this kind of support for the publication of *Anti-Equilibrium* and *Rush versus Harmonic Growth*. What is troubling is his own “sterilized” rendering of the history of his publications and his tendency to be silent about or openly denying the significance of the assistance of his informal networks and, particularly, such powerful patrons as Friss brought to his academic enterprising.

In the later years of the 1970s, Friss assisted the continued career of Kornai in several ways. It could be such seemingly trivial things as producing for him all the official letters of support and confirmation required from an academic institute director in connection with a subordinate’s long visits to the West,²² or such less trivial things as allowing him to handpick a new junior scholar just graduated from the university of economics to be employed by the institute.²³

Indeed, Friss also extended Kornai the privilege of choosing his immediate boss (section leader) at the institute. When Kornai understood that he might become a subordinate of Bródy, he wrote Friss and asked for his intervention in favor of Tamás Nagy.²⁴ Friss complied with Kornai’s request: “I am sorry I haven’t responded for a long time to your request as to your placement within the institute. I agreed with Tamás [Nagy] that he remain your boss. You know it best that this has no whatever actual significance. In my opinion even if Andris were your boss it would have been merely a formality. Still, let it be according to your wishes!”²⁵

What, then, could Kornai reciprocate Friss’s generous patronage with? There were certainly gestures that were made to show gratitude: for example, the regular reports about work and life when abroad (many of Kornai’s letters were from his long visits to various major US universities).

22. István Friss to János Kornai, typewritten copy, Budapest, May 4, 1973, IFP, MOL, 861. f. 155. ö.e.

23. István Friss to János Kornai, typewritten copy, Budapest, May 4, 1973, IFP, MOL, 861. f. 155. ö.e.; János Kornai to István Friss, typescript, Budapest, August 14, 1971, IFP, MOL, 861. f. 146. ö.e.

24. István Friss to János Kornai, typewritten copy, Budapest, May 4, 1973, IFP, MOL, 861. f. 155. ö.e.; János Kornai to István Friss, typescript, Yale University, May 23, [1973], IFP, MOL, 861. f. 155. ö.e.

25. István Friss to János Kornai, typewritten copy, Budapest, March 23, 1973, IFP, MOL, 861. f. 155. ö.e.

Kornai was also enthusiastically planning and organizing a big trip for Friss, with an appropriate amount of intellectual excitement and “must-do” type of tourism to the United States. In his three-page letter to Friss, March 14, 1972, Kornai put together a detailed plan for an itinerary going through all the cities with leading universities on the East Coast, West Coast, and in between; it also transpires from this document that Kornai, through correspondence with Abram Bergson of Harvard and Fritz Machlup of Princeton, managed to secure a welcome for Friss at the economics departments of several top universities, and to see to it “that the matter of travel costs has been settled too.”²⁶

No doubt, this was a generous gesture toward his patron, but quite probably this was not the primary thing that Friss tended to see as rewarding from his patron and “father figure” roles. As I mentioned earlier, Friss quickly grew to love his institute. It was his creation, his carefully protected and promoted “baby” that he saw as a defining part of his life’s achievement. Along this same logic, he also saw as his task and calling to protect and foster good conditions for creative work for the scholarly team of his institute—especially for those whom he knew to be highly talented and productive and whose work, therefore, was the *raison d’être* of what turned out to be his life’s project. The solid professional standing and achievements of Bródy, Erdős, Kornai, András Nagy, and others were exactly what “was in it” for him. Quite probably, by the 1970s he had come to see Kornai as one of the most important sources of pride, professional authority, and good standing that the institute enjoyed—a social capital of reputation that benefited all members of the institute, Kornai himself included.

It is perhaps also characteristic of the role of the communist grand seigneur that, eventually, Friss’s contribution as patron has been denied or explained away by its very beneficiaries (with reference to his “complexity” and “conflicting sides”) rather than properly acknowledged and credited. The noble idea of asserting oneself “by force of thought” has of course greater appeal than trajectories “by force of power,” however ubiquitous a feature they actually are of the academic everyday, particularly under state socialism.

26. János Kornai to István Friss, typescript, Budapest, March 14, 1972, IFP, MOL, 861. f. 155. ö.e.; János Kornai to István Friss, typescript, Princeton University, December 4, 1972, IFP, MOL, 861. f. 155. ö.e.

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