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By Force of Power:

*On the Relationship Between Social Science Knowledge and Political Power in Economics in Communist Hungary**

In this paper I will try and argue that, under the conditions of the state socialist social and political order, no scholar can assert herself merely “by force of thought”. Indeed, 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, Part III). 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 often times 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 as well as 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 titled *I förnuftets tjänst* (In the Service of Reason), (Cassel 1940), or, more importantly from the

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point of view of the present writing, János Kornai's "irregular memoirs", *By Force of Thought* (Kornai 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 upon 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 prompt 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 criss-crossing institutional boundaries could render.

In what follows I will try and explain just in terms of such networks and practices of patronage, how it came 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 the works of János Kornai, Ferenc Jánosy, or Éva Ehrlich. I will focus only on one of the *Grand Seigneurs* of Hungarian economics, István Friss. I have chosen Friss, because his true 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 oppressed or, at least, held in the dark. 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 János Kornai's memoirs. This body of literature tends not only to oppress Friss's

contribution but often times even demonize him as a major conservative communist and retrograde force in the domain of things political and economic.

István Friss – Patron and Father Figure

(A) Context: The New Course Watershed – 1953-56 and After

Thanks to Soviet intervention in June 1953, New Course policies in Hungary had some serious impact that survived well into the Kádár-era, beyond the Revolution and Counter-Revolution of 1956-1958. With regard to economics, the following changes were of particular significance (Péteri 1997): (a) a scientific understanding of the economic and political crisis shared almost universally within the ranks of the economic policy-making elite of the party-state; (b) a radical upgrade in the status of empirically grounded social scientific (especially economic) knowledge and its producers; (c) 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), the relaunching of 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 extent 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 as opposed to the Stalin era ethos of the party soldier. The role of István Friss in bringing these changes about could hardly be overrated.

(B) István Friss, The Institute of Economics, the Empiricist Research Program, and the Leading Economists

In his “irregular memoirs”, János Kornai reveals a recurring perplexity with regard to the phenomenon of István Friss, consistently on occasions when Friss exhibited benevolence towards him and/or towards 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 explained in terms of a mysterious “complexity” of Friss’s personality or his “multiple souls” (Kornai 2005, 121, 125, 209-211). In my rendering, the Dr. Jekyll- and Hyde-sides of István Friss are both organic components of one and the same persona of a high-communist patron of social science research.

István Friss (1903-1978), member of the Hungarian Communist Party since 1922, leading economic-policy maker of the party from 1945 and on, head of the economic policy department of the Central Committee 1948-54 and 1956-61, member of the Central Committee continually 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 within the party-state apparatus. Except, perhaps, his last few years, when he got closer to a consistently reform-communist position (Document 3), 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 towards 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 merely his reading habits (starting

every day with 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 (Document 2). He was the single most powerful communist politician articulating and pleading for a scientific understanding of the crisis of the stalinist socio-economic order. He was, therefore, deeply invested in the project of placing communist policy-making onto scientific footing and he was determined to make a tangible contribution towards securing the scientific economic knowledge required by that project. When Friss was ousted for the first time from the Central Committee apparatus (Autumn 1954), due to his disagreement with the economic policies of Imre Nagy's government, he started out organizing the new Institute of Economics of the Academy of Sciences with the objectives of creating an organization (a) adhering to a non-compromising empiricist research program (free of the exegetical exercises and scholasticism of the Stalin era), and (b) oriented towards the needs of a new style of knowledge-intensive economic policy-making. Through the rest of his life, the Institute, the talent recruited to it, and its empiricist research program remained to be the "babies" of Friss, often times exposing himself to protect and nourish them (Document 4).

In the period of 1953-56, a majority of the senior members of the institute and an even greater majority of the junior ones had taken whole-heartedly Imre Nagy's (and, in the Autumn of 1956, the Revolution's) side, in opposition to Rákosi's regime that was tumbling down. Many of them regularly attended and also partook in the discussions of the Petőfi Circle, worked for and/or advised Imre Nagy's government and 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 but he also defended them against the wrath of the Stalinist leadership. He wrote to Rákosi, in February 1955, as the Stalinist backlash against Imre 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 [towards a state of affairs prevalent prior to the New Course – G. P.] that one should keep silent rather than speak, write, and partake 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.” (Document 5)

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 contra-revolutionary terror in 1957-58. Friss found himself very soon to be squeezed up against the wall. From December 1956 until 1961, he was again head of the central committee's 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 himself 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) to steer the public discussion about economic issues towards and boost an “anti-revisionism” campaign. His exchange of letters with Andor Berei bears witness to this (Document 6), as does the Provisional Executive (Political) Bureau's resolution on 14 June 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 Péter, Tamás Nagy, Péter Erdős, and János Kornai). Facing this pressure he had managed to persuade the Political Bureau not once to put off his planned major public appearance to deliver a verdict over those who had gone astray and seemed to be unwilling to find their way back to the fold. Considering that the attack against economic revisionism (by agit-prop 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 settled 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 (Kornai 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 1959).

But by September 1957, with the decision of the Polit-Bureau, 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 he was a loyal party-soldier and demonstrate that he too was properly concerned about economic revisionism and its contributions to the ‘Counter-Revolution’ 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 agit-prop apparatus had been attacking since early 1957. About György Péter, a pioneer of radical reform economics, Friss 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.*” (Friss 1957, 42-44, emphasis added – GP). With regard to Tamás Nagy and Péter 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 agit-prop campaign in the case of Kornai, careful reading of his text will reveal even here some significant nuances. Friss wrote 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.*” (Friss 1957, 44, emphases added – GP)

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 whether or not Kornai committed the “crime” he had been accused of. His hedging devices, such as “*this can be understood as meaning ...*”, “*he would presumably ...*”, “*if this is what Kornai thinks ...*”, and “*this would be ...*” (a) should be read as proofs of Friss’s denial of Kornai’s culpability and (b) of the intention to give Kornai the

benefit of 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 Berend’s narrative, it was the speech heralding the triumph of the conservative communist line over reformism (Berend 1990, 68-69). Friss figures as the designer of the conservative “anti-reform” in Berend’s memoirs too (Berend 1997, 154).

It is much easier to understand János Kornai’s reaction when he sat in the audience of 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 (Document 7). 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” in various aspects of 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, then, went on construing Friss’s words and deeds as if he and the agit-prop apparatschiki 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” (Kornai 2005,

120). On the next page, in footnote **, he even uses the expression “Frissék” (the Frisses), emphasizing their homogeneity and the leadership of Friss.

Yet, the truth, in evidence in the text of the lecture itself, was not merely that Friss still tried to push back against the agit-prop assault, but also that he put himself at serious risks 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 V. S. Baikov, a high level official (councilor) at the Soviet embassy in Budapest. József Sándor was someone who couldn’t and shouldn’t be ignored: he was the chief of staff of the János Kádár’s office, head of the department of party and mass organizations in the Central Committee apparatus, and member of the Central Committee. To begin with, the topic of the conversation was Hungary’s deplorable economic situation which, to the surprise of Baikov, Sándor suggested to explain as follows: “In my opinion we won’t get out of this [economnic] blind alley as long as our economy is led by comrade Friss, who was just as skilful and smart in camouflaging his rightist views under Rákosi as he is today, under Kádár”. He then went on to tell 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 that they (the ‘good communists’) would take care of those intruders and would “put even comrade Friss into his well-deserved place”. (Baikov 1957) Significantly, the accusation against Friss was that he had assisted “bourgeois elements pretending to be economic experts” to stay in their jobs – an accusation quite similar to what he could count upon 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 Central Committee 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 11 October 1957, at the meeting of the party organization of the Central Committee apparatus, in Friss’s absence, János Kádár criticized Friss’s performance at the Political Academy. Kádár told Friss was unable to say either “yes” or “no” and he lacked political courage. Having heard about Kádár’s critique, Friss two days later sent a letter to the Political Bureau asking them to let him know if he still was trusted by the Party or 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 Polit-Bureau. He told Friss he shouldn’t take his comradely critique as a sign of lack of trust but, rather, as 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.” (Document 8)

Thus, by the time a higher party investigation was initiated against the Institute in the Central Committee on 8 February 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. For 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 Central Committee Secretariat on 16 April 1958. At the Secretariat's discussion over the report two members of the Secretariat (and the Political Bureau), György Marosán and Sándor Gáspár argued for making "a tabula rasa", i.e., to disband the Institute of Economics as it proved in 1956 to have been "the centre [góc] of the counter-revolution in the economic field", and they asserted 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. (Document 9).

Reporting separately about the Section of General Economics of the Institute, László Háý, an old Muscovite Communist who was put into the Rector's chair of the Karl Marx University of Economics by the Kádárist Counter-Revolution, and Endre Molnár, a young Stalinist agit-prop apparatschik, frontally attacked the Institute's empiricist research program. They claimed there had been a direct causal connection between the "political distortions" in such works as Kornai's *Overcentralization* and "the empirical character [of] the analysis of partial problems" proposed by the Institute's research program. They maintained this program made it possible for the scholars working at the Institute to avoid revealing their true political-ideological views as well as it made 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."

Háý and Molnár did not only suggest to remove four scholars from the Institute (among them János Kornai), but also to transfer these to "practical economic positions" and prevent them

altogether from continuing a scholarly career. Finally, they suggested the Party leadership should “strengthen” the Institute by appointing a new director with a firm hand to replace Friss. Also, they wished 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” (Document 10).

Considering these challenges, it cannot be emphasized enough how successful eventually Friss’s patronage 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-communist” 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 Endre 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 Agit-Prop Department. Orbán was a student of the London School of Economics and Political Science in early 1930s and joined the underground Hungarian communists in 1937. It was to Orbán Friss addressed a letter of protest, in his capacity of the head of the department of economic policy of the CC. The letter was about the composition, focus and method of those investigating the Section of General Economics of the Institute. Friss objected to the inclusion of Endre Molnár, a lower level functionary of the Agit-Prop Department of the CC, because he had been strongly biased against several members of the Section of General Economics 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). He also objected to the focus and method of the investigation conducted by László Háý and Endre Molnár against the Section of General Economics of the Institute: 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 scholarly work of the Section. Friss claimed that the investigators knew precious little about the scholarly work performed by the section and what they knew about it they had proved incapable of understanding (Document 11).

Friss failed to persuade Orbán to take Molnár off the committee (quite probably, the protest came too late and by then it had been beyond the power of Orbán), but in all other respects he succeeded to counteract the attack with the help of those committee and CC Secretariat and Polit-Bureau members who gave him a sympathetic hearing. For while at its lower levels the agit-prop apparatus did include zealots like Géza Ripp or Endre Molnár, the top functionary responsible for agit-prop, Central Committee Secretary and Political Bureau member István Szirmai 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 continue and see to it that the writings of the Institute's researchers "are based on detailed and many-sided empirical materials" (Document 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 of the Institute's scholars, preferably

so that these would also be banned from academia for good, were disappointed too: only three scholars were removed from among the Institute's employees – János Kornai, Antal Máriás, and András Nagy. Friss, instead of losing the directorship of his Institute, had to show he had a "firm enough hand" by firing these three scholars. We have good reasons to believe that for him losing Kornai was the most painful moment of the purge against his institute. Indeed, it did not depend as much on his own will as on Kornai that the latter had to leave. As Kornai tells in his memoirs, at the end of November 1956 he met along the 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 (1948-1955), 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 H(ungarian) S(ocialist) W(orkers') P(arty) committee of the Vth District of Budapest. In the course of this conversation Kornai got 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" (Kornai 2005, 122). Little wonder, then, that Friss's efforts to save Kornai for the Institute gave no result.

He was encouraging Kornai and all the others whose acts and words came under critical scrutiny in the course of the investigation to spell out where they stand. This was also a demand of the CC Secretariat's final resolution of 24 April 1958 (Document 13). At the June 24 1958 meeting of the Institute, with László Orbán present, Kornai did follow the advice. He did not

condemn Imre Nagy and/or October 1956 as a “counter-revolution”. 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 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 in order 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 the attention here to the discussion about the three year plan and to the speech delivered these days by comrade Jenő Fock [secretary of the Central Committee 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.” (Document 14)

Kornai’s walk to Canossa also included an article in the *Közgazdasági Szemle* (Kornai 1959) in which he defended the same “superiority-thesis” against Péter Kende’s article published in the *Revue économique*. Kende, who was his close friend from his times at the *Szabad Nép*, according to Kornai, 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”. (Kornai 1959, 1086)

All this may have come as too little and too late, yet it certainly assisted Friss in his efforts to help Kornai and support him to find a work place that would be ready to employ him and where he could continue work as a research economist. Friss successfully mobilized his rich net of contacts and saw to it that all the three expelled landed within a very short period of time at research institutions. András Nagy returned to the Institute of Economics in 1973 as senior research scholar; Friss took back Kornai to a part time position at the Institute already in 1964. In 1967, Friss offered him a full time position, as the head of the section of mathematical economics (which he 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 he kicked him out).

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 towards what became his passion after the debacle of the Stalinist social, political, and academic order: to place economics onto 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 policy-making. After the 1958 party investigation the Institute remained under the directorship of Friss; and even though he left his position as the head of the economic policy department of the Central Committee apparatus in 1961, one of the single most important achievement 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 agit-prop, *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 the President of Central Statistical Office, György Péter. It started in 1957 and concluded by a Polit-Bureau resolution of 18th August 1958. As the biographer of György Péter, herself contributing to the tendency demonizing István Friss, unwillingly and in surprise had to acknowledge, the resolution of the Political Bureau was relatively “mild” and free of all the excesses and groundless accusations of the documents produced in the course of the investigation by the Budapest HSWP committee. These groundless accusations failed to find their way into the Polit-Bureau 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, 170-171).

(C) *Epilogue – 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, the *Overcentralization* (Kornai 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 towards 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, came to become the standard with regard to publication of politically problematic works.”

But the central committee apparatus in this case was Friss himself – János Kádár brought him back to the apparatus as the head of the economic policy department at the same time as he retained his directorship at his Institute of Economics. It is quite remarkable that Kornai in the same breath can tell the story how saddened and frightened he got when Friss declared in his Higher Party School lecture (a lecture which he gave as the top personality in the party hierarchy with regard to matters economic) that he (may) had abandoned marxism and deny credit to Friss for the publication of his book (coming out almost at the same time as Friss gave his lecture). He 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 the light of everything else he had told about Friss (Kornai and Tardos 2014a, 86-87). The political risk in connection with both publications, in fact, weighed not so much on Kornai’s or the publishers’, but primarily on Friss’s shoulders.

István Friss loved his Institute and he was actually quite attached also to the leading and most productive scholars at the Institute. This is clearly shown in the correspondence preserved among his papers originally donated to the Archives of Party History Institute of the Central Committee of the HSWP. His two main corresponding partners from the Institute, it seems, were János Kornai and András Bródy. Significantly, he did not only address both of them on their first name but he also used a diminutive form or nickname, usual among friends and/or 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 falling. There was an important difference though in between the two: Friss and Bródy addressed one another in terms of *Ön* or *Maga*, in Hungarian (similarly to 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/or close friends (Documents 15-28).

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” reciprocated by Kornai (Document 29). 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 Central Committee’s economic policy department, in most of the Rákosi era. But it transpires from their exchanges also that Friss 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 also acknowledged with gratitude in Kornai’s responses – like in his letter of 23 May 1973 which he started by letting Friss know how very glad his 6 May letter made him “with its attention, its friendly tone and its many interesting information” (Document 24).

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 rallies Friss’s assistance to arrange for the Hungarian publication of his *Rush versus Harmonic Growth* (Kornai 1972a and 1972b). On 14 August 1971, Kornai wrote and sent a long

note to Friss. With the note, went an attachment, the revised ms of the Hungarian version of *Rush versus Harmonic Growth*. Kornai wrote that he had, “Along the lines we’ve talked about and agreed upon”, sent an earlier version to “comrade István Hetényi [Secretary of State, President of the Central Office of Planning, and, similarly to Friss, member of the Central Committee of the HSWP], asking for his opinion.” Kornai had already talked to Hetényi and the revise he sent to Friss now had taken onboard the critical commentary received. Kornai emphasized, 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 towards the book’s publication. It would also be a major service rendered by Hetényi in terms of “watching Kornai’s back” in a time when, yet again, critical writing about the state socialist social order could imply serious risks (Péteri 2017, 321ff). 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 at the research institute of COP who all read, generally liked, and commented on the book ms, 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 and enable him to publish the book in Hungary as well. Kornai informed that he had started discussing the matter with the *Akadémiai Kiadó* (the publishing house of the Hungarian Academy of Sciences), with deputy director Mrs. Róth and, through her, with director “comrade Bernáth”. He promised to send them István Hetényi’s “peer review” as soon as he would receive it. But Kornai was told by Mrs. Róth

“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. ... I would be most grateful if you could do so. ... This short letter [of support], .. would be necessary A.S.A.P. ..., [for them 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.” (Document 19)

This is exactly how patronage works: asking for the patron’s advice and comments, involving him in the complex tactics required for the publication of a piece that might be expected to touch some political-ideological nerves, and, thus, making him develop a stake and get engaged in the client’s project. This way, Kornai got the support of two Central Committee members of the HSWP, one of them was also Secretary of State and President of the COP, towards publishing his critical essay *Rush versus Harmonic Growth*. This support made it safe for him to come out with the essay in the West and enabled him, at the same time, also to publish the piece in Hungary. István Hetényi had not only obliged with a positive peer review but he also published it as a book review in *Közgazdasági Szemle* (Hetényi 1973). With two Central Committee members confirming that the essay was OK, the bosses of the *Akadémia Kiadó* did not either 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 that Friss should write a Preface to the book and he sent Friss the ms to read

and comment on it (Document 30, fol. 220). In spite of his misgivings with regard to certain moments in the book (Document 30, fol. 216), Friss not only liked it but also thought 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 for 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 which 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 “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.” (Document 30, fol. 220) The book came out the year after – without a Preface by Friss but, beyond doubt, with (and thanks to) his support.

Considering the times they were to be published (1971-1972 – when the purge of critical sociology and social theory had been in progress) and their obvious critical edge towards the socialist economic order, none can blame Kornai to have rallied this kind of support towards the publication of *Anti-Equilibrium* and *Rush vs Harmonic Growth*. What is troubling is his own “sterilized” rendering of the history of his publications, his tendency to be silent about or openly denying the significance of the assistance his informal networks and, particularly, such powerful patrons as István Friss brought to his academic enterprising.

In the later years of the 1970s, Friss assisted the continued career of Kornai in a number of 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 their

subordinates' long visits to the West (Document 16), or such less trivial things such as allowing him to handpick a new junior scholar just graduated from the university of economics to be employed by the Institute (Documents 16, 18, 23).

Indeed, Friss also enabled Kornai to have the privilege of choosing who should be his immediate boss (section leader) at the Institute. When Kornai understood he might become a subordinate of András Bródy, he wrote Friss and asked for his intervention in favor of Tamás Nagy (Documents 16, 23). 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 remains 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!" (Document 16.)

What was then that Kornai could reciprocate Friss's generous patronage with? There were certainly a number of 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). 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 USA. In his three page letter to Friss, 14 March 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 that Friss would be welcome at the departments of economics of a number of top

universities and to see to it “that the matter of travel costs has been settled too.” (Documents 20, 22)

No doubt, this was a generous gesture towards his patron, but quite probably this was not the primary thing what Friss tended to see as rewarding out of 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’ which he saw as a defining part of his life’s achievement. Along this same logic, he also saw as his task and calling to offer protection and 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 have been his life’s project. The solid professional standing and achievements of András Bródy, Péter Erdős, János Kornai, András Nagy, and others was exactly what “was in it” for him. Quite probably, by the 1970s he had come to see János 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 benefitted all members of the Institute, professor Kornai himself included.

It is perhaps also characteristic of the role of the communist *Grand Seigneur* that, eventually, his contribution as patron has been denied and/or explained away by its very beneficiaries (with reference to his person’s “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 feature they actually are of the academic everyday, particularly under state socialism.

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