

From Market Socialism to Privatization. The Czechoslovak Economists and the New Expert Critique of Socialist Economy in Times of Normalization

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INTRODUCTION

The transformation of ownership, from the state to the private individuals, marks a clear borderline between the history of two social systems in Central and Eastern Europe — the socialism and the capitalism.¹ One can also say that it is precisely the privatization that makes the difference between the previous “reforms” of socialist economies and the final “transformations” of them. The impact of privatization not only on other economic processes, but also on the contemporary politics and the public mood, where it meant a psychological break with the socialist past, has been acknowledged both by the contemporary political agents and the later analysts.² The popularity of privatization as a solution to various economic and political problems started in the late 1970’s, when the western industrial production underwent major transformations due to the recent oil crises of the last decade. The upcoming series of changes in political and economic life, which found their peak in the 1980’s and 1990’s, have only recently become an object of study for historians, after having been previously analysed by other social sciences. The historiographical debate about the nature of this last change in the social paradigm focused on synthesising the so far dispersed knowledge into some general concept, which would pinpoint the common features of the changes that happened simultaneously between the 1970’s and 2000’s and would enable a general characterization of the era.³

1 This output was created within the project »Historie — klíč k pochopení globalizovaného světa«, subproject »Československé debaty o vlastnictví v ekonomickém a právním prostředí během přestavby a v první fázi postkomunistické transformace« realized at the Charles University, Faculty of Arts with financial support of the Specific university research in 2017 and 2018.

2 See e.g. Tamás Bauer, *La reconstruction du système dans une économie post-socialiste — expériences et problèmes*. In: *Cahiers du CEFRES*, no. 3, Prague 1994; Karel Zeman, *Analýza privatizačního procesu v České republice*, Praha 2015, pp. 13–15.

3 Anselm Doering-Manteuffel — Lutz Raphael, *Nach dem Boom. Perspektiven auf die Zeitgeschichte seit 1970*, Göttingen 2008; Andreas Wirsching (ed.), *The 1970’s and 1980’s as*



Among various possibilities of how the recent historical development could be conceptualized, a theory of continuous “neoliberalization” of different areas of life has gained popularity, offering significant analytical potential dating back to the late works of Michel Foucault.⁴ The proposed “neoliberal era” is usually characterized by the continuous application of market principles not only to the different areas of governmental policy (education, healthcare, pension system), but also to the private lives of individuals.⁵ Whatever different concepts of what “neoliberalism” actually is there may be, a privatization of state assets is always considered to be one of the cornerstones of genuinely neoliberal policy.

A question arises whether those processes, which have been described for the western world, have any parallel in the Eastern bloc. This text focuses on the issue of privatization, which had been adopted as an instrument of governmental economic policy in 1990’s and in some cases (e.g. Hungary, Poland) already by the last communist leaderships, shortly before the major political changes in 1989 took place. A necessary precondition for the politicians to pick up the privatization agenda was the previous support of this idea by the experts — socialist economists. There have already been studies written on the subject of the socialist economists adopting unorthodox (seen from the classical Marxist point of view) standpoints during the late socialist era, other scholars have analysed the complicated development of the Eastern European governments’ attitudes to the privatization programmes during the late 1980’s and early 1990’s.⁶ Regarding the specific heritage of the economic reforms of the Prague Spring of 1968, this paper aims to answer the question how the Czechoslovak economists, the former proponents of “market socialism” with a human face, developed into the supporters of a transformation to “market economy” and a radical transformation of ownership by the early 1990’s.

Only a brief comparison of the Czechoslovak late socialist regime with its neighbouring counterparts gives a clear indication that the conditions in which the socialist economists had to develop their expertise were different in each country and depended on a current constellation of power among the party bureaucrats, academic institutions and even the security forces of the state (i.e. political

a Turning Point in European History?, *Journal of Modern European History*, vol. 9 (1/2011), pp. 7–26.

4 Michel Foucault, *Naissance de la biopolitique: cours au Collège de France (1978–1979)*, Paris 2004.

5 Stephanie Lee Mudge, *What is neo-liberalism?*, *Socio-Economic Review* 6, 2008, pp. 703–731; Wendy Brown, *Undoing the Demos. Neoliberalism’s Stealth Revolution*, New York 2015.

6 Johanna Bockman, *Markets in the Name of Socialism. The Left-Wing Origins of Neoliberalism*, Stanford 2011; Joachim von Puttkamer, *Der Schwere Abschied vom Volkseigentum. Wirtschaftliche Reformdebatten in Polen und Ostmitteleuropa in den 1980er Jahren*. In: Norbert Frei–Dietmar Süß (eds.): *Privatisierung. Idee und Praxis seit den 1970er Jahren*, Göttingen 2012; Ágnes Gagyi, *A moment of political critique by Reform Economists in Late Socialist Hungary*, *Intersections. East European Journal of Society and Politics*, no. 2, 2015, pp. 59–79.

police).⁷ I would like to explain how the (im)possibility of conducting a relatively independent academic research affected the ability of the Czechoslovak economists (as a collective agent) to promptly react on the rapid changes of the political situation in Autumn and Winter 1989, when they were put in charge of designing the future economic order for the whole society. To examine this, I will concentrate on the character of economic discussions in Czechoslovakia in the so-called normalization period (between the invasion in 1968 and revolution in 1989) and try to explain why the strong ideological limits imposed on the discussions on the subject of ownership transformation even as late as in the 1980's did not prevent Czechoslovakia from becoming the pioneer of the massive privatization in the region only few months later. Similar researches that have been already conducted for other socialist countries (Poland, Hungary) will provide a useful referential material to compare the Czechoslovak case within order to appropriately describe its particular and unique features.

The influence of the social sciences expertise on the governmental policies after the Second World War has been a subject of various researches, focusing on both the western and the eastern bloc as well as on the areas where an interaction of the two could happen.⁸ Many of the studies deal with the importance of the particular sciences for the authoritarian rule in the communist dictatorships, be it cybernetics, psychiatry, legal science or sociology.⁹ The economics is no exception in this as the first thorough analysis which compared the different national traditions of economic thinking under the communism was published already in the end of the 1990's and still remains an outstanding work in the area.¹⁰ Later texts on the subject often went

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- 7 For a comparison of different national traditions of economics under communism, see Hans-Jürgen Wagner (ed.): *Economic Thought in Communist and Post-communist Europe*, New York 1998.
- 8 On the impact of expert knowledge on the governmental policy in the West see Philip Mirowski-Dieter Plehwe: *The Road from Mont Pélerin. The Making of the Neoliberal Thought Collective*, Cambridge 2009. Niklas Olsen-Hagen Schulz-Forberg, *Re-inventing Western Civilization: Transnational Reconstructions of Liberalism in Europe in the Twentieth Century*, Cambridge 2014; Paul Erickson (ed.), *How Reason Almost Lost Its Mind. The Strange Career of Cold War Rationality*, Chicago 2013, pp. 107-132. On the interactions of the Western and Eastern expertise, see Matthias Duller, *Internationalization of Cold War System Analysis: RAND, IIASA and the Institutional Reasons for Methodological Change*, In: *History of the Human Sciences*, vol. 29 (4-5), 2016, pp. 172-190.
- 9 See e.g. *Osteuropa*, a whole issue „Kooperation trotz Konfrontation. Wissenschaft und Technik im Kalten Krieg“ vol. 10, 2009. Similarly *State of Affairs*, vol. 13, 2017, a whole issue „Sociology under State Socialism“ (editors Matthias Duller and Mikolaj Pawlak). For the development of legal science under socialism, see Gerd Bender — Ulrich Falk (eds.): *Recht im Sozialismus. Analysen zur Normdurchsetzung in osteuropäischen Nachkriegsgesellschaften (1944/45-1989)*, Band I-III, Frankfurt am Main 1999.
- 10 Hans-Jürgen Wagner, *Economic Thought in Communist and Post-communist Europe*. For an inspiring comparison of the national traditions of economic thinking in the non-communist world, see Marion Fourcade, *Economists and societies: discipline and profession in the United States, Britain and France, 1890's to 1990's*, New York 2009.



even beyond the horizon of communism and examined also the impact of the swift wave of the neoliberal thinking after 1989 and its specific regional versions in the post-communist societies.¹¹

Concerning Czechoslovakia, studies have already been published on the history of particular scientific disciplines and the overall organization of academia under communism.¹² The history of Czechoslovak economics (or political economy)¹³ has been usually examined by the economists themselves and the first texts on the subject emerged as early as in 1990 (before 1989, no analysis of the discipline's history was published).¹⁴ As many of their authors occupied during their post-revolutionary career either political position or a position in the civil service, some of the texts strongly reflect their political preferences, usually centred around the evaluation of the two most discussed events in the modern economic history of the country — the market-socialist reforms of the late 1960's and the post-communist transformation of the early 1990's (most of the former "sixty-eighters" are strongly critical about the "transformers" and vice versa).¹⁵ The period of the 1960's in particular has been an object of research from various perspectives.¹⁶

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- 11 Paul Dragos Aligica–Anthony J. Evans, *The Neoliberal Revolution in Eastern Europe. Economic Ideas in the Transition from Communism*, Cheltenham 2009; János Mátyás Kovács–Violetta Zentai (eds.): *Capitalism from Outside? Economic cultures in Eastern Europe after 1989*, Budapest 2012, pp. 201–310.
- 12 Michael Voříšek, *The Reform Generation: 1960's Czechoslovak Sociology from a Comparative perspective*, Praha 2012; Vítězslav Sommer, *Angažované dějepiscectví: stranická historiografie mezi stalinismem a reformním komunismem (1950–1970)*, Praha 2011; Markéta Devátá (ed.), *Vědní koncepce KSČ a její institucionalizace po roce 1948*, Praha 2010. For the history of economic and business education in Czechoslovakia between 1948–1989, see the rich materials available at <https://dejiny.vse.cz/> (date of access 14/8/2018).
- 13 Although I do reflect a difference between the two terms, it is of no importance to strictly distinguish between them for the purposes of this article.
- 14 The first short overviews of the history of the Czech (sic!) economic thinking were published in the weekly (later on daily) *Hospodářské noviny* (Jiří Sláma: *Můžeme s nimi počítat?*, 16/3/1990, p. 12; Jiří Havel, *Existuje česká ekonomická škola?* 19/9/1990, p. 3). Later studies focus mostly on the postwar period: Zdeněk Chytil — Milan Sojka, *České ekonomické myšlení v letech 1948–1969: od stalinského teroru k Pražskému jaru*. In: *Politická ekonomie*, 2003, no. 4, pp. 565–591. For other studies on the subject, see *Politická ekonomie*, 2003, no. 1 (thematic issue).
- 15 See e.g. Zdislav Šulc, *Stručné dějiny ekonomických reforem v Československu (České republice) 1945–1995*, Brno 1998, pp. 71–102; Václav Klaus, *Proměny a fáze kritiky centrálně plánované ekonomiky*, In: *Ibid.*, *Obhajoba zapomenutých myšlenek*, Praha 1997, pp. 243–256.
- 16 Jiří Suk, *Veřejné záchodky ze zlata. Konflikt mezi komunistickým utopismem a ekonomickou racionalitou v předsrpnovém Československu*, Praha 2016. Karel Kaplan, *Kořeny československé reformy 1968 I.*, Brno 2000 (second, eponymous part, published in 2002, focuses on the political aspects of the thaw era in Czechoslovakia).

THE NORMALIZATION BEGINS: THE SOCIALIST OWNERSHIP AFTER 1968



The concept of the “socialist ownership” has always been one of the cornerstones of both the ideology and the policy of the communist parties. However vague the late 1940’s ideas about the “Czechoslovak way to the socialism” might had been, the nationalization of the major industries and services was accomplished as one of the first steps of the post-war reconstruction and there was little dispute about the legitimacy of such policy. The term “socialist ownership” first entered the Czechoslovak legal system in 1950, when the new Civil code (141/1950 Sb.) was adopted. After that, it was only the state ownership and the cooperative ownership that could fit into this category (§101) — a fundamental change when compared to the Constitution of 1948, where the (non-)socialist character of the particular kinds of ownership was not specified.

As more and more enterprises became state-owned (SOE) and the commercial relationships involved less and less private subjects (in favour of the state or cooperative ones), the property issues gradually ceased to be regulated by the Civil code and became a subject of the newly established Economic Code (*Hospodářský zákoník*, 109/1964 Sb.). The Economic code, approved as a part of a larger process of creating legal system for the new socialist republic in the early 1960’s, was supposed to establish a legal basis of the society where the commercial activities would be performed exclusively by the SOEs, cooperatives or the “socialist organizations” (political, cultural etc.). Since the adoption of the Constitution of 1960, the private property was no longer guaranteed and the already existing concept of “personal property” (and “personal use”) was supposed to replace the old system of individual appropriation, typical for the pre-socialist societies.¹⁷ Those legal changes, accomplished in the early 1960’s, kept their legal force until the end of the communist dictatorship.

Remarkably, those fundamental changes in the 1950’s and early 1960’s happened without larger discussion among the economists, who were still following the Stalinist dogma about the two kinds of socialist ownership — the state one and the cooperative one.¹⁸ Even in the neighbouring Poland, where some experts (Michail Kalecki, Oskar Lange, Włodzimierz Brus, Kazimierz Laski) started to challenge the Stalinist orthodoxy in the political economy already in the 1950’s, the concept of socialist ownership was not subjected to any serious discussion — on the contrary, it was accepted as a basis on which any serious debate could only begin.¹⁹ The first economic discussions in Czechoslovakia at the end of the 1950’s (the reform of Kurt Rozsypal)

17 Except for „small-scale private business based on one’s own work“. See Ústava ČSSR, article 9; Petr Bělovský, *Občanské právo*, In: Michal Bobek–Pavel Molek–Vojtěch Šimíček (eds.): *Komunistické právo v Československu. Kapitoly z dějin bezpráví*, Brno 2009, pp. 444–460.

18 See e.g. *Politická ekonomie. Učebnice*, Praha 1955, p. 407.

19 See e.g. Włodzimierz Brus, *Modely socialistického hospodářství*, Praha 1964, p. 15. The Czech translations of the texts of the „Polish school“ were published in the 1960’s, the original texts reflect the authors’ attitudes in the 1950’s.



concentrated on the issue of optimal central planning,²⁰ but the period of real reformism in political economy came as late as in the early 1960's and it were mainly the books and articles by Ota Šik that structured the discursive field of the whole decade.²¹ Šik himself did not see the question of ownership as a principal issue of the reform (focusing rather on the “forms of appropriation”),²² but pointed out that the simple nationalization does not imply the creation of authentic socialist property relations, implicitly admitting that some revision of the concept of the socialist ownership could be possible.²³ He did not, however, provide any clear answer on how the new system of socialist ownership should look like, leaving the question open for further interpretations.

The debates among Czechoslovak reform economists in the late 1960's show similar features as the described texts of Ota Šik — their main objective was a change in the system of the SOEs' management and in their subordination to the State planning office. Nevertheless, the question of the socialist ownership became a logical part of the discussions at a certain point. There were two directions from which this issue was usually approached, depending on the main subject of the debate in which it was addressed.

First, it was the discussion about the workers' councils in the SOEs, which logically resulted in the question whether the councils would treat the enterprises as their own property, have they acquired the rights some of the theorists wanted them to. The supporters of the councils generally agreed that the councils, once created, would overtake some of the authority the planning office and the SOE's management had executed before, but they had different opinions on whether this change would establish a new kind of socialist ownership or not. According to some, the new instruments of economic democracy would put into practice the socialist ideals of linking the ownership to the work and the councils could be an important means of the proprietary realization of the people in socialism.²⁴ Some radical economists, such as Věněk Šilhán or Bohumil Komenda, openly stated that the new structure of planning hierarchy and the introduction of the workers' councils to the SOEs would actually mean establishing a new, “enterprise ownership” (*podnikové vlastnictví*), as the council would overtake the responsibility that had been previously given to the state.²⁵

20 Jiří Havel–Jan Klacek–Jiří Kosta–Zdislav Šulc, Economics and system change in Czechoslovakia 1945–1992. In: Hans-Jürgen Wagener, Economic thought, pp. 218–220.

21 For an analysis of the intellectual development of O. Šik, see J. Suk, *Veřejné záchodky...*, pp. 105–124.

22 Ota Šik, *Ekonomika, zájmy, politika (jejich vzájemné vztahy do socialismu)*, Praha 1962, pp. 283–288.

23 *Ibid.*, *Ekonomika a zájmy. Jejich vzájemné vztahy do socialismu*, Praha 1968, p. 228–231.

24 Zdeněk Valenta, *Socialismus, demokratizace a podnikové rady*, In: *Nová mysl*, 1969, no. 4, pp. 414–423. On the importance of the self-governing bodies in the SOEs for the socialist democracy, see Oldřich Průša, *Socialistická demokracie a samospráva*, *Nová mysl*, 1968, no. 4, pp. 457–459.

25 See e.g. the opinion of Věněk Šilhán, *O demokracii v oblasti výroby*, *Nová mysl*, 1968, no. 8, pp. 956–958; Bohumil Komenda: *Společenské vlastnictví v tržním systému*, *Nová mysl*, 1969, no. 7, pp. 873–876.



Second, those who were rather reluctant to support the ideals of workers' democracy but wanted to emancipate the SOEs' management from the supremacy of the State planning office in order to enhance their entrepreneurial activities also had to find some way how to distinguish between the "new" form of socialist ownership and the old, bureaucratic one. For them, the concept of enterprise ownership was a tool to rid the planning bureaucracy of its influence on the management, as it was, according to them, impossible to become a truly entrepreneurial enterprise without being allowed to dispose with one's own possession.²⁶ The management, though, could not be endowed with such rights, because this would mean giving the property rights to the private individuals — the only possible owner could therefore be the workers collective as a whole. This position was also held by Šik for most of the time.²⁷

Therefore, both the radical democrats and the reformist technocrats included some revision of the socialist ownership into their plans, although for different reasons. For both groups, the point was to make the existing socialist ownership either more effective or more authentic, without abandoning its collectivist feature — any form of individual ownership was considered incompatible with the socialist nature of the society and such concepts did not enter the debates at all.

The discussion about the "enterprise ownership" took a different path after the invasion in August 1968, as most of the reformists either had to publicly denounce their previous opinions or lost the possibility to publish. The debate in the expert periodicals on this subject did not stop but was dominated by the conservatives and occurred in the circumstances of starting normalization. Simultaneously, the expert community underwent a thorough purge which resulted in the forced leave of many economists, who had to find their job outside the academia. The Economic Institute (EÚ) of the Czechoslovak Academy of Sciences (ČSAV), the main research institution in the discipline since the 1950's, was particularly struck by the normalization, as it was considered (quite rightfully) to be one of the main nests of the revisionism and was since then supposed to be under stricter control than most other academic institutions.²⁸

Nevertheless, the entrance of "the consolidation forces" in the political economy was not as straightforward as it might seem. There were substantial differences

26 Stanislav Stuna–Karel Knap, *Podnik a vlastnictví*, *Nová mysl*, 1968, no. 4, pp. 484–495.

27 See detailed analysis of the workers' councils in 1968 by Karel Kovanda, *Zápas o podnikové rady pracujících 1968–1969*, Praha 2014, pp. 79–85; Ota Šik, *Konstanty socialismu*, *Nová mysl*, 1968, no. 9–10, pp. 1279.

28 According to the „nomenklature order“ (nomenklaturní pořádek), the organs of KSČ had to approve the candidates for almost all the leading positions. Among the research institutes, there was a group of those whose directors had to be directly approved by the secretariat of KSČ and the Economic institute was one of them (see Rudá nomenklatura: *Kádrový pořádek Ústředního výboru Komunistické strany Československa z května 1984*, GMA 91, Praha 1992, pp. 45). Out of 48 leading researchers, who worked in the institute before the purges, 20 were dismissed and 2 were moved to lower positions by the end of 1970. See Archive AVČR (A AVČR), f. EÚ ČSAV, box 2, *Zpracování přehledu o vykonaných pohovorech*.



among the members of the new post-1968 academic elite when it came to the future prospects of this scientific discipline, varying from classical Stalinist views (represented by former authorities of the 1950's, such as Felix Oliva or Kurt Rozsypal) to ones that were not entirely hostile to some ideas of the previous era, on a condition those would be appropriately adapted according to the "Leninist principles". One of the controversies between the hard-liners and the soft-liners was caused by the question of admissibility of the western methods (based mainly on neoclassical economics and econometrics) in the socialist political economy.²⁹ The allegations that the implementation of the "bourgeois" inspirations would lead to neglecting the political imperatives of a genuinely socialist science were countered by a cunning argument. As Zdeněk Hába (author of the official textbooks of the political economy during normalization) put it, the 1960's counter-revolution on the "theoretical front" was not caused by the excessive study of the western economics, but on the contrary — by the insufficient attention paid to the modern methods, which provoked dissatisfaction among the members of the younger generation who saw the socialist political economy as sterile and turned their eyes to its western counterpart.³⁰ The solution Hába and some of his colleagues proposed shows a clever strategy how to neutralize the attacks of the conservatives and preserve as much independence for the discipline as possible: the economists should not only pay more attention to the modern methodology (namely to the mathematical methods) and its possible application in the socialist conditions, but should also be given much stronger voice when it comes to forming the actual economic policy of the state.

Although the real impact of Hába's last demand can be easily doubted, it is clear that the defence against the hardliners was in some respects successful, as the next two decades saw a flourishing of mathematical modelling in the Czechoslovak political economy. Thus, the discipline maintained some of its autonomy and with it also some of its possible critical potential, although it could be developed only when respecting the rules of the normalization discursive order. Those rules not only prevented using the 1960's language of market socialism and its basic categories (the terms like "adjusting the plan to the market" or "the independence of the SOEs" became taboo), but also any open discussion about changes in the concept of the socialist ownership, because the dogma about the state and the cooperatives as the only bearers of the alleged socialist nature of the property relations lied at the very core

²⁹ Stanislav Hradecký, Zápás o myšlení pokračuje, *Rudé právo*, 27. 4. 1971, p. 5; J. Závada, Ke gnoseologickým kořenům revizionismu v ekonomické teorii. In: *Ideologická konference „Překonávání revizionismu v ekonomické vědě a praxi“*, Vysoká škola politická ÚV KSČ, Praha 1971, pp. 192–200. For the critique of an excessive „mathematization“ of the political economy, see also the discussion of the Scientific board of VŠP ÚV KSČ (party's college for political education), Národní archiv (NA), f. 1227 VŠP ÚV KSČ, box 3 „Vědecké rady 1970“, transcript of the discussion, p. 20.

³⁰ Zdeněk Hába, Některé podmínky a příčiny pronikání revizionismu do čs. ekonomické teorie v šedesátých letech, In: *Ideologická konference „Překonávání revizionismu“*, p. 262; Antonín Ter-Manuelianc, O rozpornostech v oblasti tzv. aplikace matematických metod v řízení. In: *Ideologická konference „Překonávání revizionismu“*, pp. 308–311.

of the normalization authoritative discourse. The concept of enterprise ownership was, along with the emphasis on the “commodity-money relations” (*zbožně peněžní vztahy*), seen as one of the pillars of the economic revisionism and was therefore entirely condemned — as Felix Oliva stated, the enterprise belongs to *all* workers, on only to its employees.³¹



THE STATE AND THE ECONOMISTS

A new authoritative discourse was forged in the years 1970–1971 in the political economy. Moreover, it was not only the expert community itself who was in charge of ensuring that everyone would keep its rules, as the events of 1968 had proved that the intellectuals cannot be trusted and must be subjected to some higher form of control.³² It was also the Czechoslovak secret police [*Státní bezpečnost*, StB] who was supposed to exercise control over the potentially subversive academic and research institutions and intervene when necessary.³³

What was then the role of StB in securing the discursive order in the political economy during the normalization? Did the secret policemen actively intervene into the economists’ work? And when they were keeping them under surveillance, what activities or opinions did they consider dangerous? The major obstacle in answering those questions is the incompleteness of the archival materials, which were regularly shred and massively destroyed in 1989. Therefore, the following propositions must be taken with a certain distance, as they are based on an analysis of fragmentary materials.³⁴

StB focused primarily on gathering information about the prominent economists of 1968, such as Otakar Turek, Zdislav Šulc, Karel Kouba or Vladimír Kadlec, care-

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- 31 Felix Oliva, *Kategorie politické ekonomie a jejich význam*, *Nová mysl*, 1970, no. 6, p. 841. For the critique of the enterprise ownership, see e.g. Oldřich Truhlář, *Nutnost kvalifikované kritiky ekonomického revizionismu a zejména teorie tržního socialismu*. In: *Ideologická konference „Překonávání revizionismu“*, p. 133.
- 32 One member of the VŠP scientific board (probably Václav Král, a prominent historian of the normalization era), explained in 1970 that it had been the social scientists, namely law theoreticians, economists and historians, who had been preparing the counter-revolution years before the political reforms of 1968 burst out. See NA, f. 1227 VŠP ÚV KSČ, box 3 „Vědecké rady 1970“, transcript of the discussion, p. 5.
- 33 The authority in charge was the 1st department of the XI. directorate of StB. See Petr Zeman, *XI. správa SNB (1974–1988). Stručný nástin vývoje a činnosti Správy kontrarozvědky pro ochranu ekonomiky*. In: *Sborník Archivu bezpečnostních složek*, Praha 2010, p. 282.
- 34 The following analysis is based on those personal files of the Czechoslovak economists. All of them are kept at the Archiv bezpečnostních složek (ABS) and most of them are part of funds Svazky kontrarozvědného rozpracování (f. KR): file 797608 MV, file 813457 MV, file 753364 MV, file 700031 MV, file 1007120 MV, file 753142 MV, file 799697 MV, file 822589, file 790308 MV, file 822819 MV, file 706019 MV, file 615067 MV, file 700020 MV. See also ABS, f. Objektové svazky, object file 2420 (*Ekonomický ústav ČSAV*); ABS, fond Svazky tajných spolupracovníků (f. TS), file 642367 MV.



fully observing their mutual contacts and their contacts with academic sphere and civil service. On several occasions, the investigators reported that some former sixty-eighters not only kept their informal contacts from the previous era, but were also consulted by the current party and state bureaucrats when it came to preparing some policy papers.³⁵ Surprisingly enough, the investigators did not decide to intervene, although they suspected that there were whole interest groups surrounding some state and party officials, which had a direct connection to the former sixty-eighters.³⁶ It is also noteworthy that when trying to reveal those networks, the StB officials assumed the existence of a Zionist conspiracy on several occasions and carefully reported any Jewish family origin of the followed persons.³⁷

When the enemy was not as easily identifiable as in case of the former personalities of 1968, the StB investigators had to struggle with their own insufficient expert knowledge which did not enable them to assess the materials in question (books, articles) as potentially harmful. In order to do so, they had to rely on some external expertise, provided by other economists (usually by those who were agents), which served as a basis for their decisions. The existing reports written by the investigators sometimes show almost anecdotal level of ignorance when it came to economic theory, but they also reveal what opinions their authors regarded as harmful or suspicious.³⁸

It was the experience of market socialism in 1968 what shaped the mental horizon of the StB analysts, comprised of the forbidden concepts of enterprises' autonomy, decentralization of the planning or adjusting the plan to the market. Those concepts demarcated the intellectual area in which the investigators were able to independently reach some conclusions about the "dangerousness" of the analysed texts. Therefore, if some text did not fit neither to the official political economy of

35 See e. g. ABS, f. KR, personal file 799697 MV, report Vytváření ekonomické komise řízení čs. ekonomiky (undated, probably from May 1976), p. 1. Also personal file 70031 MV, report Další návštěva TS Hospodáře u Ing. Oldřicha Černíka (28/2/1977), p. 5.

36 Those officials were federal finance minister Leopold Lér and federal prime minister Lubomír Štrougal. See ABS, f. KR, personal file 799697 MV, report 5. 5LP — poznatky navazující na AZ ze dne 9. 6. 1977 směrnice 1978, (16/6/1977), report Akce „Valtr“ — poznatky (5/6/1980). Also personal file 700031 MV, Souhrnná informativní zpráva o připravované variantě reorganizace podniků (10/2/1977), report Další návštěva TS Hospodáře u ing. Oldřicha Černíka — poznatky, (28/2/1977) p. 6. Also personal file 700020 MV, report Jičínský — poznatky (22/7/1977),

37 See e. g. personal file 700031 MV, report R.L. — poznatky k osobě (2/6/1977). Also file 753142 MV, report Podstava TS hospodáře k objektu akce Valtr v návaznosti na úkoly v akci Premier — poznatky (20/4/1977), pp. 8–9. Also personal file 799697 MV, report 5. 5LP — poznatky navazující na AZ ze dne 9. 6. 1977 směrnice 1978, (16/6/1977), pp. 3–4.

38 See the wrong transcription of the word „paradykmata“ (correctly „paradigmata“, paradigms) by an StB officer (see personal file 797608 MV, Informace o průběhu rozpracování akce Kluk (27/3/1985), p. 3). StB investigators sometimes even adopted almost Dadaist names for the supposed "groups of rightists", such as "novorealistická skupina v investicích" (see personal file 799697 MV, report Situace v plánování — poznatky k akci Waltra a Sára (9/12/1976), p. 2).

normalization nor to the theories of market socialism, it had to be “translated” into the categories of those two scientific discourses in order to be evaluated by the StB. This however, made the position of the investigators rather precarious when it came to judge new theoretical approaches (e.g. econometrics, system analysis), which were based on completely different analytical toolkit than the two ones in which they were able to orientate themselves.

To illustrate this, let us pick two examples based on the materials that fortunately escaped from destruction. First of them is the case of economist L.R., who started to be secretly investigated in July 1975 because of his contacts to some former sixty-eighters.³⁹ The investigator considered L.R. to be a member of a “group of rightists” and gathered extensive information about his working contacts (L.R. was an employee of a ministry’s research institute), in order to establish whether he was to be considered an enemy of the state or not. When it came to analyse a working paper prepared by L.R., which focused on the system of exchange rates among the socialist currencies and proposed some changes in this area (referring also to Soviet expert authorities, e.g. to the school of optimal planning), the investigators requested their agents (economists) to sum up the main arguments of the book.⁴⁰ Then, the investigators had to prepare an official statement for their superior (head of the department) in which they emphasized that the L.R.’s propositions included “a relative independence of the enterprises” (the enterprise should be allowed to choose its own suppliers and should not be restricted in using the foreign currency), introducing new methods of planning based on automatization, which would threaten the authority of the central planning offices, and that the text included also camouflage references to the political authorities of socialism.⁴¹ To sum up: in words of another investigator, “some ‘theorists’ (...) continue in their attacks on the state monopoly on foreign trade and — even worse — do refer to the Soviet authors when performing their activities”.⁴²

Although the investigators suspected L.R. of “subverting the republic”,⁴³ no action was finally taken, as they did not find any legal ground to intervene and L.R. was also

39 ABS, f. KR, personal file 700031 MV, proposal for registering L.R. as „enemy person“ (3/7/1975).

40 The working paper was called *Věcné a systémové předpoklady působení měnového kurzu v socialistické ekonomice. Materiál k diskusi*, August 1977. It is nowadays kept in the library of the Finance ministry of ČR.

41 ABS, f. KR, personal file 700031 MV, report *Připomínky k práci ing. R. (27/9/1977)*, report *Charakteristika výzkumné práce ing. R. „Věcné a systémové předpoklady působení měnového kurzu“*, (19/12/1977), and report *Ing. L.R., pracovník VÚFUS — pokračování v útocích na státní monopol zahraničního obchodu a devizový monopol (21/2/1978)*. In the original documents, the parts which refer to the independence of the SOEs on the central planning offices were later also underlined by pencil (supposedly by the head of the department, who was the recipient of the report). All the following quotations are from this personal file.

42 See quoted report L.R., pracovník VÚFUS — pokračování v útocích na státní monopol zahraničního obchodu a devizový monopol, p. 2.

43 „Podvracení republiky“, §98, Act 140/1961 Sb. See *Plán opatření do akce Rolo ve dnech 1. 7. do 30. 8. 1978*.



firmly defended by his superior.⁴⁴ The obvious effort of the investigators to interpret L.R.'s opinions as "antisocialist" was also hindered by other research institutes and state offices which were also asked to give their opinion on his texts and mostly stood in defence of him.⁴⁵ It seems that in this case, one can observe a collective defence of the professionals against the forces of the secret police.

The second example is the well-known case of the investigation of Václav Klaus, caused by his activities in organizing the expert seminars at the State Bank.⁴⁶ The StB's attention was attracted to Klaus because his seminars were attended by people, who had previously been monitored by the police,⁴⁷ and the investigators soon came to a conclusion that he was "politically very dangerous"⁴⁸ and "an admirer of a western lifestyle".⁴⁹ The seminars, which started in 1980, developed into a crucial event in the life of the expert community and started to be carefully observed by the police in 1984. As most of the speakers' contributions focused on the subject of "economic modelling" (this was also the name of the regularly published almanac) and was based on econometrics, their content remained impenetrable for the investigators who, again, had to rely on the expertise of the agents who attended the seminars. In this case, however, the informers did not attempt to defend their colleagues — on the contrary, they labelled the seminars as "definitely non-marxist"⁵⁰ and emphasized the overall critique of the socialist economy expressed by the speakers.⁵¹ It was this very general characteristic of the seminars as unorthodox and ideologically deviant what was enough for the investigators to intervene and make the bank's headquarters

44 See report R.L. — pozice ve VUFUS (24/10/1977).

45 See the review of L. R.'s paper by a secret agent (report Výzkumná práce R. k otázkám měnového kurzu v soc. ekonomice — poznatky (12/1/1978), another review by a different secret agent (report Charakteristika výzkumné práce ing. R. „Věcné a systémové předpoklady působení měnového kurzu (19/12/1977), review by a special committee established for this purpose at the federal ministry of finance (Zhodnocení pracovní činnosti R. a posouzení jeho snah o vnášení revizionistických tendencí do čl. ekonomiky (22/11/1977) and another review elaborated later by the same committee (Stanovisko pracovní skupiny na FMF k pojetí a vyznění práce ing. R. „Věcné a systémové předpoklady působení měnového kurzu“ (22/2/1978).

46 For more information on the seminars, see Michael Durčák, *Semináře Václava Klause jako součást myšlenkového světa pozdního socialismu*, Bachelor Thesis, Faculty of Arts, Charles University, Prague 2018.

47 This case of research department of „Sportpropag“, which was dissolved because of one of its publications, has already been described on several occasions. See Jiří Kabele, *Sportpropag — nepravděpodobné místo pro studium společnosti. Osobní pohled*, Sociální studia, 2011, no. 1, pp. 17–35.

48 ABS, f. KR, personal file 797608 MV, Výpis z archivních materiálů sv. č. 732742, p. 2. All the following quotations are from this personal file.

49 Vyhodnocení signálního svazku č. 27299 (14/12/1984) p. 2.

50 Rozbor seminářů a srovnání jejich činnosti a poslání se Stanovami ČSVTS (25/3/1985), p. 6.

51 Informace o průběhu rozpracování akce Kluk a navrhovaná opatření v akci (27/3/1985), p. 2. Also report Seminář organizovaný ing. Klausem pod hlavičkou ČSVTS dne 24. 1 1985 (18/3/1985).

to dissolve them, as their main dangerousness lied in the big attendance, connections of the organizers to other monitored persons and possible spreading of the seminars to other cities.⁵²

Even in this case, StB proved not to be able to efficiently control the expert discourse, operating in her internal reports with analytical terms that were not sharp enough to appropriately grasp the real subversive potential of the economists' expert knowledge.⁵³ The possible interventions of the police organs depended on variety of other reasons among which the extent of actual ideological deviation could play only a minor role, had the experts avoided the forbidden language of market socialism, and the ability of StB to "discover" the heretics depended on the willingness of other economists to collaborate on the investigation.

This does not mean, of course, that the secret police did not have or did not use any tools to restrict the careers of those who were suspected (the restrictions of the access to the secret economic data or ban on leaving the country were among the most common ones). The major part of the ideological control was nevertheless exercised by the authors themselves (self-censorship), or by the editorial boards, which consisted mostly of the academic apparatchiks.⁵⁴

The reaction of the economists on the new situation in the 1970's was the abandonment of the market-socialist discourse in favour of the new theoretical approaches, which were compatible with the new authoritative discourse of the normalization. One such example was system analysis, which became popular even in the Economic Institute, where a new department was founded in the early 1970's, devoted entirely to its development.⁵⁵ The former think-tank of market socialism was now supposed to generate expertise on analysing, managing and steering the "economic systems", be it in a scale of a single enterprise or the whole national economy — an assignment, which corresponded very well with the new "socialism with a technocratic face".⁵⁶

52 Informace k činnosti poboček ČSVTS — snahy o zneužívání ČSVTS (undated, probably Autumn 1985) p. 3.

53 The most used term „the right/ists“ (pravice/pravičáci) was interpreted very extensively by the StB investigators and involved almost everyone considered hostile to socialism.

54 The interview of author with Ivan Kočárník (editor of magazine Finance a úvěr in the 1980's), 15. 9 2017, Prague.

55 „Kabinet systémové teorie“, led by Václav Klusoň. The system modelling was also developed at the „Ekonomicko-matematická laboratoř“ at the Institute, led by Jiří Bouška. For a historical account on the „general system theory“, see Wolfgang Hofkirchner–Matthias Schafranek, General System Theory. In: Handbook of the Philosophy of Science, vol. 10, „Philosophy of Complex Systems“, Amsterdam 2011, pp. 177–194. Further about the role of system theory in the cold war in Egle Rindzevičiute, The Power of Systems. How Policy Sciences Opened Up the Cold War World, Ithaca 2016.

56 The growing popularity of system theory in EÚ ČSAV can be seen in the development of its five-years research plans in the 1960s and 1970s. While the plan for the years 1965–1970 was based on analysing the plan — market relations and economic growth, the plans for the next decade, elaborated already after the political changes, show a great interest in system modelling. (Archiv AVČR, f. EÚ ČSAV, box II-24, Přehled hlavních a dílčích úkolů navržených do státního programu základního výzkumu na léta 1971–1975 v rámci





Similarly compatible with the new political situation was also the Soviet school of optimal planning, developed by Antonín Kotulán and Miroslav Toms.⁵⁷ Both approaches favoured the mathematical modelling and politically neutral “scientific” methods, focusing always on one particular issue in detail without relating it to more general economic principles — exactly the opposite approach to the one applied by the economists in the 1960’s.⁵⁸

However, this approach could not be applied to the subject of socialist ownership, which concentrated several important political dogmas. The debates on this issue had to respect very narrow borderlines, substantially limiting the possible controversies. Among those who had a political and academic position strong enough to participate in such discussions (and could therefore avert possible political accusations),⁵⁹ Zdeněk Hába represented a less dogmatic position, potentially open to some revisions of the official concept of socialist ownership, which was for him compatible even with the small-scale private businesses.⁶⁰ The major part of the official discussions in the 1970’s nevertheless focused on the compatibility of the abstract economic theorems with the terms used in the legal system and on their systemization according to the principles of materialist dialectics. Thus, the term “operational administration” [*operativní správa*] of the SOEs, based on the text of the Economic Code, was interpreted by the economists either as a purely utilitarian concept, establishing the legal subjectivity of the enterprises for the purposes of legislation, or as the manifestation of some actual economic autonomy of the enterprise.⁶¹ The socialist ownership was supposed to re-

stěžejního úkolu č. VIII-2. Compare with A AVČR, f. EÚ ČSAV, box 3, Soupis dílčích úkolů státního plánu badatelského výzkumu na rok 1968.)

57 Antonín Kotulán, *Optimální plánování a fungování socialistické ekonomiky*, Praha 1985. *Planometrie a optimální fungování socialistické ekonomiky*. Sborník sovětských autorů, foreword by A. Kotulán and M. Toms, Praha 1974. Further about the Soviet optimal planning in: Slava Gerovitch, *From Newspeak to Cyberspeak. A History of Soviet Cybernetics*, Cambridge 2002, pp. 274–278.

58 See also the periodical *Ekonomicko-matematický obzor*, published by the Institute of Economics in years 1965–1991, which focused on the econometric approaches. For an analysis of the 1960’s economic discourse, see J. Suk, *Veřejné záchodky*, pp. 175–214.

59 Those were not uncommon even among the „winners“ of the normalization. See e.g. the disputes between the economists Jaroslav Vejvoda and Pavel Dušan Nikolič; Pavel Dušan Nikolič, *Poznámky k některým teoretickým názorům J. Vejvody na ekonomické pojetí vlastnictví a socialistického podniku*, *Politická ekonomie*, 1971, no. 5, p. 449; Jaroslav Vejvoda, *Jak přistupovat k řešení naléhavých problémů ekonomické teorie a praxe*, *Politická ekonomie*, 1971, no. 7, pp. 637.

60 Zdeněk Hába, *Některé problémy společenského vlastnictví za socialismu (diskuse)*, *Nová mysl*, 1970, no. 6, pp. 848–851.

61 The term „operational administration“ was designed in order to solve the problem how the enterprises can use the property which belongs to the people (i.e. the enterprise is only „operationally administrated“ it). Jaroslav Vejvoda, *Polemicky k otázkám vlastnictví a zboží výroby*, *Politická ekonomie*, 1975, no. 7, p. 627. Miloslav Fremer–Zdeněk Hába, *Sporné a nesporné otázky vlastnictví a zboží výroby za socialismu*, *Politická ekonomie*, 1975, no. 7, p. 636.

veal its “phenomenal form” in the relationship between the workers and their enterprise, but the exact “extent” to which this modifies its “all-people” [všelidový] nature remained an object of endless disputes, as there was no coherent system in using these terms even among the few economists who actually cared about such scholastics.⁶²



THE 1980'S. A SILENT BIRTH OF A NEW LANGUAGE.

The crushing of the Prague spring meant a hard hit to the politics of market socialism not only in Czechoslovakia, but also in some neighbouring countries: the Hungarian “New Economic Mechanism” (NEM) was halted in November 1972 mainly due to the internal opposition in the Hungarian Workers’ Party (MSZMP), but the shadow of the newest Soviet invasion also played its role.⁶³ It is symptomatic, however, that even the NEM’s programme, elaborated by the secretary of MSZMP Reszö Nyers, did not involve any revision of the socialist ownership. The second version of NEM, adopted by the Central committee in February 1978, introduced the legalization of individual businesses in the services (one of the cornerstones of the Kaddár’s Goulash socialism)⁶⁴ but any large-scale private property was still considered incompatible with the socialist character of the society. Similarly, the late 1970’s economic concepts of the Polish Komitet Obrony Robotników (KOR) did not propose any re-introduction of the private ownership, although they were elaborated by the political opposition and not by the communist officials like Nyers or Šik.⁶⁵ The Polish economic discussions in the times of Solidarity were dominated by the ideas of self-government until the mid-1980’s and the opinion that the economic rule of the communist bureaucracy should be broken by adopting the principles of economic democracy (such as workers’ councils) instead of privatization were promoted even by the future advocates of the free market, such as Leszek Balcerowicz.⁶⁶

62 For the discussions, see: P. D. Nikolič, *Poznámky k některým teoretickým*, p. 453. J. Vejvoda, *Jak přistupovat k řešení*, pp. 642–643; Zdeněk Hába–František Koláček, *Socialistické společenské vlastnictví*, *Politická ekonomie*, 1972, no. 8, p. 702. Pavel Dušan Nikolič, *Politickoekonomické úvahy o ekonomických zájmech, socialistickém podniku a společenském vlastnictví*, *Politická ekonomie*, 1972, no. 11, p. 1008.

63 Rudolf Tökés, *Hungary’s Negotiated Revolution*, Cambridge 1996, pp. 102–107.

64 Symptomatically, the second version of NEM was approved by Politbyro in February 1978, but its administrative processing through the party and state bureaucracy caused the 4 years delay in its realization, as it was not launched until January 1982. See R. Tökés, *Hungary’s Negotiated*, pp. 112–114.

65 Joachim von Puttkamer, *Der schwere Abschied vom Volkseigentum. Wirtschaftliche Reformdebatten in Polen und Ostmitteleuropa in der 1980er Jahren*, In: N. Frei — D. Süß, *Privatisierung*, p. 160.

66 Tadeusz Kowalik, *From Solidarity to Sellout. The Restauration of Capitalism in Poland*, New York 2011, p. 111. For the review of economic thinking of Solidarity, see Miklós Mirovits, *From the Idea of Self-Management to Capitalism: The Characteristics of the Polish Transformation Process*, *Journal of Contemporary Central and Eastern Europe*, 2010, pp. 163–184.



The real change in the experts' attitudes to the plausibility of substantial changes in the structure of ownership happened around the half of the 1980's, and in the following years, even the word "privatization" itself came into circulation. The growing economic problems (especially the rocketing foreign debts) can be seen as an obvious reason for this change in experts' opinions, but it would be superficial to see this as the only cause, as the actual existence of an economic phenomenon does not automatically generate the support for particular political measures, either in the expert community or among the political elite. The socialist economists had to be provided appropriate environment where they could develop their attitudes in the mutual discussions, and a substantial level of academic freedom was a necessary precondition for this.

In Hungary, a place where all of this could be found was the Financial research institute (FRI) at the Ministry of Finance, where a new generation of economists was given an opportunity to theoretically examine the possible variations of NEM's realization. A Hungarian historian Ágnes Gagyí distinguishes two main groups of economists that could work at FRI together: the monetarists and the institutionalists, and both groups had not only the possibility of conducting their own research without particularly strict ideological control (compared to the situation in Czechoslovakia), but they were also called for advice by the state and party officials during the realization of the NEM after 1982.⁶⁷ The growing self-confidence of this expert community resulted in their engagement in the political opposition in 1985, when a major document "Change and reform" was published after a meeting of various oppositional groups in village Monor near Budapest.⁶⁸ The reaction of the party's leadership was rejecting and, as a consequence, FRI was abolished in 1987, but the expertise of the Institute's former employees played a key role in persuading the last communist leadership about the necessity of liberalizing the ownership legislation in the years 1988 and 1989.⁶⁹

In Poland, the first economic conference, where the concept of socialist ownership was openly questioned and put to the core of all possible reform plans, occurred even before the ascent of Mikhail Gorbachev, in 1984 at the Economic University in Warsaw.⁷⁰ The following years saw a rise of interest in the ownership issues among the experts; in October 1987, the Polish economists Maciej Iwanek and Marcin Świecicki proposed a new form of socialist ownership — "a socialist stock company", based on turning the SOEs into the stock companies with the shares distributed among the socialist organizations and socialist holdings, thus creating a "socialist capital market".⁷¹ Similar ideas about finding new forms of socialist ownership were elaborated by

⁶⁷ Á. Gagyí, *A Moment*, pp. 9–11. For biograms of some of the FRI employees, see Adam Fabry, *The Origins of Neoliberalism in Late Socialist Hungary: The Case of the Financial Research Institute, Capital and Class*, 2018, p. 91. Fabry's analysis is, nevertheless, affected by an inappropriate use of marxian theory of bureaucracy (inspired by Tony Cliff).

⁶⁸ Á. Gagyí, *A Moment*, p. 13. For more information on Hungarian oppositional groups and their interconnection in the 1980's, see R. Tökés, *Hungary's negotiated...*, pp.186–205.

⁶⁹ Á. Gagyí, *A Moment*, p. 14.

⁷⁰ T. Kowalik, *From Solidarity to Sellout...*, p. 176.

⁷¹ Maciej Iwanek–Marcin Świecicki, *Socialist Stock Company: The Missing Link in Economic Reform*, In: Christine Kessides (ed.): *Financial Reform in Socialist Economies*, Washington 1989, pp. 147–153.



Marek Dabrowski and Andrzej Wroblewski in 1987, and in 1988 a conference was held under the title “The proposals for transformations of the Polish economy”, organized by the Central school of planning and statistics in Warsaw.⁷² By this time, the debates among the liberal Polish economists shifted from the question “should the privatization be carried out?” to “how should it be accomplished?” and involved the future political representatives of the privatization agenda, such as L. Balcerowicz, Stefan Kawalec, Janusz Lewandowski or Jan Szomburg.⁷³ However, in the late 1980’s this was still only an academic debate without any direct political consequences, but the fact that the Polish and Hungarian economists adopted the idea of the transformation of ownership was a necessary precondition for any political application of such agenda.

Compared to this, the situation of their Czechoslovak counterparts seemed much bleaker. During the 1970’s, most of the economists found a shelter in some sub-discipline where they could develop their expertise and sometimes even express criticism, provided it did not affect the public.⁷⁴ There was no analogue to the Budapest RFI; even the Economic Institute, which was considered during normalization to be the most open-minded workplace in the discipline,⁷⁵ did not enjoy comparable level of independence and political influence. However, the economic seminars, organized by Václav Klaus at the State Bank in 1980–1985, served as the platform for unorthodox discussions and socialization and had a crucial role in developing new forms of economic critique of the socialist economy, as well as in keeping in touch with the current scientific trends in the economics.⁷⁶ When the seminars were abolished in 1986, the debates could partly continue at the Economic Institute, or, as the process of Perestroika was proceeding, on the pages of the expert periodicals.⁷⁷ The State bank seminars involved mainly the younger generation of economists (who often became the future supporters of free market), who did not occupy any major position in 1968.⁷⁸ Some of the former sixty-eighters attended other unofficial debates

72 Barbara Blaszczyk–Marek Dabrowski, *The Privatization Process in Poland*, In: *Privatization in the Transition Process. Recent Experiences in Eastern Europe*, United Nations Conference on Trade and Development, Kopint — Datorg 1994, p. 85.

73 J. Puttkamer, *Der schwere Abschied*, p. 166.

74 For example, see such criticism in Karel Zeman–Karel Dyba–Jan Pernica, *Analýza a projekce čs. zahraničního obchodu s kapitalistickými zeměmi na základě měnicích se vnějších a vnitřních podmínek*, Praha 1980. The authors explained that the socialist economy was subjected to the same economic cycles as capitalism (pp. 4, 63–65) and had to react by harmonizing its planning with the impulses of the world market, criticising at the same time the growing stagnation of Czechoslovak economy.

75 The interview of author with Ivan Kočárník, 15/9/2017, Prague.

76 The importance of those seminars is widely acknowledged by the participants (even by those who later became fierce critics of Klaus’s policy). See Petr Husák, *Budování kapitalismu v Čechách*, Praha 1997, s. 82. Also the interview of author with Dušan Tříška (18/5/2017) and Lubomír Mlčoch (17/5/2017).

77 Interview of the author with Ivan Kočárník (15/9/2017) and Dušan Tříška (15/6/2017). See also Antonie Doležalová, *Učíme ekonomii 90. let*, Praha 2011, pp. 238–242 (a chapter written by D. Tříška).

78 For further information on the seminars, see M. Durčák, *Semináře Václava Klause*.



organized by ex-minister of education Vladimír Kadlec, but those two groups did not interweave.⁷⁹

The participants in State bank seminars formulated a new style of expert critique, differing from the previous market-socialist critique of 1960's. It was theoretically based on the rational choice theory and public choice theory, which were regarded by the circle around Klaus as “the true hard core of the economic science” and was used for analysing the functioning the socialist economies with the same analytical tools that were used for analysing the market economies.⁸⁰ Those economists (some of them, such as Vladimír Rudlovčák or Dušan Tříška, had been originally trained in mathematics or physics instead of political economy) had strong reservations about the system theory too, as they regarded its proclaimed interdisciplinary approach rather as “indiscipline in science” and criticised that it was more responsive to the political demands than to the demands of a true science.⁸¹ As some of the published articles show, the attendants of those seminars considered themselves to be almost an elite club, differing both from the official political economy and from the mainstream critical analysts of socialist economies such as János Kornai, whose works they criticised for not having proved enough scientific rigour.⁸²

Although the question of socialist ownership was never explicitly addressed there, the seminars challenged the basic axioms of the socialist economic theory, such as the planning competences of the central institutions or the existence of the allegedly “non-antagonist contradictions” among the economic subjects in socialism. The abolition of the seminars in 1985 was probably meant to prevent this criticism

79 Zdislav Šulc, *Měla ekonomická reforma alternativu? Svědectví přímého účastníka*, *Listy*, 1993, no. 5, p. 34. The information about the Kadlec's seminars are very rare, as there were no official or unofficial papers published out of them and the relevant StB files were destroyed.

80 Dušan Tříška, *Několik poznámek ke vzniku a imperiálním ambicím ekonomické vědy v České republice*, In: *Festschrift Václavu Klausovi k významnému životnímu jubileu*, Praha 2011, pp. 292–296. Also V. Klaus, *Proměny a fáze kritiky*.

81 Václav Klaus, *Odpověď na kritiku*. In: *Ekonomické modelování*, 1981, no. 1, s. 45–55. Vladimír Rudlovčák, *Poznámky ke komplexnímu modelování*. In: *Ekonomické modelování*, 1980, no. 2, pp. 29–42. Symptomatically, one of the Czechoslovak system theorists, who was subjected to such criticism of Klaus and his colleagues, was their future major political oponent Miloš Zeman. See the quoted article by Klaus, p. 50.

82 Josef Fogl, *K diskusi o úkolech ekonomického výzkumu v ekonomické situaci v ČSSR v 80. letech*, In: *Ekonomické modelování*, 1981, no. 2, pp. 89–96; V. Klaus, *Odpověď na kritiku*. For more on the self-depiction of the attendants of the seminars, see also the report of the secret agent from one of the seminars, ABS, f. KR, personal file 797608, report *Výroční seminář ČSVTS SBČS organizovaný ing. Klausem (1/4/1985)*. For a critical reception of Kornai's work, see series of articles by Václav Klaus, Vladimír Dlouhý and Josef Zieleniec in a special edition of *Ekonomické modelování*, 1985, no. 1, ČSVTS. For Kornai's response on criticisms of Klaus and Tříška, see his memoirs János Kornai, *Silou mysle. Netradičné spomienky na intelektuálnu púť*, Bratislava 2011, p. 388, where he wrote „If the university departments of political science took this criticism seriously, they would have to dissolve themselves immediately and enrol in the classes of neoclassical economics“.

from spreading in the expert community; the following ascent of Perestroika nevertheless enabled the seminars' attendants to publish similar articles even in the official expert periodicals, such as *Finance a úvěr* [Finance and Interest] or *Politická ekonomie* [Political Economy]. During the Perestroika economic debates, the principles of this "new criticism", which had been developed at the seminars, entered the mainstream political economy in Czechoslovakia, reframed the ongoing debates about the "classical" problems of socialist economies and shifted them to the new directions.

To give some examples, one such "classical" problem were the constantly unfinished state investments, which were causing a long-term burden for the state budget. This issue was addressed already by Kalecki in the 1960's and his theory of economic growth was elaborated largely as a response to the question of how the adequate proportion of the new investments should be rationally calculated. Similar approach was taken even by the Czechoslovak reform economists Karel Kouba and Josef Goldmann in 1967.⁸³ In the late 1980's, the expansive nature and inconvenient structure of the state investments were criticised by Valtr Komárek in his famous *Summary Prognosis*, suggesting that the centre should rapidly change its priorities and invest into new technologies and managerial education.⁸⁴ A different approach was, however, taken by Václav Kupka (one of the regular attendants of the Bank seminars) in 1986, who suggested that it is not the effectivity of the investments, but the whole mechanism of their allocation that should be put under examination, because the central institutions do not have enough power to discipline the economic subjects and to make them follow the plan.⁸⁵

Similar microeconomic approaches were particularly popular among the former seminars' attendants. Jiří Hlaváček elaborated an ideal type of the socialist producer *Homo se asecurans*, analysing the behaviour of the producers in socialism, and two years later, D. Tříška conceived a model of socialist consumer *Homo secans*, focusing on its behaviour in the socialism, where the proper information and social contacts were one of the most valuable assets.⁸⁶ In those texts, the state was no more regarded

83 Josef Goldmann-Karel Kouba, *Hospodářský růst v ČSSR*, Praha 1967.

84 Valtr Komárek (ed.), *Prognóza a program*, Praha 1990, pp. 78–89 (the manuscript was published in 1990 but finished several years before the revolution). More on the history of *Summary Prognosis* and the Forecasting Institute in Luboš Studený, *Škola (r)evoluce. Příspěvek k dějinám Prognostického ústavu a jeho roli v rámci české a československé transformace (1980–1992)*, Master thesis, Filozofická fakulta, Univerzita Karlova v Praze 2018.

85 Václav Kupka, *Investiční napětí a rozestavěnost*, *Finance a úvěr*, 1986, no. 4, p. 242. This article was a reaction on the older analysis of Klaus, see Václav Klaus, *Rozestavěnost investiční výstavby, model i empirická analýza*, *Finance a úvěr*, 1985, no. 3, p. 152.

86 Jiří Hlaváček, *Homo se asecurans*, *Politická ekonomie*, 1986, vol. 6, p. 633. (Similar analysis was published in samizdat by Lubomír Mlčoch, *Chování Československé podnikové sféry*); Dušan Tříška, *Consumer under Supply constraint: Homo Secans*, *Ekonomicko-matematický obzor*, 1988, no. 3, p. 303. Hlaváček also analysed behaviour of the third principal agent in the socialist economy (after the household and the consumer) — the planning center. See Jiří Hlaváček, *K ekonomické subjektivitě plánovacího centra*, *Politická ekonomie*, 1988, no. 10, p. 1039.



as an engine which propels the society on its way to better future, but was treated as a monopolist on the market.⁸⁷ This undermined the theoretical assumption about the continuous harmonization of individual interests on the way through socialism to communism, which was by then still a theoretical cornerstone of the official political economy (although the idea of communism as the horizon was usually omitted). Instead, Kupka, Hlaváček, Tříška and their colleagues from the seminars implicitly assumed that the economic world consists of an eternal clash of vectors of individual interests and that, consequently, the state should only establish the rules according to which these conflicts could occur.⁸⁸ This theoretical assumption had very practical impact, as it also entailed the acknowledgment of the fact that even the SOEs had their own interests and it is legitimate to pursue them.⁸⁹

This epistemological shift shows one of the main differences between the attitudes of the reform economists in the late 1960's and late 1980's and it can be traced even in the texts of those who did not belong to the Bank seminars' circle. One such example was Václav Klusoň, who, unlike Klaus and most of his associates, occupied a major position in the official academic structures (director of the Department of the System Theory at the Economic Institute) and focused in his works on the general theories of planning.⁹⁰ Although Klusoň had been an advocate of "adaptive methods of planning" even before the late 1980's,⁹¹ it was only after the beginning of Perestroika when he openly stated that the central organs should rather establish the general rules for the economic subjects than try to steer them to particular goals.⁹² The deconstruction of the official concept of "central planning" became in times of Perestroika more and more echoed.

The new style of critique reframed also the price calculation debate — one of the central topics of the socialist economic theory of the 20th century. In Czechoslovakia, the Federal Price Office (FCÚ) was in charge of setting the prices of all commodities on the market, basing them usually on the costs of the resources which had been used

87 Similar analysis of the banking system in Václav Klaus, *Imperativy dlouhodobé prognózy a dominantní charakteristiky současné ekonomiky*, *Politická ekonomie*, 1989, no. 5, p. 570; Václav Klaus — Dušan Tříška, *Ekonomické centrum, přestavba a rovnováha*, *Politická ekonomie*, 1988, no. 8, pp. 817–829.

88 See Václav Klaus–Dušan Tříška, *Ekonomické centrum*; Otakar Turek–Tomáš Ježek, *Strukturální změny a hospodářský mechanismus*, *Politická ekonomie*, 1989, no. 5, pp. 580–591.

89 Eva Klvačová, *Ekonomická problematika vědeckotechnického pokroku*, *Politická ekonomie*, 1986, no. 2, p. 175.

90 Václav Klusoň, *Adaptace v systémech plánování*, Praha 1982; Václav Klusoň, *Hodnotová základna společenského plánování: (axiologický přístup)*, Praha 1985.

91 Václav Klusoň, *Adaptace v systémech plánování*, pp. 216–260.

92 Václav Klusoň, *Zákon nezbytné variety v plánovitém řízení*, *Politická ekonomie*, 1987, no. 6, pp. 561–572; Václav Klusoň, *Obecná a zvláštní pravidla v řízení ekonomiky*, *Politická ekonomie*, 1988, no. 1, pp. 1–15; Václav Klusoň, *K prognóze vývoje hospodářského mechanismu*, *Politická ekonomie*, 1988, no. 11, pp. 1123–1138. This assumption was also compatible with the officially supported concept of *chozrasčot*. (The term was not translated and was used in Czech in its original Russian form, derived from the words „chozjajstvennyj rasčot“ (economic accounting).

for the production of the particular goods. This method was, nevertheless, criticised by the economists as inappropriate, as it did not stimulate the suppliers to cut the production costs and produce economically. The 1960's reform involved partial liberalization of the price setting, giving to the SOEs the authority to establish prices on their own, provided they respect the centrally prescribed limits. This practice was abandoned in the 1970's and the two following decades saw elaboration of several possible theories of how the price setting should be done in the conditions of centrally planned socialism. Some theorists expected the planning institutions to permanently calibrate the prices of the commodities according to the comparison of their utilities, using the modern computers to simulate the processes that were happening *in vivo* on the capitalist markets.⁹³ Others suggested that the prices on the socialist markets should be derived from the international price relations, which were being established according to the capitalist principles, or advocated for the combination of both methods.⁹⁴

In his analysis which was published in 1987, Václav Klaus offered a distinctively different perspective, trying to prove that the central planning institutions are in principle incapable of keeping pace with the constantly changing economic reality and their attempts to do so ultimately result in creating disequilibrium situations.⁹⁵ This stance was escalated by his seminar colleague Miroslav Hrnčíř, who even suggested that the socialist economic system should be reorganized according to the “self-regulating principles”, including the “appropriate identification of the economic subjects and their property rights”.⁹⁶

There are more examples, showing how the new framing of the old problems resulted in setting completely new agenda during the Czechoslovak Perestroika economic debates.⁹⁷ As the last example of Hrnčíř's article shows, sometimes this

93 Antonín Korenčík, *Expertní systém pro parametrické způsoby tvorby cen*, *Finance a úvěr*, 1986, no. 1, p. 37; Daniela Zemanovičová, *využívání parametrických spôsobov tvorby cien při predzsazovaní intenzifikácie ekonomiky*, *Finance a úvěr*, 1987, no. 9, p. 604; Jaroslav Čaha, *Relace nákladů a cen a zainteresovanost výroby*, In: *Politická ekonomie*, 1987, no. 3, p. 308.

94 Jiří Palásek, *Zvyšování účinnosti parametrického způsobu tvorby cen*, *Finance a úvěr*, 1986, vol. 11, p. 741; Jozef Olšovský, *Príspevok k problematike uplatňovania kritérií efektívnosti vývozu při formování vnútornej cenovej sústavy*, *Finance a úvěr*, 1987, no. 3, p. 176. For proposals to the combination of several price setting techniques, see Vladimír Šíba, *Lze dosáhnout intenzifikace s nákladovými cenami?*, *Finance a úvěr*, 1987, no. 5, p. 320. Eugénia Švecová, *Úlohy a možnosti cenotvorného modelovania v podmienkách prestavby hospodárskeho mechanizmu*, *Finance a úvěr*, 1988, no. 1, p. 27.

95 Václav Klaus, *Ekonomický růst, nerovnováha a nerovnovážné impulsy*, *Finance a úvěr*, 1987, no. 7, p. 479. Similar critical attitude was expressed by Otakar Turek, *Hospodářská politika v období přestavby hospodářského mechanizmu*, *Politická ekonomie*, 1988, no. 6, p. 575.

96 Miroslav Hrnčíř, *Funkční otevřenost ekonomiky a přestavba hospodářského mechanizmu*, *Politická ekonomie*, 1990, no. 1, p. 1. Due to the publication time lag, the articles published in the first post-revolutionary issues can be still considered to be part of the pre-1989 debates.

97 One of the newly articulated problems was the long-term financial unsustainability of the state-provided social care, see Jiří Hladík–Jiří Žváček, *Analýza vývojových tendencí*



involved even addressing the question of socialist ownership, although such cases were rather rare — there were still conservative economists on the guard, although their voices could be heard more and more seldom.⁹⁸ The sporadic remarks on this issue became more common in 1989, focusing usually on the fact which was already being acknowledged even by the Party's officials — that the private ownership must be, although only in a small scale, legalized.⁹⁹ In some cases, it was even suggested that the restoration of private property could bring the desired positive impulse to the development of socialism, as it would introduce the “spirit of a [socialist] manager”.¹⁰⁰

A true breakthrough came only few days before the 17th November 1989, when the collective work from the Economic Institute *Czechoslovakia on the Crossroads* was published.¹⁰¹ Its authors clearly wanted to overcome the lag behind the frozen situation in Czechoslovakia and the rapid changes in neighbouring countries (in Poland, the Plan Balcerowicz had already been adopted by then), as the radicalism of their formulations overstepped any previous text, either political, expert, or samizdat. Referring ironically in the title to the famous Czechoslovak manifest of reform socialism, Radvan Richta's *Civilization on the crossroads*, Jozef Zieleniec and his colleagues proclaimed the inevitable end of the “socialist reform programmes” and put the “straightforward way to the liberal market economic order” as the only possible solution of the current crisis. The radical transformation of the ownership structures appeared in their analysis as the main objective of any such transformation, involving even a progressive privatization of the state property, preferably into the hands of the employees and citizens.¹⁰² It is only by the historical coincidence that this book became rather forgot-

neinvestičních výdajů na společenskou spotřebu hrazených ze státních rozpočtů a z rozpočtů národních výborů, *Finance a úvěr*, 1986, no. 3, p. 161; Ivan Kočárník-Vladimír Novotný, *Problémy celkové a strukturální rovnováhy státního rozpočtu*, *Finance a úvěr*, 1986, vol. 5, p. 322. For analysis of the expert discourses on Perestroika in the late 1980's, see Michal Pullmann, *Konec Experimentu. Přestavba a pád komunismu v Československu*, Praha 2011, pp. 75–93.

98 For some late 1980's conservative criticism, see Vladimír Kondratěnko, *Křivé zrcadlo „economics“*, *Tribuna*, 1986, no. 15, p. 8.

99 See e.g. Jiří Lukas, *K některým aspektům přestavby hospodářského mechanismu*, *Politická ekonomie*, 1989, no. 12, p. 1441. Eva Klvačová, *K alternativám státní vědeckotechnické politiky*, *Politická ekonomie*, 1990, vol. 1, p. 44. For the official approval of small-scale private ownership, see the famous speech of Miloš Jakeš in July 1989 (available on http://www.totalita.cz/txt/txt_o_jakesm_text_hradek_01.pdf, date of last access 4/12/2018).

100 Orig. „duch (socialistického) hospodáře“. See Ján Babin, *Teoreticko-praktické aspekty základního výrobního vztahu v socialismu*, *Politická ekonomie*, 1987, no. 1, p. 79. One of the very few who addressed even the question how the new socialist property relations should be established was Václav Klusoň, see V. Klusoň, *K prognóze vývoje*, pp. 1131–1133. Even in this case, however, the socialist ownership is not openly questioned and the possible changes in its structure are regarded only as a technical solution of other problems.

101 The first edition is dated to 27. 11. 1989, with a notice that the text had been prepared before the current political changes started. See Jozef Zieleniec (ed.), *Československo na rozcestí. Zpráva o stavu národního hospodářství a možnostech jeho nápravy*, Praha 1989.

102 Jozef Zieleniec (ed.), *Československo na rozcestí. Zpráva o stavu národního hospodářství*

ten (unlike much less radical *Summary Prognosis* by Valtr Komárek), as its publication, which undoubtedly had a potential to cause a great public tumult, was overshadowed by the political changes in November and December 1989.

The Czechoslovak perestroika had a deep impact on the expert community, as it enabled the advocates of a new economic paradigm to become trendsetters in the discipline; some of their future key policies such as anti-inflationary measures and strict fiscal discipline (only by then compiled into the Washington consensus) were first articulated by them at the time when touching the socialist ownership was still taboo.¹⁰³

At least a short remark should be made on the Czechoslovak economic dissent of the 1970's and 1980's, as Klaus's circle was definitely not the only coherent group that wanted to find an alternative to the official discourse of political economy. The main economic samizdat periodical, *Economic Revue* (referring to the eponymous periodical of the late 1960's) was mostly publishing texts by a narrow circle of authors around the former minister for education Vladimír Kadlec — the organizer of informal meetings in 1980's in his own flat.¹⁰⁴ Many of his texts, as well as those by the two other main contributors to the *Revue*, Zdislav Šulc and Rudolf Zukal, explicitly focused on rehabilitating the ideas of 1968 reforms and the proposed concepts of workers' democracy resembled to the contemporary political positions of Solidarity economists.¹⁰⁵ For Kadlec and Zukal, the freshly re-started Hungarian reform was also a suitable inspiration for Czechoslovakia to follow, namely its re-introducing of the SOEs' independence in making profit, and the regular readers of *Revue* were supplied with numerous analyses of the Hungarian market socialism.¹⁰⁶

Although the authors did not have to adopt any discursive strategy and could express their thoughts without any restriction, as their texts did not aim at being of-

a možnostech jeho nápravy, Praha 1990, p. 30. According to J. Zieleniec, it was precisely the use of the word „privatization“ that became an object of dispute, when the text was being put together. See Archive of the Institute of Contemporary History, Czech Academy of Sciences (A ÚSD AVČR), fonds Rozhovory k dokumentárnímu filmu *Labyrintem revoluce*, Illusion film s.r.o. a Česká televize 2006 (Rozhovory), transcription of the interview with J. Zieleniec, p. 1129.

103 See e.g. Václav Klaus, *Podstata a projevy inflace*, *Ekonomický časopis*, 1989, no. 7, p. 596; Vladimír Dlouhý, *Nerovnováha a inflace v čs. ekonomice*, *Finance a úvěr*, 1986, no. 11, p. 746.

104 See the footnote n. 79. Among the attendants of those meetings, there were future governments officials such as Václav Valeš, Miloslav Grégr or František Vlasák. See Zdislav Šulc, *Z jeviště i zákulisí české politiky a ekonomiky*, Brno 2011, p. 175.

105 See e.g. Vladimír Kadlec, *Dnešní maďarská ekonomika a naše ekonomická reforma z roku 1968*. In: *Ekonomická revue (samizdat)*, vol. 10–11, Autumn 1982; Vladimír Kadlec: *O čem dnes nesmí mluvit ekonomická věda*. In: *Ekonomická revue (samizdat)*, vol. 9, Spring 1982. The original samizdat issues of *Ekonomická revue* are kept in the Libri Prohibiti library.

106 See Vladimír Kadlec: *Dnešní maďarská ekonomika a naše ekonomická reforma*; Vladimír Kadlec, *Krizové jevy jako následek centrálních nekvalifikovaných plánů*. In: *Ekonomická revue (samizdat)*, vol. 12, Spring 1983; Rudolf Zukal, *Nazývejte věci pravými jmény*. In: *Ekonomická revue (samizdat)*, vol. 12, Spring 1983, p. 22.



officially published, the question of transforming the ownership was in no way at the centre of their work. This place was occupied by the ideas about giving the SOEs enough autonomy to behave according to the market principles, and about breaking the bureaucracy's monopoly on the economic power by distributing it between the workers' collectives and the managers (the second objective was also accompanied by some notions of changes in ownership). But, as Zdislav Šulc put it in his article in 1988, introducing the private property (which was in his concept even limited to the services and small scale business) was not considered to be the principal solution to the economic problems of the socialist economies; here, Šulc keeps the position even Ota Šik had advocated for in the 1960's, according to which overstressing the ownership relations was one of the major deformations of the Stalinist era.¹⁰⁷ For Šulc, Zúkal and Kadlec, the legalization of the private property was an integral part of the considered future reform, but the massive return of the means of production into the private hands was definitely not. Unlike the experts around Klaus, who did not address the question of ownership at all, the Kadlec's circle did have the possibility to do so, but the role of this topic in their mind-set was of a secondary importance.

Also, we have been speaking about the "Czechoslovak" economists so far, although the majority of the cited authors had their professional basis in the Czech lands, namely in Prague, where the main academic institutions had their seat. The official division of academic labour respected the principles of asymmetrical federation, according to which the research with federal impact was carried out in Prague. Even in the 1960's, the Slovak discussions about the economic reform were framed differently, focusing mainly on the levelling of the Slovak economy to the Czech one, rather than on introducing the market principles; their Czech colleagues, on the other hand, disregarded this question completely, when preparing the reform plans.¹⁰⁸

Although the contemporary western economics was far from unknown during the normalization in Slovakia (see the works of Štefan Heretik¹⁰⁹), none of its schools became constitutive for a particular expert group, as it happened in Prague.¹¹⁰ Nevertheless, the system theory gained certain popularity among the future representatives of Slovak economic interests, such as Augustin Marián Húška, providing them with a set of analytical categories in which they would later formulate their own

¹⁰⁷ See Zdislav Šulc, *Psáno inkognito. Doba v zrcadle samizdatu 1968–1989*, Praha 2000, p. 155; Zdislav Šulc, *Stát a ekonomika. Příspěvek k teorii hospodářské politiky*, Praha 2004, p. 270 (the text was written before 1989). Ota Šik, *Plán a trh za socialismu*, pp. 24–25.

¹⁰⁸ See Miroslav Londák, *Ekonomické reformy v Československu v 50. a 60. letech 20. století a slovenská ekonomika*, Bratislava 2012, pp. 145–181; Miroslav Londák–Stanislav Sikora–Elena Londáková: *Predjarie. Politický, ekonomický a kultúrny vývoj na Slovensku v rokoch 1960–1967*, Bratislava 2002, p. 189.

¹⁰⁹ Štefan Heretik, *Teoretické základy súčasnej buržoáznej ekonomie*, Bratislava 1973; Štefan Heretik, *Kritika súčasných buržoáznych sociálno-ekonomických teórií*, Bratislava 1976. On the reception of Heretik's works in Slovakia under socialism, see also Pavel Hoffmann, *Spomienky*, Praha 2006, pp. 70–75.

¹¹⁰ Paul Dragos Aligica–Anthony J. Evans, *The Neoliberal Revolution in Eastern Europe. Economic Ideas in the Transition from Communism*, Cheltenham 2009, p. 35.

visions of the post-socialist transformation.¹¹¹ In the early 1990's, this contributed to the growing discord between the Slovak and Czech governmental economists, as the Czech ones, coming mostly from the milieu of Bank seminars, disdained the system theory for its "scientific indiscipline". Both before and after 1989, the two national economic discussions were following different trajectories.¹¹²



CONCLUSION

As stated before, the privatization was one of the key policies of the "neoliberal era" of the 1980's and 1990's in the West and 1990's in the East. In Poland and Hungary, the first political forces that embraced the idea of turning the SOEs private were the last communist governments, which adopted the opinions their economists had already been expressing for several years by then. In Czechoslovakia, the privatization was not discussed by the economists until the very end of the communist rule, and it had to wait for the post-communist governments to be put into practice. Nevertheless, accepting the privatization as a necessary policy was just one part of a more complex transformation in the paradigm of political economy, which happened in several areas.

Reframing the role of the state in the economy (from guarantor of the public interest into the monopolist on the market), detecting the main deficiencies of the central planning (from the search of better methods to questioning the overall capacity of the central organs to get the proper information), and even transforming the enterprises into "economic subjects" (omitting thus their role as the providers of social welfare) were all parts of a jigsaw into which the privatization could easily fit. This shift towards the new form of expert critique of socialist economy, distinctively different from the previous market socialist concepts of 1960's, marks the intellectual development in the Czechoslovak political economy during the normalization period.

The discussions on the subject of ownership transformation were subjected to a strict ideological control because of the long shadow of 1968. Therefore, the new critique had to be developed in other areas where the economists could adopt new ways of thinking without provoking the watchdogs of the communist rule, who were unable to keep pace with the current development in the discipline and to decode the mathematic model of *Homo se asecurans* as much greater subversion than the ideas of market socialism. The rational choice theory, theory of public choice or the system theory could be developed even in the conditions of police state without raising much suspicion and became new scientific languages for the experts.

¹¹¹ See e.g. Augustín Marián Húska, *Technológia privatizácie (odmonopolizovanie, odštátnenie a zosúkromenie spoločnosti)*, Bratislava 1991.

¹¹² Despite this, there was a direct link-up between the Czech and Slovak research in the field of economic forecasting in the 1980's; see P. Hoffmann, *Spomienky*, p. 107. This, nevertheless, did not help to ameliorate the communication of the Czech and Slovak governmental officials, because the Czech prognosticators (as well as the system theorists) did not occupy any major political position.



The early 1980's seminars at the State Bank provided necessary academic background, similar to the one the Hungarians found at RFI and the Polish at some universities, which facilitated the exchange of opinions and development of the new ways of thinking (although its affiliation to the official structures was much weaker than in the two other mentioned cases) This way, the members of the Bank seminars' circle could keep pace with their Polish and Hungarian colleagues, who had more favourable conditions for their work in the 1970's and 1980's, and gained the same necessary intellectual prerequisites for making the privatization a natural part of their economic policy, when they took the political power after 1989. The new forms of economic critique were not limited to the circle of the Bank seminars, as the example of V. Klusoň, a proponent of system theory (and Klaus's opponent in 1990) shows. However, the seminars proved to be a place where strong intellectual ties were forged, as many of its participants later shared positions in the same governments or political parties and participated on implementing the same policy — including the privatization.

LIST OF ABBREVIATIONS

ČSAV	= Czechoslovak Academy of Sciences
ČSFR	= Czech and Slovak federative republic (1990–1992)
ČSSR	= Czechoslovak socialist republic (1960–1990)
EÚ	= Economic Institute
FRI	= Financial research institute (Hungarian Finance Ministry)
GDR	= German democratic republic
KOR	= Komitet Obrony Robotników
MSZMP	= Hungarian Socialist Workers' Party
NEM	= New Economic Mechanism
SAV	= Slovak Academy of Sciences
SOE	= State-owned enterprise