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An attempt at optimization. The reform model in culture, 1965–1973

‘It is still not quite clear what censorship’s role is to be.’

*Basic principles of reform of cultural management*¹

‘Culture with us is an ideological, not a commercial matter.’

*Experiences with introducing new economic management in the cultural field*²

The workings of the reform

Impetus

The countries of East Central Europe were plunged into crisis in the first half of the Fifties, by structural distortions in their socialist economies. There was no way to achieve the living-standard targets set for the working masses. It was impossible to meet the growing needs of the public in agriculture (then undergoing collectivization) or consumer-goods manufacturing. Initial attempts at reform in the mid-Fifties simply addressed disproportions in the model, mainly by shifting the industrial structure towards consumption, ceasing to neglect agriculture, lessening centralized political control and bureaucracy, and raising living standards to an appreciable, if not spectacular extent.

The Soviet and East European leaderships, though obliged to alter certain aspects of their economies, did not yet attempt any radical change in the socialist model, although the shift away from some previous principles of operation had irreversible effects on the system’s integrity and survival. The reforms, inconsistently applied, had effects beyond the economic structure by influencing views on spontaneity and social activity, and indirectly, the scope for democracy. These reforms, driven by economic necessity, also altered social awareness to a degree greater than their initiators had expected. They necessarily rearranged ideological components hitherto seen as consistent, which altered the received image of socialism. After

¹ Magyar Országos Levéltár (Hungarian National Archives = MOL) M-KS-288. f. 41/75. ő. e. January 19, 1967. Discussed by the Hungarian Socialist Workers’ Party (= MSZMP) Agitation and Propaganda Committee on May 18, 1967.

² Ibid., 41/117. ő. e. Submission to the MSZMP Agitation and Propaganda Committee, May 1969.

several years, the idea matured of a comprehensive reform of the political system that would eventually transform everything.³

Optimization

The Hungarian party, having survived the first difficult decade after '56, adjusted itself in the Sixties to a spirit of reform that was almost ubiquitous at the time. The 9th Congress of the Hungarian Socialist Workers' Party (MSZMP) in late 1966 stated that the prime task in the early years of 'armed subjugation of the counterrevolution and consolidation' had now changed. It was to concentrate henceforth on reorganizing agriculture and reforming the economic system.

One major purpose of the reforms from the outset was to relieve the economic and political tensions surrounding sustainability. The changes were not confined to the ways in which material and financial costs were distributed. They were also intended to reduce the technical, managerial and operating costs, which were reaching levels perceived as insupportable. Apart from seeking to ease pressure on the public purse, the leadership wanted to reduce the excessive technical burden on central management, which had become unwieldy, by giving economic actors greater freedom of manoeuvre within the system. The two aims were linked. The reformers envisaged an economic structure that could reduce the persistent social demands on centralized funds and central administration, by giving various economic actors incentives to be self-sufficient and act independently in production and commerce.⁴

But expanding the scope for social and economic action had dangers for what had been an arrangement strictly confined to the superstructure. The leadership had to make successive concessions to initiate independent action at the base. The main incentive to show initiative was enterprise profit, but that raised the spectre of mounting social inequalities, which in turn questioned further ideological tenets and destabilized the main cohesive

³ The author has been engaged on a monograph examining the relations of communist ideology and formation in the 1948–89 period and the operation of party and state. The book, nearing completion, analyses in detail the expansion of the state and secularization process, on which reform of the economic mechanism had a strong effect. Also important to the work is a comparative examination of various areas of ideology (book publishing, mass media, arts, foreign-policy propaganda etc.) On this, see the author's *Ennivaló és hozomány. A kora-kádárizmus ideológiája* (Food and dowry. Ideology of early Kádárism), (Budapest: Magvető Kiadó, 1998).

⁴ 'Under the present budgetary system, the "interest" of organizations is manifest mainly in their support for making greatest demands on the budget. They therefore have to be given a stake in discovering sources of income and operating in the thriftiest, most efficient way.' MOL XIX-I-4-ggg. 36. d. Papers of Károly Polinszky, deputy minister/minister. Guidelines on reform of the management system of budgetary organizations. May 1966 (= Guidelines... May 1966).

elements. Seeking to avert that danger, Soviet and East-Central European party leaderships looked at optimization models devised by the now flourishing discipline of sociology, to see if the aims of *stabilization and dynamization* could be met concurrently. In effect, ideological buffers were installed in fields affected by the reform, with culture a conspicuous example. They were designed to block or localize in some way uncomfortable but inevitable side effects of transformation. Among the salient features of the period, therefore, was a widely noted ambivalence,⁵ reflecting concurrent concern for efficiency and ideology. This took specific institutional forms in culture in the second half of the Sixties. While the operating frames of culture, or the conditions for them, were altered directly, those reforms also brought appreciable indirect changes in ideology and cultural awareness.

The mechanism

Initially, the cultural sphere was affected by the economic reform only insofar as it had to contribute to its general ideological foundations. The introduction of the reform was accompanied by broad, differentiated, carefully prepared central propaganda, designed to impart factual, practical knowledge and replace—by central direction, but ultimately through the whole people—archaic political and ideological views of society with another interpretation responsive to an essentially different period. The change became known at the time as ‘adopting an economic outlook.’

Publishers were instructed to include presentation, application and popularization of the new mechanism in their publishing plans. Among the items issued were placards and tableaux displaying the main objectives of the reform. Simple animated films were made for television, which was rapidly becoming influential, featuring a slightly abstract, but congenial figure called Dr Brain, who explained and interpreted the reform concepts, their assumed advantages, and to a lesser extent, the possible difficulties. The series became familiar to a generation, so that the phrase ‘I’ll explain the mechanism’ outlived the semi-success of the reform itself, as a way to explain the constant tinkering with socialism.

⁵ Thinkers in both Cold War camps in the Sixties were concerned to optimize their systems. East European political leaders drew on such research or even prompted it several times. András Hegedüs, for instance, contributed a study to the periodical *Valóság* 3:1965 entitled ‘Optimalizálás–humanizálás’ (Optimization, humanization) about principles and conditions for altering the management system. In the same year, the Polish press published discussion about mathematical means of optimum planning and decision-making (O. Lange, K. Porwit and H. Grenieski’s articles in *Nowe Drogi* 2:1965). Soviet, Polish and Hungarian sociological researches were loosely coordinated in that period, so that efforts at optimization were probably not a specifically Hungarian move in politics either.

The economic medium

The cultural sphere continued to perform its propaganda tasks, with existing institutions unaffected, until plans for major changes appeared in the latter half of the Sixties. Situation reports then began to comment on obvious changes in the pattern surrounding culture, which provided a decisively *economic* medium by the end of the decade, which altered the concept of culture itself. One feature was the appearance of a strong rival to culture in the developed civilizations of the twentieth century: science, which had an open line to the market, so that its usefulness could appear directly in society. Nor was the rivalry confined to the market, for science became increasingly conspicuous as a recipient of state subsidies, in the East and the West alike. These changes seemed to loosen the concept of socialist culture in a context of market forces, as the economic medium became globally decisive.⁶ The other marked change relating to indoctrination was sudden extension of the bounds of education and culture. The relative importance of various cultural actors also altered.

The interpretation and assessment of culture moved strongly towards forms and institutions with mass influence. Teaching and public education were stressed, rather than the elite genres preferred hitherto. Yet an apparent anomaly will be examined later in the chapter: the fields now seen as important were those least affected by reform. The Hungarian party leadership in the second half of the Fifties sensed the changes in more developed parts of the world and reassessed the role of culture. A 1958 resolution on cultural policy placed the concept of culture in a wide and complex framework of fields. Its order of priority was significant. First came education, then 'popular cultivation' (adult education and dissemination of culture), then sports and the arts. The pole position for education was justified by its direct contribution to the reproduction of labour. Popular cultivation and the arts were immediately concerned only in indoctrination and shaping public awareness, which gave way to urgent matters of production efficiency. Book publishing and distribution, film-making and distribution, theatrical and musical institutions, and the fine arts were classed as strictly artistic fields in the Sixties, while literature, hitherto privileged, was subsumed into book publishing, not least for organizational and ideological reasons. Placing literature as one of the sub-sectors of the cultural-enterprise sphere exemplified the spread of the economic mechanism and economic outlook. A decade and a half later, minister of culture Béla Köpeczi was to remark, 'It can be said, of course, that the guidelines [of 1958] overestimated *to some*

⁶ 'This is the economic medium under whose conditions we have to live and do business.' MOL XIX.-I-4-ggg 48. d. Minutes of augmented meeting of the party committee and heads of offices at the Ministry of Culture, July 7, 1967 (= Minutes... July 7, 1967).

extent the significance of ideas in the world-view education of society. That is true, and it has been found particularly since 1968 that economic processes have sometimes exercised a greater, more decisive influence with a stronger effect on everyday life.⁷

Dependent socialism

The way reform of the economic mechanism and the principles of socialist cultural policy came to be at odds at the end of the Sixties has special, almost hallmark significance to ideology and the socialist model. For culture served as an indicator of how an ideological 'sector', hard to change but extremely sensitive, reacted to the reform. Throughout the period, the ideas for cultural reform started from the system-creating measures of education and health care, whose essentials were immutable, so that economic efficiency could not be the main criterion in their case, even under the new mechanism. So reform ideology in culture swung constantly between the two aims of reforming the economy and maintaining policy. The reform was self-limiting and the bounds within which the system of political institutions could be transformed were set by the conflicting relations of culture and the market.

Before those engaged on the cultural implications of the reform began to devise principles, they looked at how other socialist countries had tried to harmonize the major criterion of cultural direction with the ever-harder task of financing culture. Two main approaches were found. Most socialist countries subsidized all cultural products passing through the filters of censorship, so combining administrative political compulsion with economic incentive. The advantage this had over a market mechanism was the scope it left for censorship and supervision of culture. But weightier problems were beginning to appear in the mid-Sixties, for in no way could such a system be commercially viable. One country where a different system had developed was Yugoslavia, where the direction and financing principles for culture had been changed by economic reform. Central supports and the principles for financing them were minimized in the summer of 1965 and the immunity of cultural enterprises and institutions was removed. This laid cultural production open to market forces and obliged it to operate along commercial lines. Market forces were similarly introduced in Czechoslovakia in the following year, notably in film-making and distribution. This improved

⁷ Köpeczi 1984, 30. Béla Köpeczi, a historian and literary scholar specializing in 18th century, had a number of prominent cultural and academic political positions during the Communist era in Hungary: among other such roles, he was head of the Cultural Department of the Central Committee (1963-66), deputy of general secretary and then general secretary of the Hungarian Academy of Sciences (1970-1982), minister of culture and education (1982-1988).

efficiency and commercial viability, but reduced the scope for censorship or broader influence over culture. The Yugoslav and Czechoslovak approaches left Hungarian party leaders concerned about the future of socialist culture. Liberalizing the market might oust the ideological works designed to recondition people's minds, allowing popular entertainment such as pulp fiction and comics to carry all before them.⁸ This appraisal immediately placed constraints on how indoctrination in Hungary might be transformed under the planned reform.

Letting market forces loose on culture posed a still greater danger than the inevitable commercialization. It could loosen the system, in other words, cause spontaneity to appear. Many of those preparing the reform feared that spontaneous processes, even if they appeared according to plan, would become uncontrollable and escape central sway, making the model ungovernable and the economic, social and intellectual processes difficult or impossible to influence. Still worse, such processes might erode the salient features of the system and endanger its integrity. Socialist society could not, as they put it, afford the luxury of too much spontaneity or self-propulsion in the economy. It was necessary for socialist criteria to prevail in the cultural field.⁹ The other danger from a spontaneous market mechanism was that all would publish what they wanted in an uncoordinated way. This would affect both the cultural policy-makers and the monopoly cultural enterprises, which also had an interest in restricting marketization, therefore. The deputy director in chief of the Publishing Chief Directorate argued for partial retention of economic planning, saying it was irrational for competition to develop among publishers, which 'would confuse the battle lines and lead to occurrences damaging to the national economy in their overall economic effect.'¹⁰

These many special interests and considerations prompted hybrid solutions for the cultural market in what ultimately appeared as the fundamental dilemma in the economic reform. How could market measures of value be introduced into socialism without weakening the model, so that they helped instead to operate it more safely and cheaply? They were seeking an *optimum model*, in which both the vital conditions of governability and profitability would apply. It was to be socialism supported partly by localized, limited capitalism built into the system.

⁸ MOL XIX.-I-4-ggg 48. d. Records of Culture Minister Károly Polinszky. Foreword to principles of reform of cultural management, January 12, 1967 (= Foreword... January 12, 1967).

⁹ Ibid. Minutes... July 7, 1967.

¹⁰ Ibid. Abstract for institution and enterprise heads of minutes taken at the consultation held on July 14, 1967.

Framework criteria and conflicting criteria

One assumption behind the Hungarian cultural reform was that culture should contribute more to its own upkeep. Another was that central means of exerting influence should be increased rather than curbed. Relatively conservative members of the apparatus, concerned for political and ideological stability, agreed in this respect with the incipient cultural lobby, which wanted to retain a socially based notion of culture. Both argued that the reform should not damage cultural interests. So the new fabric of economic management became woven with authoritarian strands. To achieve the double purpose, the new economic mechanism in the cultural field was divided into two sectors: socialist and market. The main idea was for an *enterprise* cultural sphere operating largely on market principles to contribute much to maintaining a *socialist* cultural sphere, where social and ideological criteria would prevail. It seemed for a while as if market profitability and ideological protectionism could be turned into a harmonious unity.

The MSZMP leadership had taken a different approach during a previous attempt to connect the economy and culture at the beginning of the Sixties. The goal in cultural policy then had been to reduce the number and severity of administrative interventions, as a disturbing force in society. Instead, mainly economic incentives were to be given for the production and distribution of works that met ideological and political expectations. In this respect, later Hungarian reformers had experience to draw upon when devising their ideas on the cultural aspects of the economic mechanism. But there were considerable differences of principle and approach between the two periods. The cultural sphere had previously been financed directly by the state. In other words, the state had paid out of its own pocket for ideological effectuation, including all the costs of culture, but under the new economic mechanism, the market segment had to cross-subsidize the non-commercial cultural actors. The reform of the late 1960s thereby opened a new period in socialist economic coercion, in culture, and in general interpretation of the model.

Reforming the way economic management would apply in culture was discussed on February 21, 1966 by the College of the Ministry of Education, which ordered preparations to begin. These became dogged by an ambivalence typical of the period. In the first round, the experts still recommended that commercial criteria should apply and profitability be enhanced.¹¹ In later plans, it was seen that satisfying spontaneous market demands could not be the sole determinant of 'cultural production'. This shift from economic to ideological

¹¹ Ibid., 36. d. Proposal for reviewing the economic management system in cultural affairs, for commencing work relating to devising proposals for necessary modifications.

issues became more pronounced as the launch of the reform drew near.¹² Responses to the mounting pressure on the budget tended to take the form of partial ideological concessions that left the structure largely unchanged. It was suggested, for example, that the film and book trades re-examine expensive international obligations undertaken within the socialist camp for reasons of cultural policy and which Hungary might shed by pleading a need to economize. It was also proposed that textbook prices should rise, despite their special social and ideological importance, and that losses on textbook production should not be shouldered by book publishing in general.¹³

The position statement prepared for the government in May 1967 proposed dividing culture into two groups: a greater, requiring comprehensive reorganization, and a lesser, suited to more rapid reform. Into the greater went education, including 'popular cultivation' and even sports, for these fields had been dubbed typically and irrevocably 'socialist' ever since socialism had appeared. To the lesser group belonged the arts. The apparatus's assessment of the scope of the reform included a survey of the risks entailed in the alterations envisaged. It was decided to postpone transforming areas that called for relatively comprehensive, considered reforms and greater financial resources, and confine the major changes to the narrowly cultural sphere. Efforts would also be made to rationalize planning, management and financial control in education, 'popular cultivation' and sports, but the government order of August 1967 confirmed there would be no major changes in these during that decade, apart from rationalization to bring them into line with the new system of management.¹⁴ Subsequently, reform of the arts institutions, one of the costlier areas, went no further than calls for economy. The underlying requirement was to sustain current levels of provision: cultural goals had to be in line with the means and funds available. But the principle of economy would suffice only to postpone the solution of increasingly urgent

¹² The cultural 'lobby' stressed in every submission that the area had to be declared protected even amidst the changes and could not be subjected to market forces. Cheap prices of culture had to be kept and there could be no switch to profit-making or even a principle of covering costs, which would jeopardize social or cultural-cum-ideological objectives. In the view of cultural policymakers, if it turned out later that too much had been done to protect bastions of culture, it would still be easier to make later concessions than to take back what had once been conceded. When the operation of the mechanism was reviewed in 1970, it would emerge in which direction it go. After the collegiate decision, proposals on the principles of an economic mechanism in cultural life were devised in four working groups directed by a main committee, with some 60 experts involved. The proposals put forward, and endorsed by the party apparatus, prepared for a government decision on August 8, 1967 that finalized the ways of applying the principles in the cultural field. By then, they had also been discussed by the MSZMP Economic Policy Committee and Agitation and Propaganda Department on May 18, 1967.

¹³ MOL M-KS-288. f. 41/75. ö. e. Basic principles of reform of cultural management, January 19, 1967 (= Basic... January 19, 1967).

¹⁴ *Határozatok Tára* (Corpus of decisions) 27. Decision 2046/1967 (August 8) of the Hungarian Revolutionary Worker-Peasant Government on applying the principles of the economic mechanism in the field of cultural affairs.

problems, such as renovating theatres, cinemas and cultural centres, whose condition was deteriorating. Policy-makers felt that to postpone these demands would cause them to bunch in a few years' time and bring a long-term funding crisis in the sector.

The other large, similarly costly field was education. This inspired the greatest number of reports, while the government order remained ambiguous in its references to future reform. No essential changes were planned before the Seventies in the system of provisions and concessions to the public or the standard of them, but it was noted that they would be reviewed later as well.¹⁵ For reasons of ideology, politics and principle, the eight years of primary education, as well as remedial and secondary education, would remain free, as would primary education for adults. There were no plans to change that. In the short term, social benefits granted to students (hostels, study rooms, canteens, after-school care etc.) would be unchanged, but there were plans to divide them later into free and differentiated self-financing categories, with means-related parental contributions to cover all, half or a quarter of the costs. Although action was postponed, the social criteria were clearly and consistently aligned with the logic of the system. But the principles governing fees and scholarships were confused by factors pulling in opposite directions: sometimes conflicting budgetary criteria and often diametrically opposed market and ideological criteria. These cases showed the inconsistencies in the reform period. The law began by assuming a separation of study scholarships from social benefits, and accordingly prescribed that fees in higher education should be differentiated primarily to reflect the grades each student obtained, but it retained the principle of considering social situation carefully as well. An equally important political and ideological yardstick was applied to the system of scholarships. The stated purpose was better planning of supplies of qualified labour for the provinces, while assisting talented, but socially deprived students to continue their studies. So there was no question, under the new economic mechanism, of abolishing them, only of rationalizing them.

Intra-party political groups

Although reform of the economic mechanism affected only narrowly defined culture—cultural and creative 'production and service-provision'—which would serve for experimenting in reforming relations between culture and the economy, the law placed

¹⁵ Some aspects of supervision were already being outlined. The long-term plans were aimed on the one hand at applying the principles of efficiency and quality in education (above all in study), along with their financial implications. On the other, some of the costs of training were shouldered by society directly, if to different extents. The principles applying in education were still mainly decided by political and ideological considerations at that time and the economic aspect appeared only in a few areas. MOL XIX-I-4-ggg. 36. d. Guidelines... May 1966.

operation and funding of culture in a new structure. Cross-subsidies for desirable products were to come from siphoning off profits from undesirable products.¹⁶ This combination of Cultural Levy and Cultural Fund stayed within the frames of socialism, as an idea that could be represented as both professional and optimal, by letting economy into the cultural sphere and relieving some fields of the pressure to make a profit, by using funds from the commercial sector.¹⁷ The perception behind the reforms suggests that a model of socialist mass culture different from the Western one was envisaged. It would include control or censorship on political, or more rarely, taste grounds, and make quality culture (mainly classics) universally available at affordable prices. This specifically socialist mass culture moulded by the state had a Utopian character there was no sense in denying, but there was mounting competition for quality culture coming from less than ideal products of capitalist mass culture.

One argument used by the cultural lobby advancing the proposals for retaining a protectionist cultural policy was that much of society still had no cultural access. According to Central Statistical Office data for 1966, 40 per cent of workers and only 18 per cent of manual workers in agriculture were regular readers and the quality of their reading matter still left much to be desired. An analysis by the party apparatus in 1967 spoke of much cultural demand still reflecting an inadequate level of public taste.¹⁸ Such arguments about the masses lagging behind were backed in the early Sixties by sociological researches. Social mobility was indeed declining and the various strata in society did not have equal chances to obtain economic or cultural goods. Cultural policy-makers and the cultural apparatus underlined that the principles behind the economic mechanism should be adapted 'appropriately' to cultural

¹⁶ The minister, with the finance minister's and National Materials and Prices Office president's agreement, could set (and exact) levies on certain cultural products and services. These served, in the minister's view, only as entertainment or were not in the public interest and attracted only a narrow circle, but did not come within the competence of censorship. The levies went to the Cultural Fund, over which the minister alone disposed. It was used to support artists and their works (i. e. publishers directly) and direct participants in sales. The principle prepared for the Economic Policy and Agitation and Propaganda committees was this: 'At our present level of social development and today's standard of cultural demand and taste among much of the public, culturally tolerated works are in general profitable; [but] works important in terms of cultural policy require financial support. *One means* of coordinating social and enterprise interests and influencing the public is support from the *Cultural Fund* [and] *the other means* to impose a cultural levy on culturally tolerated products. When giving support from the Cultural Fund, a clear distinction must be drawn between support for the product and for the public (certain social strata).' MOL M-KS-288.f. 41/75. 5. e. Submission to the Economic Policy and Agitation and Propaganda committees on cultural aspects of the economic mechanism, May 12, 1967 (= Submission... May 12, 1967).

¹⁷ 'Cultural and economic interests are currently contrary, if not antagonistic, and unlimited satisfaction of market demands would notably enhance economic success, but damage what we have built culturally.' MOL XIX-I-4-ggg. 48. d. Problems in the cultural field relating to reform of the economic mechanism, January 9, 1967 (= Problems... January 9, 1967).

¹⁸ On the way Hungary's consumption structure failed to develop in an up-to-date way, see Berend 1980.

institutions, not applied mechanically, the most important thing being to shield the chances for cultural access and political control (censorship) from the spontaneous market forces.

But the emphases differed between groups, revealing two complementary sides to the concept of culture in socialist mass society. One was indoctrination, in which culture was intended to act as a medium for securing continuity of power and stability. The other side of the ideological concept of culture was equality and social provision. Culture was not seen as a commodity and it was not accepted that it should be beyond the means of the masses. A close combination of these two—the censoring approach and the Utopian—could be discerned in one concept of culture that managed to give rise to two different political lines during the attempts at reform in the Sixties. One saw the censoring, indoctrinating function as vital and tried to contain the reforms within appropriate ideological and political frames. The other stressed the need to defend the notion of socialist culture, allow cultural products to remain cheap, and perform quality selection on them, centrally, of course, not through the market. The ideas of the latter, faced by conflicting political arguments in the reform debates, slowly turned from power and legitimacy-driven ideology to a reflective notion with Utopian overtones, intent on preserving current political conditions and ostensibly optimal solutions.¹⁹

The lines of argument and definable positions of the two groups developed gradually out of the atmosphere of reform. Meanwhile defenders of socialist culture made a shadowy appearance in the economics field, suggesting outlines of a leftist virtual platform within the communist system. In the second half of the decade, these emergent groups in the party cultural leadership combated—for dissimilar motives arising from different approaches—a third group that appeared or became visible: economic managers and experts. They differed from the first two groups in seeing market forces as exerting a refreshing influence on the system.

The system-specific character of culture and the nature of the ideological yardstick led in the second half of the Sixties to ideological disagreement. The clashes of main criteria and the first battle between the technocratic lobby and the left-wing socialist lobby, with its increasing ideological emphasis on socialist values, already signified the development of strong differentiation among the ideological and political trends within the party.

¹⁹ On the integrating-legitimizing and reflective-Utopian content of ideology and distinguishing its function, see Riceour 1997.

Cultural enterprises

Because of the conflicting criteria involved, reform of the economic mechanism in the Sixties largely spared culture, but not entirely. The government order on the system of institutions meant that non-profit cultural institutions still received full or partial support, but it was stated that production and service provision of a cultural nature would adjust gradually to the new management system. One form was for such institutions or production facilities to be converted into profit-making or self-financing enterprises. But the reports that preceded the order already implied that the switch to commercial operation would be partial, as the ideological preferences remained clear in this respect. The cultural policymakers had dug in their heels, insisting the new situation should not leave scope for influencing culture: there would be no further 'concessions' by culture on economic grounds. This preventive ideological action kept the cultural enterprises protected, which left it likely that central subsidies to them would continue to increase. The plea was that the reorganization of producer prices, the new taxes and other dues meant that profits from hitherto profitable cultural fields would fall or even disappear. But a relative rise in subsidies was not all the cultural lobby achieved. It gained exemption for much of the field from the high levy on fixed assets, designed 'simply to cream off profits', and from the payroll tax.²⁰

In the incentive proposals for firms to transform themselves, the drafts distinguished between profit-oriented enterprises and those that sought simply to break even. Firms involved in book, film or record production and distribution belonged to the profit-oriented group, as did the art enterprises, which operated in a similar way to other production enterprises and could salt their profits away in development and distribution funds. But they differed from firms in other sectors in being eligible for support from the Cultural Fund 'for fulfilment of cultural-policy purposes', while at the same time paying cultural levy on certain of their products. Again unlike other firms, they performed certain ideological (opinion-forming) and censorship tasks as well. The theatres, the music institutions (such as the National Production Bureau, the National Concert Agency and the Philharmonia), the Circus and Variety Enterprise, and the educational supply and sales firms were intended to be self-financing. This meant they had to break even. They did not generate profits and so they had no development or reserve funds, but they received central funds for the management fund. Even so, their aim was for them to increase their earnings or raise funds in other ways, in which case the state support they received could be reduced. For instance, they could take out

²⁰ MOL XIX-I-4-ggg. 48. d. Problems... January 9, 1967.

bank loans or open catering establishments in their sports or educational facilities 'to enhance their income'.²¹

Cultural policy-makers seemed to show greatest hesitancy over the theatres. Theatre was both a commercial and a high-priority cultural activity of great ideological significance. Alternative proposals for reforming the operation of the theatres were prepared. One was for them to remain protected from commerce but to introduce some elements of enterprise management into them. The other was to turn all but the Hungarian State Opera and the National Theatre into cost-covering enterprises.

A new feature was to have been to group cultural institutions into trusts—an arrangement typical of the reform period—but the cultural lobby fended this off in most cases, arguing that to place market and non-market institutions together would be detrimental particularly to the latter. However, such mergers took place in films and in cultural foreign trade.

The inconsistent transformation of the institutional system showed up clearly the web of interests in the fields that were tied both to the cultural and to the semi-marketized groups. One such was book publishing. The publishers tried at least to gain some advantage from the confused conditions by putting forward increasingly obvious plans for independence. They were squeezed between the profit orientation of the printing industry and the ideological criteria of the political leadership. Perhaps for that reason, they came up with demands of two kinds: for freedom from the commercial pressures from the printers and for the censorship prescriptions of the apparatus. While the cultural reform was being prepared, they lobbied on the one hand for the printers to be brought under the wing of cultural policy, as the publishers were. If the printers were not subject to market forces, they would not transmit the effects of that subjection to the publishers. As the minutes of one important ministry meeting put it, 'If the cultural criteria stop at the gates of the printing presses, because another mechanism applies there, then the whole system of the cultural field [*sic*] that we want to protect will fail.'²² On the other hand, the Publishing General Directorate voiced general concern among publishers that the cross-subsidizing Cultural Fund would extend rights of censorship, so that enterprise autonomy was reduced, which went against the advertised principles of the reform.

²¹ MOL M-KS-288. f. 41/75. ö. e. Submission ... May 12, 1967.

²² MOL XIX.-I-4-ggg 48. d. Minutes... July 7, 1967.

Reform prices

Despite threatening sides to the reform system, with its opposing principles, it seemed decidedly promising for cultural policy in some respects. The party leadership hoped that some decentralization and continual reallocation of resources would shift prime economic responsibility to the creative workshops themselves, while major political decisions—and budget subsidies—remained under central control. The state would fund the works most important ideologically, but the costs of cultural products that ‘simply’ met consumer demand would be covered by commercial earnings.

Ideological and commercial yardsticks were constantly overlapping in the cultural field, as were administrative and economic aspects,²³ so that there could never be close ties between production costs and product prices. Before the reformed price system was decided, experts placed the existing prices in a very simple system of coordinates. They established that the prices of cultural products and services in Hungary were favourable compared with other countries: low compared with capitalist prices, but relatively high compared with those in some other socialist countries. However, most people in society were still not reading books, despite the affordable prices of them and the taste and cultural requirements of the socialist masses had not changed essentially. It was assumed, therefore, that social and cultural policy considerations would remain important. So the drafts preparatory to the government order insisted that the prices of cultural products and services could not be tied to production/provision costs. With books and films, it was recommended that production costs should be reduced, but underlined that the prices could still not be linked to costs and that state subsidies would be needed. It was proposed, for prices of cultural products in the public interest, that theatre, musical performances and the lowest three or four categories of cinema seats should be held, although cinema prices could rise from time to time, and prices in other categories rise to varying degrees. The government order stated that the prices of cultural goods and the fees paid for them could be reviewed, but this could not result in a sizeable increase in the price level. Bearing these points in mind, the ideologically based prices in the cultural sector proved firm during the preparations for the reform, as the Price Office gave priority to matching them to the cultural-policy objectives. It recommended keeping consumer price rises ‘within the planned income relations of the population’. But it also put up for consideration the idea of a flexible price system that would be ‘in line with the value assessments of the population’ and help to increase earnings by the sector. Initial estimates for

²³ Only for the Fine Arts Fund was there a tentative proposal to separate the economic and administrative functions. *Ibid.*

book publishing, for instance, suggested that if the prices of finer, more sought-after editions were raised by some 20 per cent, an earnings increment (and subsidy reduction) of 30–40 million forints could be obtained without an administrative price increase. Supporters of income redistribution, meanwhile, were using cultural propaganda to combat the idea that 'cheap' necessarily meant 'valueless'. They pointed to the 'Cheap Library' series of paperback classics as an example of how value and cheapness could coincide. Fine art products in general no longer enjoyed uniform protection. Purchasing them was not seen as a mass occurrence and free (in effect, higher) pricing was recommended. Price reductions could be expected only in picture postcard sales, where the proposal was to abolish the distribution monopoly.

Planned for cinemas and theatres was a sliding price system with administrative stipulations, but the detailed orders for this pointed far beyond the pricing problems. The reports proposed raising the price of dearer seats in better positions for patrons who were 'better able to pay and more demanding'. This was an acknowledgement of the principle of stratification and strata awareness,²⁴ latent acceptance of material and cultural differentiation in society, emphasized for some years by sociologists, but in stark contrast to orthodox ideology. The party leadership, now thinking in economic terms, was tacitly acknowledging the distinction between socialist luxury consumption (no longer so narrowly confined) and mass consumption. This justified sizeable price increases in books expressly for entertainment and in those whose production was expensive or required foreign exchange. The same principle was applied to the press. Fixed prices were recommended for dailies and ceiling prices for most of the widely read political, cultural and public educational periodicals, while the prices of a smaller group of social, cultural, economic, technical and public educational periodicals would be freed. Costume hire was also placed in the elite, luxury-consumption

²⁴ Intensive examination of social stratification and inequality began in the 1940s after the appearance of Talcott Parsons' study "An Analytical Approach to the Theory of Social Stratification" (*American Journal of Sociology*, May 1940), on values and assessments of stratification, which became influential in Hungary in the second half of the 1950s as sociological research started to flourish again. Political decision-makers could make use of such research, but the leadership tried to limit its range of conclusions and the publicity it received, as it often impinged on basic ideological standards. That dichotomy in the relations between politics and social sciences remained throughout the Kádár period. For instance, there was criticism of this strand of sociological research in the MSZMP Central Committee, during the debate on the ideological resolution. It was said to rely on the methods of 'bourgeois' sociology and 'reduce the role of class structure by referring to the complexity of social stratification.' MOL M-KS-288. f. 4/73–4. 6. e. Central Committee guidelines on topical ideological tasks of the party. Minutes of debate, March 11–13, 1965 (= Central... March 11–13, 1965). But the openly published ideological and sociological resolutions refrained from airing this question. (The relationship is discussed in detail in the author's forthcoming monograph mentioned in Note 3.) The surveys begun at the time in various frameworks were continued later. One from the MSZMP Social Science Institute was summarized in Kolosi et al., eds, 1980.

category, so that its fees would be freed of central controls after the new economic mechanism was introduced.

Incomplete though the reform was, there was an attempt in most fields to make best use of the economic-cum-market and ideological scope available. This dual, optimizing principle applied also to rethinking the system of remuneration. The existing system of setting upper and lower limits on fees for each genre was to be changed to increase the gap between intellectually and artistically acceptable works and those that were 'simply entertaining'.²⁵ The new upper limit on the authors' fee per gathering (40,000 letters and spaces of text) was to be raised by 50 per cent. So were the fees for theatre directors and television and broadcasting fees. There would also be greater financial incentives for commercial employees in the cultural sector, who were in direct contact with the public for books being preferred for ideological reasons. Greater profit margins, bonuses and premiums would certainly encourage bookshops to place preferred works in conspicuous places: 'What differentiated price margins were for books became differentiated hiring fees for films. In films, the cinema operator would pay 50 per cent of box-office takings for a copy of *Snow White and the Seven Toughs*, but not pay at all for some other films; meanwhile there would be some, but not a large number of important socialist creations for which [distributor] MOKÉP received a share of takings.'²⁶ Apart from all that, the intention of increasing incentives lying behind the new economic mechanism brought changes in other fields that left small, but not trivial cracks in the edifice of socialism. One objective, in line with overall economic policy, was to increase potential exports of cultural and intellectual production, especially to the West. To encourage this, it was thought creative artists, scholars and scientists should be given their rightful foreign-exchange earnings. It was proposed that some of the copyright, patent, licence and performance fees should go into the foreign-exchange accounts of authors/inventors etc., giving them valued access to convertible currency.²⁷ 'It is another matter that we have to find a method of solving this in relation to the people's democratic countries and the Soviet Union.'²⁸ So if the mechanism of the reform did not grant obvious freedom of expression, it did provide some artists, scholars and scientists with a modicum of extra foreign currency.

²⁵ MOL XIX-I-4-ggg. 48. d. Problems... January 9, 1967.

²⁶ Ibid. Foreword... January 12, 1967.

²⁷ MOL M-KS-288. f. 41/75. ö. e. Submission... May 12, 1967.

²⁸ MOL XIX-I-4-ggg. 48. d. Minutes... July 7, 1967.

Effects and studies of effects

It was typical of the changing atmosphere surrounding the economic mechanism that the main assessments of the processes resulting from political and economic decisions made in that period should be cautious, subjective analyses, not mood reports by the party apparatus. Proper follow-up studies of the conscious changes ensued. These covered structural and attitude changes and assessment of likely developments, and their serious, expert vein made them an influential form of report.

Early cultural experience with the new economic reform was analysed in the spring of 1969 by three committees, covering mainly film, book publishing and theatre. In publishing, the proportion and print runs of contemporary Hungarian literature had not fallen as feared, but there were obvious shifts. Crime titles, for instance, had increased beyond expectations. The proportion of almanacs and literature among the orders received at Kossuth Könyvkiadó, the party publisher rose to 80 per cent. Those received at Szépirodalmi Könyvkiadó, a literary publisher were divided among only five popular writers. But the shifts had more to do with the new freedom than with market benefits of the new economic mechanism. Cross-subsidization through the Cultural Fund reduced publishers' profits and some began to apply for compensatory sums for special purposes. In general, publishers saw the Cultural Fund as a curb on their independence, although the planned cultural and ideological effects were not yet felt. Nor did the levy come up to expectations. According to a report, the 11,813,700 forints collected in the first year did not suffice for the kind of effective cultural regulation that was planned. Serious and protracted debates about provinces and finances arose, for instance because some enterprises making cultural products came under other ministries—the Hollóháza and Herend porcelain factories, for instance—and escaped the levy. The subsidies had little economic orientating effect on cinema either, only effects to do with awareness and freedom. Some changes in distribution, for instance, were clearly towards 'free-thinking'. The number of cinema-goers generally declined, mainly because many small, uneconomic cinemas showing 16 mm films were closed. Within the attendance total, however, there was a 20 per cent (2 million) increase in the audience for Western films, while the audience for films from socialist countries fell to the same degree. This could only be offset in part by some successful Hungarian films. Again, suddenly freeing consumer demand contravened requirements of taste that formed part of cultural policy. The cracks in the new mechanism were shown in imports of kitsch. The aim of the levy on applied art was to squeeze tasteless articles off the market. Factories duly reduced production of them, but distributors had surplus

stocks adequate to continue satisfying the market, and the system of cross-subsidies did not apply to imports, which soon filled the 'kitsch gap' in domestic production.

The tendencies towards commercialization were clear. The effect of the reform was to show pronounced cultural differences between social strata. An initial report in 1969 expressed dissatisfaction about the way the profit motive let 'more backward demands appear more strongly than hitherto.' The mechanism was bringing out and reflecting to some extent the actual cultural state of consumers—Hungarian society.²⁹ 'It is not just some social strata failing to develop a demand for cultured entertainment, but also that entertainment in the second half of the 20th century, in the period of building socialism, should be more discriminating than it had been a hundred or thirty years ago.'³⁰ Seeing the unfavourable trend, the Ministry of Culture in May 1969 recommended to the MSZMP Agitation and Propaganda Department placing on a principled basis 'a system of yardsticks for the satisfaction' of purely commercial demands. But by that time, such a theoretical demand did not induce the committee members from the party apparatus to cobble something together in a couple of weeks or months. The proposal was to commission scientific institutes to define the characteristics and 'beneficial and harmful variants' of the entertainment role of the arts, art by art and genre by genre. This was then hoped to yield 'scientifically grounded' criteria for deciding the right line to take in the matter.³¹

The outcome of the reform faced the cultural and political leadership with new problems, of which Western-style mass entertainment as a genre was but one risk, albeit the greatest. The social situation and role of culture had to be reconsidered in close connection with transformation of the economic reform as a whole. There could be no avoiding a thorough assessment of the changed constellation of events and the ideological conclusions to be drawn from them.

²⁹ MOL M-KS-288. f. 41/117. ő. e. Submission to the Agitation and Propaganda Committee. Experiences with introducing New Economic Management in the cultural field, May 1969 (= Submission... May 1969).

³⁰ Ibid. 41/75. ő. e. Basic... January 19, 1967.

³¹ Ibid. 41/117. ő. e. Submission... May 1969.

The ideology of reform

The arts and the dual opening

Imminent reform of the economic mechanism also brought greater independence for ideology itself, which emerged from its earlier literary and cultural framework as a separate system in Central Committee guidelines issued in 1965.³² Instead of skulking behind literature, cultural policy or other texts, it began to define itself openly as a distinct field of theory. The search for more professional expression culminated in the late Eighties in a political decision-making mechanism and image-shaping device that drew on political science and on other specialist fields. Literature's officially emphatic role as a vehicle of ideology had been in political abeyance for a decade, but as economic reform and enhanced professionalism of management came to the fore in the mid-Sixties, the social vocation of literature and the arts was codified once more.

The guidelines were followed by successive statements of position on Socialist Realist outlook, educational reform, sociology, the running of television, and scientific organization and research. These followed, like appendices of applied ideology, from two definitive programmes of guidelines from the party on economic policy and ideology, respectively, which clearly encompassed all other quasi-ideological interpretations. According to the new system of coordinates, literature and the arts were given a place in the principles of ideological and economic reform.³³ The clarification of principle and policy mainly covered (i) the place and weight of the arts and literature in the socialist formation and ideology, and (ii) cultural interpretation of ideological problems arising out of the changed political environment and coexistence.

Not long after the policy document on literature and the arts came the Central Committee Resolution and Policy Guidelines on the Reform of the Economic Mechanism of

³² 'Az MSZMP néhány időszzerű ideológiai feladata. A KB irányelvei. 1965. március 11-13' (Some topical ideological tasks of the MSZMP. Central Committee guidelines, March 11-13, 1965). In: Vass, ed. 1968, 125-64.

³³ István Szirmai, speaking on the guidelines at a March 11-13, 1965 meeting of the Central Committee, stated, 'Political clashes today occur mainly in the economic and social fields and only at second or third remove in aesthetic and artistic fields. So we have tried in the document before us to encapsulate the ideological side of economic and social questions and have not dealt in detail with various stylistic trends of literary and artistic creations or with aesthetic problems.' MOL M-KS-288. f. 4/73-4. ő. e. Central... March 11-13, 1965. The same was said earlier before the Political Bureau, where Szirmai added that these things should be known and members could read up on them in a study of socialist realism carried by the party journal *Társadalmi Szemle*. MOL M-KS-288. f. 5/359. ő. e.

May 1966.³⁴ The propaganda surrounding the reform set out to show how the central position in ideology had gone to the economic outlook and associated economic and scientific thinking. The ideological and political upheaval linked with the need to transform the socialist economy was clearly depriving literature and the arts of their importance as ideological vehicles. Literature, having given way to the press ten years earlier, now suffered a second big loss of standing, as its culture was inexorably and ubiquitously replaced by a technical one that preferred the mass media and the forms and logic of science instead.

Yet cultural policy-makers still treated the field cautiously, for culture, being 'expressly ideological in character,' was seen as a sink of dubiety,³⁵ a field of consciousness where antagonism or deviancy could appear more openly and obviously than they could in the economy or politics. So literature and the arts gained a special place in the system, not as means of indoctrination any more, but as indicators or measures of the urge for freedom. Separation of politics and literature was called for. Although politics no longer required literature and the arts as conspicuous ways of conveying ideology, one group within literature fought shy of withdrawing from politics and abandoning its traditional role in public affairs. Ideas from the Age of Reform in the first half of the nineteenth century reappeared, as did various theories about writers as prophets, the false sensation of the early 1950s that they constituted the elect, and strong recollections within the arts world of the rebel writers of 1956. The cultural leadership felt that literature might come to express incipient opposition ideas and forms of behaviour, especially in an uncertain, transitional economic and political environment.³⁶ The policy document was intended to blunt that process in some way by carefully segregating ideas and forms of expression compatible with socialism from schools, trends, forms and views incompatible with it.

Important to making the distinction was the ideological and intellectual influence of the openness in two directions that became apparent by the mid-Sixties. On the one hand, the internal, economic reform was opening doors by unwittingly spreading a spirit of liberalism

³⁴ A gazdasági mechanizmus reformja. A Magyar Szocialista Munkáspárt Központi Bizottsága 1966 május 25-27-i ülésének anyaga (for "internal distribution" ["Belső Használatra"]) among members of the party-state apparatus, issued by the Department of Agitation and Propaganda of the Central Committee of the HSWP, Budapest, 1966.

³⁵ Vass, ed. 1968, 484.

³⁶ 'The covert exaggeration of the political role of literature, still present latently, can be traced back to the combined effect of a revisionist, nationalistically tinged interpretation of tradition and to dogmatism. Equally in thrall to this prejudice are those stressing the special role of literature with opposition intent and those doing so in the ostensible interest of [party] policy... Both extremes often recall actions by some writers connected with the counterrevolution. But many forget how those writers were then second fiddles to revisionism that appeared as a decisive political force. It is wrong, even unconsciously, to link the role played by some literature at that time with assessment of [literature] today, as political conditions have altered radically since.' Ibid., 492-3.

that extended to literature as well. The policy document criticized art criticism for intellectual rigidity while expressing anxiety about the liberalizing tendencies. 'It is thought that "many things that were forbidden and condemned yesterday are possible and praiseworthy today."' ³⁷ On the other hand, the reform made an opening to the outside; coexistence made narrow paths between the two systems, by which both dubious products of Western capitalist mass culture and Existentialist literature could seep in. Both were unwelcome. One because it competed with socialist mass culture, conflicted with the socialist way of life, and ultimately constituted a critical alternative to socialism. The trouble with the other was that Existentialism and the closely allied culture of the Western New Left was committed to concepts that differed from Eastern communist standards. Gruppe 47, for instance, cited Camus and Dürrenmatt. Some strands of the Western New Left and most products of mass culture were referred to collectively as bourgeois decadence. It was thought that this was the most 'exposed' area of the ideological warfare between the two systems, for behind it there lay a pronounced disagreement about world view, not just formal questions. As for the influence of modern, largely Existentialist literature and of mass-cultural entertainment on socialist recipients, the concern was understandable because they were thought to resemble to the point of confusion truly thought-provoking or truly entertaining artistic creations.

Socialist mass culture

The cultural policy document drawn up in the atmosphere of the economic reform continued to argue for mass culture of a socialist type. But it took a subtler and more complex approach to so doing. Even under conditions of partial marketization, more open expression of cultural demand revealed differences in taste and cultivation hitherto disguised by a cultural policy designed to demonstrate unity. The emerging socialist market emphasized the cultural patterns currently characteristic of Hungarian society, with which cultural leaders were far from satisfied. The need was not just to address an unprecedented spread of 20th-century entertainment, with the practical and theoretical problems that entailed, or with the political, social and cultural effects of mass entertainment in a Western vein. It was also disquieting that the communist system had created, with the cultural revolution it had conducted in the Forties and Fifties, traditions of education and taste that had become a real burden, which the Sixties' leadership was trying to shed. The communist party-state elite of Hungary had come to realize by the 1960s, that state socialism could only play an effective part in the

³⁷ Ibid., 494.

competition with the West if socialist society became better qualified and its outlook on the world more comprehensive and refined. For the tastes and cultural demands of the majority of society at home fell far short of meeting the challenges from the outside world.

The latent market pluralism of the reform environment encouraged cultural policy-makers not to confine themselves to expressing preferences on levies and pricing, but to set desirable courses in matters of taste, with greater or lesser clarity. This still being a culture of central distribution, they had to clarify what artistic approaches could serve as a prospective pattern. The conclusion they reached may seem surprising to posterity. As a theoretical starting point, they surveyed what cultural conditions were to be expected and received a mixed, hardly reassuring picture for their pains. They saw how the cultural condition of society reflected, fundamentally, the tastes of three generations. The first had been to school between the wars and to this was ascribed, to some extent, its conservative, classical tastes or petty-bourgeois cultural patterns. The next generation had been raised under the people's democracy. It would have accepted the fresh cultural influences of the 20th century, but early indoctrination had led it to reject them. Instead, it espoused didactically expressed epic works based on 19th-century realism, in accordance with the cultural policy of the turn of the Forties and Fifties. For these had proved to be viable ways of ostensibly raising the cultural standards of the masses and imparting ideology to them. 'The task of the cultural revolution was to make the domestic and foreign classics of literature and the arts known to the masses. Accomplishing that weighty historical task raised to an enormous extent the standard of artistic culture and taste, but it also conserved in many a 19th-century notion of taste. This was assisted by the dogmatic view of art and cultural policy that deprived the public of the values of socialist (and bourgeois) art resting on the isms of the 20th century. The situation in this field changed especially after 1957, and one consequence of that has been increasingly obvious differences in taste between generations. Adult young people in the last ten years have been much more at home in the realm of 20th-century art than those whose tastes developed under the economic and cultural oppression of the Horthy system, or were shaped very one-sidedly during the first decade of people's democracy.'³⁸

This range of taste increasingly became an impediment to discrimination, cultivation and a subtle, comprehensive interpretation of the world. There was the danger of a Hungarian labour force that lagged culturally failing to keep up in the decisive economic race with capitalism. This was the crucial recognition on which redefining the patterns for culture and

³⁸ Ibid., 501.

taste during the economic-reform period was based. Policymakers effecting the change had to consider three problems: (i) the effect of mass culture and mass demand on entertainment in a politically more lenient period, (ii) establishing tolerable political frames for elite culture, and (iii) official backing for a change in the epic world view, now an anachronism.

As for the spread of mass culture, the expansion of the economic outlook helped to convince even the paramount leadership that the natural demands of the masses in culture should not be underestimated. 'The conclusion must be drawn very directly from the reform of economic management that we have to reckon with demands and needs more realistically when shaping art policy.'³⁹ Most of the public received with relief the arrival of entertaining books, films and plays of uneven standard that resulted from the liberalization. So the cultural policymakers' view of mass culture was ambivalent. On the one hand, it was restrictive: work inimical to socialism or not supportive of it was restricted or censored for political and ideological reasons. Attempts were made to stem the flow of Western commercial cultural products, for instance with the Cultural Levy, and to redress the proportions in favour of high culture. On the other, the cultural leaders in the reform period were more indulgent, for instance in recognizing the right of socialist man to entertainment. 'All working people have a rightful claim to 'lighter', humorous, entertaining, cheerful works, books, plays, pieces of music, films, television programmes, etc. Satisfying this realistic demand to a high standard is among the prime tasks of our cultural and artistic life.'⁴⁰ One recognition followed the other. The party leadership proposed using sociological methods to survey the stratification of taste and artistic culture among the public. In this respect, the 1966 document on art reflected the new features of the future political decision-making mechanism and displayed the ideological trends of the period. The leadership had accepted that a professional scientific survey, not ideological presupposition, was the way to a realistic picture of the situation,⁴¹ for instance to transforming, 'if need be structurally,' cultural programming and distribution policy.

The plan for structural change presaged the recognition of a new era in mass culture. This would have far-reaching consequences for the rankings of the various media of cultural

³⁹ Ibid., 502.

⁴⁰ Ibid., 500.

⁴¹ 'Literature and the arts, in their approach to theory, criticism and arts policy, need to give greater importance to all questions associated with the relation between art and the public, including the demands and views of the broad artistic public. They need to measure by scientific methods the structure and situation of artistic cultivation and taste among the public and the directions they are moving, to reveal the financial, social, lifestyle and world-view conditions of these and the generation-related factors. The work of establishing a realistic view of the situation needs to be aimed primarily at exploring the difference of standard of artistic culture between village and town and the cultural situation of the working class. Encouragement in this respect needs to be given to the sociology of literature and the arts, which is still in its infancy. Ibid., 509.

transmission. In terms of perceived political utility, the traditional arts steadily lost ground to the broadcast media and the daily press. The reform period's new concept of culture changed media/culture relations. It was suggested at the Central Committee meeting called to discuss the ideological guidelines that this document, so typical of its period, should emphasize the role of the media more forcefully and pay less heed to traditional means of cultural expression such as literature, preferred in the Fifties.⁴² The policy statement appearing in parallel with the guidelines for the economic mechanism, expressed even in its title that its aim was to reinterpret the role of literature and the arts. It stated plainly that with the huge importance of television to cultural policy, national experience showed it was inevitable for the role of other cultural fields to decline.⁴³ Theorists were urged to attend to the new manifestations of culture and devise aesthetic theories applicable to them. Similar priorities were advised in higher education. 'In this field, aesthetic training in understanding film especially and television and radio needs to be developed. This would also transform the narrower aesthetic training based on literary research, whose enrichment is increasingly required by social and technical development.'⁴⁴ If not in a spectacular way, there began, under socialism as under capitalism, a media era, in which politics and the media, and a stratum of culture, began long-term cooperation.

But the air of reform breathed ingenuity into cultural policymakers in utilizing the popularity of the mass media to cross-subsidize: 'Cultural fields profitable before television was introduced into Hungary should be financed from the rising profits of television broadcasting, to further a nationally unified system of cultural management.'⁴⁵ Similar profit-oriented ideas influenced cultural leaders to consider the scope for real advertising, instead of political agitprop and ideological slogans. The shift was proposed cautiously in the 1966 document: promotion of arts products should be subtler, wittier and more consciously applied,

⁴² 'Géza Révész: The role and importance of radio, television and perhaps cinema, in developing socialist self-awareness need to be underlined more thoroughly than hitherto. I wouldn't belittle the role of literature, but [the periodicals] *Kortárs* and *Új Írás* and others are read by a small circle, who are very important because they are intellectuals and are influential, but television, they say, is watched by three-and-a-half or four million people, and that is very influential... So the role of radio and television as exceptionally important factors influencing the masses needs to be better elucidated.' MOL M-KS-288. f. 4/73-4. ő. e. Central... March 11-13, 1965. There were about 2,300,000 radio subscribers at that time, so that there was a set in almost every family. The number of television subscribers was 700,000.

⁴³ MOL XIX-1-4-ggg. 48. d. Foreword... January 12, 1967. A briefing document was also issued about television, as an auxiliary ideological resolution, but its tone was uncertain and it lacked accurate guidelines, confining itself largely to stating the importance of the medium itself. 'Az MSZMP KB Politikai Bizottságának határozata a televízió munkájáról. 1966. május 23' (Resolution of the Political Committee of the MSZMP Central Committee, on the work of television. May 23, 1966). In: Vass, ed. 1968, 292-8.

⁴⁴ Vass, ed. 1968, 500.

⁴⁵ MOL XIX-1-4-ggg. 48. d. Foreword... January 12, 1967.

and thereby become more effective. Real advertising later became increasingly prevalent on the socialist market and extended to cultural products as well.

Socialist mass culture in a more modern form seemed again to be gaining over socialist elite culture. Political attention was turning to cultural forms with mass influence, while all that seemed to interest policymakers about high culture was how to cope with undesirable artistic or political tendencies. But the situation was an involved one. Elite culture may have been losing to mass culture, capitalist or socialist, but it still gained from the dual strategy of the reform period. The statement on the new position of literature and the arts explained that works seen as tolerable but uncongenial might still find a public, albeit limited and not through mass channels. There were still low-circulation publications and private or small-scale exhibitions and film showings.⁴⁶

Post-modernism in communist ideology

Hungary's cultural leadership in the Sixties set out to make their views on literature and the arts reflect something of the changing world around them. A curious situation arose, in which creators passionately exploring modernism were closely restricted in their activity by the biased and somewhat backward and anti-modernist attitudes and tastes of the Hungarian public. The party document argued for efforts to shift tastes away from the mimetic (based on direct comparison) and epic (based on linearity) view of the arts apparent both in 19th century taste 'reared on classical realism' and in mass cultural entertainment of the kind favoured by many young people. The authors of the policy statement felt that Ferenc Sánta's controversial novel *Twenty Hours* or József Somogyi's statue of the peasant hero János Szántó Kovács had been criticized less for ideological or political reasons than for techniques of depiction more abstract than customary. The novel, for example, was said to 'diverge from the continuous structure of 19th-century epic,' making it incomprehensible to many people.

So the party leadership, at least in principle, was leaning towards dissemination and ideological expression of an artistic view of the world that was more abstract, complex and non-linear. They did not want Hungarian culture choked with invasive modernism or efforts at 'socialist Existentialism', but they saw in the ideological loosening of the reform period a

⁴⁶ 'The party and state leadership needs to assert socialist ideas, artistic democracy and the demands of socialist realism in general primarily in the work of wide-ranging forums with great mass influence, above all television, radio, the press, dissemination of artistic knowledge and public education. By differentiation in distribution policy (book publication in limited numbers, studio performances), scope and opportunity can be given for publishing domestic and foreign creations that can be expected to have a more limited sphere of interest.' Vass, ed. 1968, 505.

specific, regulable culture, half market but not Western in type, basically modern but committed to socialism. And this, they felt, could be made acceptable by restricting elite culture on the one hand and shaping public tastes on the other, to produce a high-quality socialist mass culture. In seeking an ideology for this, the cultural policymakers of the MSZMP had to steer between the Scylla of modern Western modernism and mass culture and the Charybdis of prevalent backwardness in Hungarian taste.

Profit motive and achievement motive

The effect of the economic reform on culture was re-examined in 1973, following a Central Committee resolution in November 1972. Budget funding for culture had risen by 9 per cent between 1968 and 1972 and prices of cultural goods and services were broadly unchanged. It could be stated in the proposal that management of the cultural field had been 'brought into alignment' with the post-reform economic environment without damaging cultural assets. The general introduction of the profit motive on which incentive was to be based had remained largely formal, because the business results obtained and the size of the incentive funds were influenced predominantly by the amount of government funding received.⁴⁷ The reform had not met expectations. The report concluded glumly that the reform had not helped to influence culture to the extent forecast. The enterprises in the cultural field, sensing market forces, had begun to assert their separate interests, but without renouncing their claims on central funding. The analysts thought the enterprises were interpreting the profit motive wrongly by placing business advantage before cultural criteria, so that central organizations had eventually had to 'correct' such decisions and processes. Correction meant, for instance, maximizing the print runs of entertainment books, intervening directly in theatre programming, or making interim changes to the incentive system in film distribution. Nor were the sums of subsidy, price structures of cultural services or payments for products differentiated enough to motivate creators or studios to produce the awaited socialist works. The subsidies were less effectual because they did not follow cultural demand. In 1972, for example, two-thirds of the net state subsidy went to maintaining and operating cinemas. So the reform needed adjusting to cultural policy and ideology if it was to 'assist clearly the cultural and artistic activity important and valuable to socialist society.' This meant raising the allocation further and largely ending its profit-motivating function. Instead, the document declared, let there be a

⁴⁷ MOL M-KS-288. f. 41/211. ö. e. Submission by the preparatory committee on amendment of the economic regulations in the cultural field, to the Agitation and Propaganda and Economic Policy committees of the Central Committee. September 27, 1973

system of motivation that considered both cultural and business results, with financial rewards for managers and staff of cultural institutions and enterprises tied primarily to implementation of cultural policy.

Similar plans for adjusting the reform of the price system also mingled cultural, political, ideological and taste-related constraints with social considerations. The latter dictated that low prices of works and products intended for workers and young people could not change. Meanwhile taxation of 'luxury' cultural articles and reading matter increased. Rewards for creative work were differentiated and a system of payment in two parts was introduced. The first part was paid according to criteria of cultural policy to assist creation of the work, and the second according to the professional and public evaluation of it, in other words according to market criteria.

The order stated that the changes required were to be implemented gradually, by January 1, 1976 at the latest. The amendments to operative enterprise statutes had to be made to a decisive extent by January 1, 1974.⁴⁸

Conclusions

Culture was one of the notably system-specific areas of socialism. The dual structure and mixed economic model devised for it reflected the ambivalent thinking and strong ideological content behind the reforms. In line with the dual aims of stabilization and dynamization, the ideologically less important part of cultural production was conceded to the market, while the other part had its socialist features strengthened. Admitting mass culture of a non-socialist type detracted from the consistency of the system, but held out the promise that the profitable, capitalist-type sector could support the socialist sector. The political leadership hoped that market forces could be localized and the socialist sector cross-subsidized in this way without affecting the sector's essential features.

The party apparatus preparing the reform placed the cultural field—otherwise narrowly defined as the arts—in the very broad context of relations between the ideological standards of the system. Some of the sections of society most concerned to retain its socialist features had developed by the reform period, while others were shaped by its influence. The former included party leaders who took a conservative ideological stance and those of the apparatus with a strong stake in the pre-reform power structure. The other, new interest group

⁴⁸ Ibid.

or lobby professed socialist values with greater or lesser conviction, defending the quality and social interests of fields such as culture that were hitherto preferred or supported, especially against the new economic technocracy lobby. Social support for this section began to grow as well, on various grounds. The appearance of the cultural lobby meant also that a socialist trend with a left-wing tinge was emerging. For it represented, from within the apparatus of power, a Utopian comment on existing practice, or put another way, an intellectual check on ideology. Yet the cultural field, strongly dependent on central subsidies, clearly had less interest in carrying out radical reform, which would jeopardize the influence of the cultural (and indirectly the whole political) leadership on ideology and indoctrination, while conflicting with proclaimed or firmly held left-wing cultural beliefs.

The alien, market element added to the system was not contained successfully enough, so that the reform had numerous irreversible side-effects, especially in the sphere of consciousness. Especially important are the following. (i) It separated profitable from unprofitable forms of culture. These it placed in correlation, with the longer-term effect of devaluing those less successful in business terms. It can be said that the significance of culture rapidly decreased in an increasingly utilitarian society. (ii) The reform concurrently emphasized the modernity of cultural-cum-ideological and political media whose significance had been underestimated by the party leadership. It began the media era in the East-Central European region as well, though it did so within limits, in a socialist way. That move brought knock-on effects on the system of ideological transmission, greatly influencing the language of indoctrination, the nature of political thinking, and latently, the development and scope of political publicity. But it did not favour culture in the narrow sense, in relation to which the role of the mass media—television, radio and the daily press—strengthened. (iii) The appearance of Western-type mass culture on the limited Hungarian cultural market induced the political and ideological leadership to express more plainly what was meant by socialist mass culture. Theoretical researches were promoted in almost every related discipline (sociology, social psychology, art theory, art history, literary theory, etc.) On the other hand, an education policy took shape that also provided a socio-cultural network for the broad masses in society. (iv) Whether socialist mass culture ever existed or whether there was at least a circumscribed vision of it may be answered best of all by the debates of the period. Socialist mass culture was largely directed centrally. It allowed ideological, political and censorship interests to apply almost to the same extent as social criteria and central selection according to taste preferences. These the system more or less implemented, and although it could not be entirely satisfied with them (any more than we can), it provided for an interim

period what was known as socialist mass culture. (v) What may have been the most significant was the conscious effect of the reform. It released a spirit of liberalization, with both structural and appreciable conscious results. Articulating these new principles in ideology did not simply involve confirmation of previously developed processes. It led, willy-nilly, to the induction of processes that in turn would lead eventually to breakdown of the system itself.

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