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SOCIAL CRISIS AND REFORM-ALTERNATIVES

This paper discusses three problem areas:

a./ In agreement with many scholars I shall make an attempt to argue that the actual critical stage in Hungary is not merely a result of "our economic problems" but the critical phenomena of our economy themselves have been inherent in a not new but recently manifest crisis of social, political, ideological superstructure and legitimacy. In other words: I start with the assumption that economic consolidation cannot, by itself, solve this crisis. At the same time I shall also make an attempt to present some processes, phenomena, attitudes, behavioral patterns, values, developing social formations and groups which might be the very germs and starting points of a positive way out - if they will get a chance for their more liberal and less limited realization.

b./ As the basic feature for solving this crisis is to offer perspectives for a society that has lost them, and further, these perspectives should be durable and also fruitful in economic terms; I also have the task to prove, that the only way to do it is to build on social self-organization. I shall argue on behalf of the necessary interrelationship between individual and collective autonomy and market. Hence, the central concept of my paper is to show, that a way out, a development can only be realized by assuring the value of meaningful work for larger social strata. Such a value could indeed have a massive basis today but only under the conditions of such divided powers, which is capable of having respect

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for autonomy and, at the same time, managing autonomy. On the basis of the above value, an all-encompassing and all-penetrating general force of social integration might develop.

It is obvious, on the other hand, that the integrating power of meaningful working is not "nation-wide" for there are large and increasing social groups having actually a perspective of backwardness, and falling behind due to either their actual living conditions and/or their social situation, Work based on self-regulating market cannot be the ground of their social integration, for their backwardness and falling behind has been the consequence of just those demographic and social conditions which limited their working capacities of this sort. For this reason, the second, integrating principle of self-regulation should have a social base. /Distinction between these two principles is merely analytic and not practical. In practice, they do not exclude each other, what is more, their actual operation cannot even be conceived without their varied combination./ In other words: I try to argue for such a self-organization, which is based on the equal importance and compatibility of market-oriented, and socially-founded solutions, as these are the ones which can re-integrate /or rather: finally integrate/ our society together, because they offer general perspectives of the way out and - as I shall make an attempt to prove it - they have already had their germs in our society.

c./ Finally, this paper is an attempt to present those socio-political institutions that can be based on the mutual respect for the socially-based and work-based self-organization. These institutions might serve as models for those institutionalizational forms of social consolidation, which can manage social tensions efficiently. For a socio-political

system inherent in social needs to be met, adjusted to those needs instead of a surplus principle of centralized re-distribution can be built only on the self-organization of the society /or in this context we might rather say "self-defence"/, to outline some political aspects of dividing State and society is also a part of our discussion.

Prior to a detailed discussion of my thesis, let me define some interpretation of the term: crisis.

The starting point of my concept is that the actual critical stage of our society has developed as the end of a period. That is, the resources and potentials of further development, which were behind the dynamics of social development during the last decades have become exhausted. Economic crisis, in this respect, is not the very cause of the multiplying crisis phenomena of this society; it is rather, by itself, one of the manifestations of that crisis -which might eventually be more visible or painful.

When we state that Hungarian society is in a critical stage, we have by no means declared that it can no more function, survive, or that it will disintegrate, or explode in the near future. Crisis in our interpretation is a condition whereby basic structures /to be presented in detail/ have not changed, while the signs of a disfunctional operation have increased in various spheres of the society.

The most important symptom of this crisis is that the everyday facts and manifestations of some sort of rigidity, loss of perspectives have become directly sensible in all sorts of social conditions.

Rigidity and narrowing down or disintegration-sensed on both individual and social levels - resulted in a series of further critical phenomena within the realm of mutual interrelationships among families, groups, institutions and their clientele, morals and mentalhygiene of society.

An indicator of the present crisis has been the multiplication of some phenomena of social disintegration; strikingly marked groups of people left behind or estranged appeared in recent years together with alarming trends of the impoverishment of some groups. Other phenomena, such as casts by settlements, uncheckable increase in inequality of chances by social status and social classes and massively sensed existential insecurity.

In my view, to make this overview of crisis complete, we must also refer to some new values, behavioral patterns organizing lifestyles, aspirations, new forms of informal organizations that have been present in our society in a well-definable manner just as a result of development during the last decades. Within the established, traditional framework they could exist only in a half-legal way, lacking security and consciously taken the almost hopeless tasks full of self-confidence. At the same time, these germs of embourgeoisement /ive are speaking about them/ could be the sound starting points of a new social organization providing that can leave their "underground" status and limitations, operating with a rather free scope. This new social organization could again offer perspectives and security and act as an integrating force, terminating the process of disintegration and downfall and moving this society towards a new development, defending and strengthening individuals within a normally organized network of communities, operating as a catalisator of their interests and values, communicating and relating these interests and values among people.

Hence, the concept of crisis as we interpret it can be summarized as follows. Actually, in our society downward and destructive trends of an outdated mechanism are together with new groups, lifestyles and behavioral patterns developing recently and being discussed later. These new trends might also serve as the social forces of dissolving and resolving this crisis. On the ground of these factors we can consider the actual crisis as a situation that can be tolerated and survived for a short time, or can even be carried with us for many more decades. We cannot foresee and predict whether all these factors would result in an explosion at all, and if they will, when. However, one fact can be foreseen: if the actual crisis lasts for a long time, it will result in demoralization, more intense trends of a cast system together with worsening public life and malaise, and further, a great variety of spatial and positional insecurity, a slow backsliding, loss of perspectives on the societal level will be produced and reproduced. It can also be forecasted, that these resulting phenomena will further reduce the chances to overcome the actual crisis.

THE "DEAD-END HISTORY" OF RECENT HUNGARY

I have already indicated that the actual social crisis has been an end product of a period; because the establishment cannot offer dynamics for further development. The period, which has thus ended, lasted for four decades. This is to say that the last forty years may be considered as a uniform historic era, in spite of some important and repeated changes in social conditions, living standard, political atmosphere, relations between the State and the

citizens based on pressures and consent permissions. It has been uniform because the power relations, the basic trends of regulating and operating the social and economic system, the way of directing everyday living conditions from the top, the principles of hierarchic organizations and the resulting defencelessness have not changed meanwhile. The crisis of this social structure arrived because this system has by now fulfilled its historic mission.

In order to validate the above statement, a question should be raised: what were the goals of the Hungarian history of the last forty years, and what has it accomplished, resolved - again in socio-historical terms?

Without analysing the assumed chances for alternatives after World War II. to be realized under the given conditions of international relations without indicating whether a realistic potential of any option, different from the actually realized one, had been at all, it should be pointed out that the system that has by now carried out its historic mission considered itself a trend of modernization. The system introduced after World War II. cannot simply be explained as a result of Russian pressure. While its foundation and total establishment within a historically short period was guaranteed by the Yalta Treaty - beyond the exhausting in-fightings - we should also notice that the Hungarian way of socialism has resulted in a successful solution /however limited it was/ for the two basic problems of pre-war Hungary.

Instead of a detailed discussion of this term, I refer to Bibó who presented that 1945. evidently raised a radical change the pressing problems of modernization.

Disintegration reached such a level that time that nothing but radical solutions could be considered as realistic alternatives. That is, the term: "restoration" could at best be introduced into political rhetorics but its actual realization was out of question in socio-historical terms.

The new establishment after World War II. offered a negation and ultimate solution for two, interrelated problems. One of them was the partial /or ambiguous/ integration of the Hungarian society between the two world wars. The other cardinal question was: the new system had done away with poverty /primarily within the agrarian sector/ whose volume and intensity was striking en European standards.

Partial integration of the pre-war Hungarian society originated from its double structure graphically described by Ferenc Erdei. That was a coexistence of two worlds non-organically interlinked although operating in a more or less integrated way through their subsystems. It was characterized by clearly defined lifestyle groups, behavioral patterns based on some traditions, an inferior stratification and peculiar culture, established institutional system of urban-industrial bourgeois society, and - separated from that - a feudalistic, rigid cast system of the agrarian sector, significant in volume and economic weight. Weakness of the integrative forces between these two societies was manifested, besides others, in the fact, that the urban-industrial sector could not erode /not even in its most dynamic periods/ the rigid cast system of the agrarian sector. It could not offer the groups, leaving agriculture a steady living standard nor could it guarantee progress and stabilization within a bourgeois urban middle class group based on the urban ways of life. This fact was

reflected by the strikingly different aspirations inherent in the social development and lifestyle principles of these two worlds. It might be of some later importance to indicate, that the aspirations of the agrarian society were based on rich-peasant life /the emphasis here is on peasant/ while the aspirations of the urban working, class had dominantly been inherent in small craftsmen's or shopkeepers' goals or white collar occupational areas and petty bourgeois existence. An important feature of that form of social development was the separation of the two cultures. Hence, we cannot consider the urban- bourgeois way of development as an absolute tractive force or model for the lifestyle characteristics of that age. There had indeed been two structures and the transitions between the two /for instance: the double character of the living of the semi agrarian, semi industrial proletariat/ were rather the results of constraint and were not the organic ways of social development. This partial and delicate form of social-national integration became especially visible under the pressures of the war-years and led into the total destruction and disintegration of the political superstructure and established social forms.

The answer to disorganization was a radical aspiration for integration by the new system, through a complete re-organization of the society, including family relations. This re-organization aimed at a mono-centric, strict, militaristically organized and well-managable hierarchy of social institutions. Although this integrative aspiration planned to "rebuild" this society through its total transformation /namely, with the extreme negation of the earlier organizations/, the significant point here for our discussion is that the failure of that integration

had not become manifest in the first 20-25 years after World War II. that is during the extensive development of that system. This system had not reached its limits, and the tensions emerging could consequently be explained with in incompleteness. Anyway, elimination of quering belonged to the "successful period" of that system: that is presenting "reuniting through subversion" as a legitimate aim. /To avoid any misunderstanding; considering the period in question successful means no more than the very fact that some period of time was needed for the manifest revelation of its failure; some malfunctioning to reveal its destructions. Until then, even if only through coercion, it could dynamise that society and could present both some economic and social results.

The other socio-historical problem "solved" by the new system was the massive absolute poverty and uncertainty of existence. This later problem had indeed constituted the basic force behind reorganization and subversion aiming at integration. The program of modernization built the industrialization of the country on the rapid development of new workplaces together with the employment of "the immense quantity of workforce", and it built the ultimate elimination of unemployment and uncertainty of existence upon an industrial mass society. Full employment in this respect was not an "abstract ideal" but rather the sine qua non of the chosen program of modernization. Similarly, extensive industrialization was not merely an economic problem but rather a socio-political way of transforming, within a short period of time, the massive agrarian poverty radically.

Central economic planning and regulations a devaluation of political processes and labour force and the parallel

enforcement of full employment, by coupling employment and social membership quantitative health service defined as benefits beyond wages, or the social security system "through state budgets" and so on were organic parts of this imposing program of modernization in the same manner as massive stratification, realized by the disintegration of the earlier organic relations among the smaller and bigger social units. By now it has become obvious, that this disintegration cannot be considered as some sort of social mobility due to its massive coercion and too great negative costs, This social mobility was much more moderate than social re-stratification. The important point is, in this respect, that the elements of the newly developed establishment cannot be separated into "the proper ideological" elements and the economic and social processes realized in a "distorted way". That program, by itself, has been coherent from an ideological, economic, and political points of view as well as in its social consequences. Its validity originated from a double prompting. It has, hence, developed a radical, single-principled integration /although it was unorganic/ and has done away with massive absolute poverty. The limit of its validity originates from the fact that unorganic integration, that is, "an integrative principle" of central dictation has become disintegrative with the exhaustion of the resources of extensive expansion and previous relative security has recently become the source of new uncertainty of existence when reaching full employment. Hence, the system could neither realize social integration nor the elimination of poverty. This reason, it can be considered as a recent dead-end.

Nevertheless, this overview is fragmentary, and some processes of dynamism, lasting until the mid-1970s

unexplainable, if we do not consider some changes, following 1956 but starting with the post-1963 consolidation which had stimulating effects. At the through same time these changes made the system reach its ultimate limits offering some breeding ground for the development of new forms that may become the very germs of a kind of bourgeois self-organization, noted in our introduction.

This consolidation was built, in sociohistorical terms, on the semi developed bourgeois of the pre-World War II society and the especially on the petty bourgeois trends. It had reached its limits because the unquestioned status quo, power relations could allow only one side of the petty bourgeois development; the accumulation aiming at consumptions and built on self-exploitation. The sociological substance of this crisis lies in the fact, that the power relations are not capable of ensuring the other side of the petty bourgeois development; namely the perspectives and frameworks of bourgeois development, which latter influences the productional structure as well. For this reason I consider this process an ambiguous petty bourgeois development and argue that its ambiguous character together with the frozen system of power relations have by now become not only the obstacle of further development, but may also result in using its own achievements, in the disorganization of social integrity, in the appearance of recent double structures and in an ultimate failure.

For it has become obvious that the basic features of this establishment have not changed through the previous consolidation. Hence, organization from the top to the bottom, centralized authority, direct management of social life

and economy, the paramilitary spirit directly determining the frameworks of the individuals' lives from conception until death has not disappeared from our society, even if some liberalization took place in the mid-1960s resulting in a kind of relaxation concerning its negative content and direct coercion together with many positive elements of some enrichment of individuals, and rehabilitation of privacy. However, detailed regulation, methods of directing from the top have not changed in the industrial policy based on extensive expansion /see the problems of industrial investments in the countryside/ in the fields of public education, vocational training, employment, demographic policy, organization of health services, etc. The new element has merely been a tacit message present in all fields of life; individuals, if they can, may successfully conform the conditions dictated from the top, namely they can move, find out the back doors of educational institutions, can commute, change their workplaces, etc. In other words: they cannot question central decisions, but direct coercion does not work if one can avoid them with extraordinary efforts. Success, however, is an individual matter, based on one's ability. It does not become a social organizing force for it does not integrate. What is more, advantages may be realized through an all-encompassing unity over family framework /this phenomenon is commonly named as striking atomization of a society/. Collective solutions cannot be realized even if individual solutions are concentrated in space and time showing identical trends. Such an action would be considered political and, consequently, be sanctioned /when, for instance, more employees leave their jobs together; or within a short time we can also recall the persecution of "subsidiary workshops" in the beginning of the 1970s when real moral and political crusade was led against the workers who left State-owned companies./

The framework, offering hence prosperity and its ground, found its socio-political roots in allowing free way for the petty bourgeois aspirations of the masses that could not be realized throughout 30-40 years. For the phenomenon we examine is but a clear formation of petty bourgeois behaviour and lifestyle: mobilization of self effort through unlimited of energies and guided by security. Security is interpreted in its double sense: its reference point is the family, hence its aspirations do not exceed private spheres; its engine is material well-being and enrichment for consumption is manifested in goods by and for themselves, inherent in the essential need: to overcome poverty definitely. Individual development is measured by the feeling of fullness, clothing free from cares and a tidy, respectable apartment. Seeing with the eyes of a poor society one has got on in the world if one can "show off" with a thing or two. This massive aspiration was the very motor of building and rebuilding family homes in the Hungarian villages, changing the earlier lace-ties boots and overalls for recent urban fashion clothes, buying automobiles even for Sunday-use and "exhibiting" the automatic washing machine in the bathroom, even if there is no running water to operate it.

This process of petty bourgeois enrichment could be realized so extensively and rapidly /as we are speaking about one, one-and-a-half decade/ partly because it functioned as a "postponed demand". Building family homes and bathrooms, accumulating goods showed off in the private sphere functioned as a transfer of purchasing estates, a need for "bourgeois enrichment, well-being" of peasant type for great masses of peasants or more precisely, people of peasant origin. Neither the cultural grounds nor the never realized traditions of this mentality

have disappeared with the organization of cooperatives, which has ultimately made its realization impossible.

I refer here to a process later interrupted and hence "postponed", that was presented in a convincing and illustrative way by Ferenc Erdei in his CHANGES IN HUNGARIAN PEASANT SOCIETY when he analysed the changes of the rural world: "We call the process of this shift bourgeois development, which precisely means that peasantry disorganizes its feudal structures and is integrated into the bourgeois society. Briefly: the peasant becomes a petty bourgeois farmer or an agricultural labourer.

This process goes on unavoidably, and its factors have already developed in the Hungarian society to the extent that its full realization is just a matter of relatively short time. Technological development, the merciless capitalistic system of economic life and changes in all walks of human-social atmosphere constitute the very factors of changing the lives of peasants so radically that they can no longer live under the traditional conditions of peasantry. However, feudalistic structure of Hungarian society has not been destroyed until now either by the Hungarian bourgeoisie or by the Hungarian working class, what is more, it was not invalidated by them in an unambiguous way; our peasantry, when giving up the traditional peasant forms, will not face an ambiguously bourgeois social structure but rather a more or less bourgeois, but, in many respects, still feudalistic establishment.... leaving traditional forms of peasantry has already reached its upper limits while the integration into a more or less bourgeois structure has effectively started."

/Ferenc Erdei: THE HUNGARIAN PEASANT SOCIETY in: Ferenc ERDEI: ESSAYS ON HUNGARIAN SOCIETY /in Hungarian/, Akadémia Kiadó, Budapest, 1980/

Hence, creating safe existence and realizing bourgeois aspirations /a "belonging already to another non-peasant group"/ found its basis in small, private enterprises, building family homes with one eye on the future, and consumption-based family accumulations. However, the other side, property or capital being the basis of extended production, that is the possibility of small enterprises, was lacking. Rapid development of the so-called "second economy" imitated it as it was based - through a tacit concensus with the authorities - on a relatively autonomous "use of private time" and private production following the everyday toil within the organizations of the Socialist sector, but with the perspectives of private consumption and private accumulation. We should emphasize that this compromise has been essentially the same for urban and rural processes of embourgeoisment. Needless to say, that there are some differences both in the aspirations for consumption and the combination of the activities /abilities, character of jobs/ to be mobilized for this realization and also in their individual and family combinations. Genuine town-dweller workers aspire for more urbanized forms in terms of the interiors of their apartments or careers of their children; agricultural workers as well as various migrant groups of the peasant and quasi worker masses can mobilize a lot based on their rural traditions: their lifestyles are more closed, their urban aspirations are more fragile. However, two thirds of working class families have their small gardens; and the parallel and extremely rapid shrinking of households exclusively based on the traditional peasant way of life has become a striking mark of the essentially identical petty bourgeois way beyond some important differences.

Identical elements should be emphasized for, in spite of differing ways, the process discussed has involved very large strata and hence its stopping short has resulted in crisis not only within some well-defined social groups but also within the whole Hungarian society. For one fact should clearly be seen: the impulse of consumption-based petty bourgeois tendencies has indeed been over when the earlier, postponed demands had been met. By now, that process "has run its course" and the organic maturation of its further development has come to a sudden halt just in front of the gate of a bourgeois development. For it was that stage of development when the process confronted the upper limits the given and unquestioned power structures, left unquestioned. It has at least three reasons.

The first of them is that the presented way of development turned out to be discontinuable through new generations. Subjects of a tacit compromise were the young and middle-aged generations of the sixties. Their rise has not continued through the next generation, either forward or backward.

For the essence of this compromise was the combination of living and working "within" and "outside" the State; the old generations /people who are over 70 now/ were too old for a "change". They grew old while cultivating the land, taken away from them during the collectivizations or under conditions of nerve- and body racking factory work; either way they followed, they got their rights just for a very low pension and due to their age, health conditions, their constraints and lack of flexibility, they could not join the second economy appearing in industry or services; household farming and small gardens did not serve their enrichment, but merely a minimum living standard being just over the subsistence level. Hence, they have always been and remained poor.

The situation of younger people is somewhat more complicated. The crisis originating from the limits of petty bourgeois development has been indicated just by the impossibility of the tendency to be continued in their direction. Members of the younger generations had to commute or move in order to reach better living conditions and better positions on the labour market than their parents used to have. These desires are inherent in the ordinary system of social rise and meet natural development. But educational, and also vocational-training facilities were concentrated and labour-market possibilities narrow in the meantime, so the young generation has concentrate, with all their effort on reaching positions in the first economy and on securing their basic living standards. For we should not forget that they started their independent lives in the 1970s and 1980s when the of employment policy, based on the extensive growth of workplaces, had changed and the level of "full employment" is consequently stagnating. Problems of the first, state, economy have increasingly become tensile; first showing first just latent, but soon also manifest features of unemployment. It has become more and more difficult to find a proper job. Moreover, as a function of economic rigidity and inflexibility, the gap between the wages of the older and younger generations, has been widening the state economy, at the young generation's cost.

Their struggle for reaching positions, for all these reasons, has been going on on a more or less poor level. By this time it has become obvious that the rather limited way of the petty bourgeois, development which offered a kind of perspective for their parents, cannot offer it for the younger generation, just because it cannot be

inherited. As the capital accumulated within the family has generally remained unemployed capital /it has been invested not into production/ and its further expansion has been and still is impeded by legal and rational obstacles, it has become an idle, unemployed wealth. For it cannot be inherited either through the redistribution of landed property, or through inheriting labour market positions; nor is there any way of involving and reinvesting capital. Hence, young generations have nothing to inherit, they have to begin everything from zero. Capital frozen into personal property cannot be transferred; if they move /as they must, in order to secure one pillar of their social membership; namely employment under normal living conditions for themselves and for their families/ they again start from poverty and from the everyday toil for elementary existence. Frequent polarization of housing conditions within a family are typical symbols of idle wealth and generational discontinuity; the older generations built two-story family houses for the next generation and today these houses are empty; while this generation, the sons and daughters, of the house-building older generation, live under miserable conditions in rented rooms in the outskirts of towns.

Generational failures and come-down, experienced both in social and familiar extents resulted in general frustration. On the one hand, it frustrates the old people, who are left alone and who used to work very hard all their life and now they have to face the puperism of their children. On the other side, it frustrates the ambitions young people who work overtime in the secondary and tertiary economy, who want to found their own family, who feel because they were "undutiful" to their parents; who, nevertheless, have no other choice, if they want to

make a living. This process turns children against their parents and the other way round, and both sides face their own defencelessness uncomprehendingly and helplessly.

The other reason of the discontinuability of the petty bourgeois /or bourgeois/ way is the fact, that individual material enrichment has taken place, to some extent, at the expense of public consumptions. This trend can clearly be traced when analysing the proportions of incomes in cash and consumption in kind. The relatively rapid growth of incomes in cash /which is partly only nominal as a consequence of the fix prices of the years of consolidation, and the following accelerated inflation/ was realized through a process, where centrally distributed "incomes" in kind /first of all the infrastructure of inhabitants/, first lost their relative, then their absolute values and their services, provisions have consequently become very poor. Following safe nutrition, residence, clothing, etc., the "natural embourgeoisement" of the scale of needs demands takes place whereby the meanings of health, care-taking long-term thinking and planning are re-valuationed. The tension between these re-valuationed and their realization is constantly increasing because their ranges, the "public services" function on the level of a poor society's poor culture, not only in materialistic terms, but also in treatment, crowdedness, and self-evaluation. This situation serves as a good breeding ground for self-supporting mechanisms, for seeking scapegoats, for defense, for treating "the consumer" in an off-hand manner and the resulting shadow-systems for those social groups that can afford to avoid "poor" health care system /called SZTK in Hungary/ or poor district nursery homes and schools. "Official" measures taken in order to create balance /reorganization, administrative measures and regulations/ and the "concentrated development plans" in an age of decreasing financial possibilities, result in a false keeping in step, a further decrease of substance and levels, and also in extreme inequalities.

The common experience of relative autonomy and increasing defencelessness has by now become a common experience afflicting everyone as the subjects of the public impoverishment, accomplishing private enrichment, are the same.who, on the other side, experience private enrichment. As a result, the spheres of private lives have been separated. Relative security can only be felt in those spheres of life which can be controlled by the family even for the prosperous social groups. Other spheres of life, that are subject to "public services" defencelessness and the sense of danger have been increasing, and due to this discrepancy the whole existence becomes uncertain. These together increase "overstressing" of private spheres /in both physical and psychological senses/ which is manifested in individual and family tragedies, crises and the increase of mentalhygienic problems.

Individual attempts /which are massive in spite of their atomized ways/ to "improve the situation-moving in the hope of better work conditions higher-level educational facilities environment for children result in further stress and disorganization. As it has already been discussed, these attempts may result in the decay of generational relations within the family laying increasing , but after a certain époint, unbearable burdens on everybody. They also disintegrate settlements: small villages deprived of their infrastructural services, and larger towns overcrowded with people.

The started inflation spiral which is further flashed up by the hoasing shortages speeded up by massive and forced migrations gradually live up and "smelt" energies invested in private consumptions. As a result of its ambiguous, character, this process turns just into its opposite: through the "compensating" experiences ultimately squeezing out private resources as a result of uncertain lifespheres,

even the rather limited rationale of a petty bourgeois way of life disappears.

The third reason of the discontinuability of the anymore is that it could not permeate the whole society - as it could not in prewar periods, either; and could not push society, at least in material terms, towards development. Its coming to a sudden standstill results in a significant weakening of social interaction because the secret of its success rests on multi-pillar work /employment in the socialist sector combined with working activities based on private autonomy/; people who this way of could not chose this way of adaptation requiring quite special efforts for one reason or another were originally left out of the petty bourgeois process of the foundation of existence. Poverty of people who were less mobile due to their health and/or age could not be overcome even during the prosperous years, because they could not find proper jobs, or even if they could, they were forced into the most uncertain and lowest positions of the state economy giving the lowest wages. But those people who were lacking family capital or education that could be sold on the market and could only build their living on the first /State/ economy have always been poor, too. These strata and groups could somewhat better their situation but were not able to stabilize it, and the economic standstill, and the following crisis, not only impoverished them again, and rapidly, but also marginalized them and even their social membership became jeopardized. For this very fact it is correct to speak about not merely poverty, but also being left out or dropped in their case.

We have already referred to the old. Their numerous groups dropped are composed of single people living either

on their very low pensions, or without it, on welfare, and due to their unprovided condition, they live in hospitals, or worse, in mental wards, or old people's homes living from hand to mouth their last years. Their destiny is total exclusion, loneliness, humiliating misery and loss of hope.

People who are restricted in employment possibilities due to their health conditions, or are invalid due to serious accidents, the handicapped, people suffering from serious illness, namely the ones who cannot take fulltime jobs /eventually including shifts/ within the organizations of the first /State/ sector, due their conditions practically have no other. If their families cannot support them /often accepting unbearable burdens/ - which state in itself does not guarantee their social membership, but at least secures their place under the Sun - then their "chances", although they are 20-30 year old young people - are not better, they have no better perspectives than old people.

Two further striking groups of marginalized people have been a function of rather social mechanisms turning the underdog conditions into the marginalized state than the social consequences of age or health conditions. It is the disastrous marginalization of gipsies and poor people living in small villages or other settlement "enclosures."

Years of prosperity offered gipsies the lowest segments of labour market. They, too, could reach full employment, but not differently /or even in more extreme ways/ from the non-gipsy communities: through invalidating

their traditional knowledge, activities and network of relations. Badly paid factory and construction jobs /providing their uncontinuous and, even in the "best" years, rather periodical incomes/ could not offer enough to overcome their poverty, and accumulate. When economic standstill came, on the other hand, they were the first to lose even that shaky financial security which was gained previously by becoming unemployed. Lacking land and peasant culture, as well as skills that can be sold in the market, even the compensational possibilities of the second economy were not available to them, either. Today they are the real bearers as well as the most endangered group of the crisis. Furthermore, their marginalization goes together with the contempt and arrogance of those who could just overcome poverty: nowadays prejudices and discrimination against gypsies are more intense than ever before. Their traditional communities, way of life and strategy for making a living are all over: but their integration has not taken place, only their forced assimilation, which also seems to be terminated by the actual Hungarian society being stuck at a standstill.

Inhabitants of the lowest ranks of settlement hierarchy can also be considered marginalized: they are the inhabitants of villages left by the upper strata of the same local structure, whether they are old or active, middle aged, or children. There is no employment in these villages; schools had been closed down, there is no physician, no train, and often not even a shop. Hence, their minimal living conditions are not secured. Furthermore, they are closed from the outside world even in a physical sense of transportation. Here poor people live today, their "immigrants" are even poorer. They have

no resources to be mobilized for fighting their way up unaided and hence today, when "self-reliance" is not enough for maintaining the actual level even for those who live under much better conditions, the danger of the ultimate dropping out of these people have become immense.

It is obvious that the three manifestations of the limited petty bourgeois way - discontinuity of generations, loss of security due to a discrepancy between lifespheres under public and private authorities, gaps in integration of society - are inherent in the ambiguous character of the whole process. What I repeat here only to emphasize it: all these processes have taken place under the conditions whereby the actual preconditions of a bourgeois development were lacking, and consequently, its results have remained necessarily distorted and fragile,

A reform that aims at changing the lack of perspectives for actual perspectives should, hence, continue what could not even be continued without a reform: and it is the promotion of and guarantee for a bourgeois development.

However, does this reform have any ground to build on?

The sociological grounds of a positive answer - I hope - have been inherent in the previous analysis. However, their more detailed discussion is still necessary.

CONDITIONS AND POSSIBILITIES OF A REFORM DEVELOPMENT

On the ground of my previous analysis, my idea of the preconditions for the development of a real reform, as I referred in my introduction, is to restore the meaning and the significance of work. Its grounds have existed, we should only "deliberate" them.

Economic and social basis of meaningful work is present - both in the companies of the socialist sector and in private property - in the form of immobilized capital. It is actually present in the form of knowledge; namely, it is built into the multi-pillar state produced by forced adaptation. It is in skills and knowledge that ensured the successful groups of this society to advance in spite of the actual and long-lasting crisis of the state economy, and through the flexible combination of activities and the different forms of making a living within families and individual strategies. And these grounds are also present in the bourgeois organizations which are necessarily fragile under the actual conditions: built in the loose and often disintegrating or just rebuilt forms of cooperatives and associations which serve as a - tacit and informal - defence for people.

But let us look at them one after the other.

In order to bridge the generation gap over that has become striking by now; in order to elevate institutions of public services onto the civic level of civilized demands, or in order to /at least/ stop the further marginalization of people who have already become marginalized, we need new grounds of working, what is more, new openings

and new forms of working activities. For this purpose, on the other hand, we must free the capital actually frozen in the state, cooperative, and private property.*

Hungary today has not/yet/ become poor "in general", and she is not lacking capital "in general." She is rather rich in a wasteful and dead way and this is the reason of being poor. Hence, the fact that accumulated incomes /beyond satisfying personal needs for consumption in a rationalistic and plentiful way/ can only be increased within private household in a wasteful way. /And indeed, within the framework of households they are invested, for instance: instead of private construction companies building apartment houses, and under the conditions of a housing shortage, unbelievable rack-rents are taken after houses and holiday homes but this capital can never be invested in the economy./ Hence, the starting condition of creating work is the liberalization and free investment of frozen capital. Namely, and in view of our discussion; to the rigid barriers that are meaningless, and produce anomalies, between private property and capital investments should be destroyed.

* The economic reform proposals have often discussed the problem of the deliberation and free investment of immobile capital actually frozen into assets of the first /State/ economy, but they dealt less with assets accumulated within the private spheres. While I basically accept their ideas and arguments, I am going to discuss primarily the possibilities of how mobilizing the immobile capital of private households.

If my previous analysis is right, this capital would pour into small-and medium- size enterprises that are flexible enough to meet new demands and which actually constitute the missing spheres of the company structure. This capital would possibly result in fewer large textile workshops and fewer large engineering factories but in more construction-industrial associations, dressmaking salons, local canneries, or child-care service. Obviously, family based, or small cooperative entrepreneurship would primarily develop forming at once primarily local employment.

Liberation and free investment of capital frozen into personal property would obviously need the thorough revaluation and basically new system of legal and economic regulations. This new legislation should be neutral in the legal defence of the various forms and "sectors" of enterprises; and it would also need incentives to motivate investments instead of hiding money under the pillow. These rights and defence systems actually do not exist or they are not identical for each sector; small enterprises must fight for them. This cannot be conceived without safeguarding their interests and without forming their legal institutions.

However, deliberating /and even defending/ capital is not enough by itself. We can see today that our State suffering from financial difficulties does everything to swindle this money out, but it only results in squeezing people out and preserving an economic structure incapable of further development. Deliberating capital without liberating work at the same time is not worth much /in terms of the reform resulting in development/.

The impelling force, even more important than the economic force to make a living, of employment the Socialist sector has so far been the membership of this society requiring such kind of employment. Hence a norm developed: it is not enough to work, but one must also "be employed". Otherwise one cannot get a pension when getting old; without "employment" one cannot get childcare allowance, without a workplace a child cannot go to kindergarten, and what is more, even elementary civic rights are refuted /for instance, one cannot go abroad because a "signature" is need on the application sheet/. Identifying actual work with workplace was built onto the basic mechanism of economic structure whereby not the actual knowledge and skills, but rather the numerical participation of workforce counts. "Full" employment could be realized this way.

The very fact that securing social membership has been a more important motivation than economic forces for being employed has ultimately become manifest in the last large wave of organizing workplaces by rural industrialization. At this time, the real stake of fighting for employment was not making a living. Women and daughters of the well-off rural families do not "fight" for work on the monotonous production lines, for such unskilled work in chemical or engineering machine factories which are so strange to their hands and nerves and which offer inhuman conditions because their families could not make a living without this small income /beyond their incomes deriving from agricultural work these stunningly low wages do not especially count in household expenditures/.

But only for being employed,[⌘] because their security as citizens, their future, and the social emantipation of their children are at stake without it.

An economy /"the first one"/ which is built on the quantitative increase of workforce has become, by now, incapable of further development and reproduction on an increasing scale. A paradox of this situation is that the knowledge of the society is not used, it is pushed into the background, is informal or is not even present and cannot be sold on the market. This knowledge does exist and is wasted because it is - just like the capital - frozen. A cardinal problem of economic development and individual prosperity is the mobilization of this social knowledge, ability, of which skills have become comprehensive just through the adaptation to this "double existence."

The reform program should hence be inherent in legalizing this multi-pillar character through making these pillars equal in rank. This in turn - just as with capital - needs a total revision of rights and authorities. An obvious precondition is that the definition of and the guarantee for citizen's rights must be separated from employment conditions.

[⌘] And they fight for local employment because their actual, gainful activity, namely household farming is not terminated or limited this way. Women earning somewhat more through their employment in towns are in a worse position because they - together with their men - must commute and, due to it, they may be left out of agricultural activities that can be adjusted efficiently to actual conditions.

The deliberate acceptance and yield of this multi-pillar character and knowledge constitutes a great potential for self-regulation, even if there is hardly any capital for this. On such a ground services needed by large strata of society that barely exist today could flourish, a development of infrastructure could boom, what is more, even new services superseding investments and offering alternatives for institutional development could appear.

Basically nothing but legality is needed for opening new day-care centers and nurseries, even in apartments that offer richer and more comfortable conditions than the equivalent public institutions, or offering some hom-made meals for a reasonable price to children instead of or beyond school catering, or for enterprises and associations taking care of the sick and old.*

* Requirements of hygiene could obviously be observed and forced by authorities, just as for "registered" child care /either as a day nursery in family homes, or kindergarten/ a proper vocational background should be required and a supervision by authorities could be expected. And another remark:

To avoid misunderstanding, I must emphasize that I am disussing here the problems of operating and not dividing civilian infrastructures and human services. Another problem is /duscussed further under questions of welfare policies/ how the marketing of operation should not go together with the "marketing of availability"; that is: how can we reconcil profitable /and marketable/ services and enterprises with maintaining /or securing/ their gratuitousness.

In this respect i must refer to the problem of unemployment. One becomes unemployed if he/she cannot find a job. The ones left out of the Socialist sector of the economy are unemployed in the original sense of this term. Not because we do not have tasks to be carried out and activities inprovided for, but because various jobs are not of the same rank; only jobs within the first, state economy are considered as "real ones", also recognized legally. The question is raised differently if people can undertake and associate for any kind of -legal - activities. Conditions of the presented /mainly local/ way of creating workplaces exist both on the side of capital and labour force; it is only their activation which should be solved. Just take an example: how many women commuting to the textile industries or how many wage accountants alarmed today at layoffs would rather go to work in a complex local system of child care. If there were such a system, and if the work within it could be officially considered as "being employed", if they could be sure about the future their children, that they won't be considered "imperilled" because their mothers left their "jobs", if they could count on pension and social security in that way, too, providing that they meet the social security requirements and pay the fee just as any other honorable citizen, etc.

I do not want to argue that making various jobs of equivalent rank would solve the problem of unemployment. However, the potential, found in this multi-pillar character of lifestyles, could be the basis of those economic regulations and local-regional economic policies which can operate as incentives for the locally adequate

development of workplaces. An important way of these incentives could be if /local and central/ state or local council/ authorities offered subventions /matching funds/ by competition to the autonomous enterprises, associations /when they have already been established/.^{*} An unlimited variety of jobs could "rise to the surface" this way. These forms, at the same time, could offer possibilities and space to the working activities of the actually marginalized people /first of all gipsies/ even if they could not ensure their closing up. /Why should not they be grouped into teams for the seasonal agricultural jobs in Summer or form associations for making adobe, etc./

Just as an indispensable precondition for free movement of capital is the defence of entrepreneurship, free working activities and employment cannot be conceived without the institutionalized defence of work, namely, without trade unions. Trade unions must give up their earlier position as representatives of production and higher political interests and become the self-defence organizations of the employees. Their "duty" is the legitimized wage dispute, the defence of workers against the dangers in workplaces and to guarantee the security of employment conditions. Without free organization neither free movement of capital, nor avoiding "central intervention", a defence of workers by police squads

* I mean something like voluntary organizations' in Western Europe that can adjust to public needs, in the most sensitive and flexible way. These organizations start with moderate capital saved from a great variety of sources. On the other hand, when they have already been established, the State considers as their stabilization and extension its own financial duty.

cannot be conceived. Between capital and work the organizations of safeguarding the interests of capital and, on the other side, those of workers can form a condition of social coexistence.

Capital, frozen but waiting for liberation and activities, abilities, skills not recognized as "work" as I have already mentioned, are the conditions which forme the organizational germs of a bourgeois development in today's Hungarian society.

Quasi legal or informal organizations aim at basically two factors today: to meet - even if only in not too efficient ways - sweeping although officially not recognized civic demands and to defend a /petty/ bourgeois autonomy. More precisely, these organizations operate for the self-defence of some lifestyles and values. Fragile forms of associations, cooperatives, unions, and collaborations are by now many-coloured. A varied process of their birth and disintegration has been a striking development of the last fifteen-twenty years. By now a "sophistication" of behavioral patterns and forms has shown the well-sensed accumulation of social learning and experiences. Obviously, these organizations are not steady today, for the prevailing mechanisms of power, which have not changed due to the underground character of the new forms, have continually been limiting the consolidation and institutionalization of these new organizations. And even if their "political" persecution does not necessarily take place /as power groups themselves do not want open conflicts, either/, "hardening" the limits is usually enough by itself to destroy and

disintegrate them "automatically". Without legalizing this continually vanishing and reborn organizational readiness, liberating institutional forms, turning them into organizations representing and realising various interests and recognizing them this way, an actual /and not false/ further development of our society is impossible just as it is impossible without liberating capital and work.

The most general associations and organizations have been built around activities to be carried out and needs to be met; the informal network of local communities. Exchanging labour and tools while building family homes and in agricultural work, the delicate network of these exchanges are the case at point. Exchanging labour is based on the traditions of rural communities, but their organizational forms and "system of accounting" are imbued with bourgeois elements, that is, with principles and practices of meaningful cooperation.

Similarly, the compelling condition of satisfying needs gave birth to recent cooperatives building water-pipe systems and gas-main lines, but their functioning has been, at the same time a "pre-practice" of civic forms. /It is especially so, because a quasi emergency situation often forces "companies of the State" together with civilian inhabitants into the same associations whereby their common interests, e.g. to build water and gas systems, can be realized only through a contractual partnership basis.

The spread of associations with some welfare aim is considerable. Today, fragile groups of "helpers"

composed of the local human intellectuals and professionals organized around some houses of culture, kindergartens, or schools are experimenting with new forms of social care, more adjusted to the needs of children, old people, "endangered" as nowadays already none expects the State to solve these problems. At the same time, these small alternative groupings, become the self-organizing basis for defending and articulating needs.

Similarly, invisible communal networks operate in recent experiments with local informal labour-markets and the formation of new workplaces.

Associations working on the preservation of towns and art relics which are often smiled upon, clearly represent civic aspirations.

Civic initiatives have recently emerged even around health services which have traditionally been closed against laymen. There are increasing ill people's associations, clubs against cancer, foundations used only through public control and public catering in hospitals organized in the emergency situation by the local inhabitants in more and more towns.

We can obviously increase the number of these examples, but however their number has been increasing, these forms of civic organizations are sporadic, isolated, and defenceless. But they are present and illustrate the direction of a civic society. Obviously, they are mainly formed under compelling conditions: an emergency situation whereby the society cannot turn to the State in order

to meet their demands. What is more, these associations are mainly the result of an efficient refusal of satisfying needs/ a multiplied squeezing-out of the citizens' resources/. In the long run, however, "passing back" can successfully be realized where - reaching a free scope - it could not be otherwise without this emergency situation, either, but it would have been realised in other ways. In this respect these forms can be seen as potential initiatives for realising communal interests. They are the textures, framework, and models of organizations from which, under conditions of legitimacy, self-governments, associations, cooperations, cooperatives and leagues can be born ensuring an efficient safeguarding of interests.

Communal organization and conduct, publicity, the existence of the civic forms of lay control and representation do not constitute "values by themselves" but they are rather a guarantee for integration based on work and social factors. The legitimacy of the varying forms of safeguarding of interests is ensured through the partnership relation among them, with their electors, members and institutions of public administration, regulated by authorities and codified and guaranteed by the law. A regulated partnership relation, on the other hand, is a precondition for a process whereby liberated capital and work should not conflict or compromise in the way of the XIXth Century, but rather on an "European" basis of solidarity and preventive defense, looking ahead and thinking in the long-run.

For this reason can we state what could eventually be seen as a mere declaration in our introduction. Namely,

if the three potentials capital, work, and possibilities of organization- of an integration based on work are more liberated, they can also mediate a significant part of the social problems.

Most of these social problems cannot be identified with the authority of welfare policies. Welfare policy that can be defined as an institutional form of an integration on a social basis is by all means of redistributive character and hence it is a corrective activity whether it redistributes among periods of life, social groups, workers and people unable to work. Its scope and interactive effect are limited by itself. Its functions hence are needed not due to social problems in general but rather due to social problems and needs that cannot be solved by organizations based on working activities, and also due to the equally important and integrative treatment of satisfying needs.

Let us offer a brief overview of these needs and tensions.

First of all, a problem of welfare policy is to guarantee fair and some vital material conditions for people who cannot /yet or already, or can only partially/ work: children and the old people. In a larger sense this refers to those who are temporarily or continually disabled to earn a living /disabled, invalid, handicapped/.

Through a work-based integration, as it has already been discussed, the process of marginalization may be terminated or moderated within the marginalized groups. However, this, by itself, is not enough for their

integration into a honourable citizen's status: and it is especially so in the case of the marginalized settlements /which became "enclosures" by now to such an extent that their integration into the widening enterprises is impossible on the basis of their own resources/. In order to secure their vital conditions, welfare policies have much to add.

Further, the general civic guarantee for citizen's satisfying the basic needs /primarily those of education and health services/ also belong to the authority of welfare policies which means, translated into material terms, that they should be free.[¶] This problem area is a part of other forms of social welfare /for instance, a high quality provision for children and old people, and services of public dispensary, etc./ making them, partly or full, independent of family budgets.

[¶] Here I must repeat an earlier footnote, only from an opposite approach: to function and develop provisions /whether they are health, communal, social, etc/ is an economic problem; to ensure their availability on the other hand, is not market-oriented, /hat is independent of incomes/ and assuring them is a matter of social policies. While the first is realised through increasingly liberated market-oriented enterprises, the other is realised through the redistribution of incomes. The possible ways of its realisation will be discussed further.

Two institutional systems can be considered to manage these problems of welfare policy in an efficient and integrative way; in order to guarantee material vital conditions, a modern system of social security, based on self-financing and built on a representative basis has to be developed; a provision, flexible towards needs inherent in natural provisions can be realized by public administration /both local and medium sized or centralized that is able to realise redistribution/ responsible in front of their electors and working under the a control of elected bodies.

Today we have - as I tried to argue for throughout my paper - the potentials, built into a civic culture of our society, for developing a modern system of social security.

High-level family allowance based on citizens' /children's/ rights as a guarantee for vital conditions of children, and reasonable citizen's old-age pension offering the old the grounds for making a safe living can do away with generational gaps that strike thousands of Hungarian families as a social problem. For this reason incomes guaranteed by citizenship /beyond the above two groups, they should also be secured for the invalid and handicapped/ help ultimately restoring the meaning and significance of work. As to their direct subjects, they can gain dignity and - at least a partial - material independence.

There are, however, more traditional and hence publicly accepted services of a social security system:

pension, insurance against illness or accidents, and the situation has also matured for their civilised reform.

A "recent" form of allowances must also be added: unemployment benefits.

People readily sacrifice from their actual incomes for these material needs in the interest of their actual and long-range security. Contributing to social security funds which can be refunded in case of need, into the form of personal incomes is the most obvious form of "personal income tax" which can most easily be controlled by the individual citizens.

Hence, the financial bases for reasonable social security services and allowances are clearly secured today by individual /or entrepreneurial/ contributions to social security in a legitimized way. However, a precondition for legitimacy is to make social security system a real network of financial security and a real system of self-defence. This assumes a self-governing system of its management whereby its operators /interest groups of employers and employees, "chambers" and "new" trade unions/ as well as its users /interest groups of pensioners, families with children, the ill, the unemployed and invalide/ * are also represented.

* Social security, in this sense, is not necessarily one single system, but rather an association of the self-governing social security systems meeting various needs and demands. An argument for the divided "family" "health service", "old-age" etc. insurances and allowances can be that their own self-governing policies, economic investments, etc. can be adjusted to needs represented by them in a more natural way and with much less leverage. Hence, a "health insurance" would rather support developing health services while an "unemployment banking institution" would consider investments and credit policies inherent in developing new workplaces as a main direction of its market oriented activities.

A self-government decides upon the actual /social, welfare/ policies of social security, and upon its development and priorities of satisfying needs and demands.

Two further conditions remain in order to operate this financial system of welfare policies safely.

One is a legislature by Parliament allowing seldom modifications and based on the main principles of the services. If laws of family allowance or pension, more or less favourable, often change, if they turn the various social groups against each other, they can undermine their own self-defensive character and the integrative force of the social security system. Laws connected with pension constitute an especially delicate problem. For people pay this "tax" throughout the decades and the basic sense of this investment can be questioned if conditions and regulations of pensionability are changed so often as nowadays.

The other precondition for safe operations is to divide paying obligations from their economic activities. Paying must be guaranteed in legal way and the State budget is financially responsible for that. The other is managed by self-governments given them free hand. In this respect, social security can become an entrepreneur in the market as anyone else /as a "credit bank" or "capital investor"/.

Forming some kind of equilibrium between the risk including a possibility of failure, of "growing rich" and lures of higher allowances based on the accumulated

incomes will eventually become the most important policy-making decision of a self-government of social security.

Problems of health insurance should be discussed further. Considering the fact that the availability of health services in Hungary is citizens' rights, the possibility for "buying these services", that is a system of health services should also be open to all. For maintaining /or more precisely, forming/ a free system cannot be ensured only if the State develops and finances a health service in a marketable way on the ground of its /local, regional, and central/ tax incomes while citizens are able to buy /free, from the side of a citizen/ due to the reserves of their health insurance allowances. In order to avoid discrimination against people who do not pay this allowance; not even through working members of their families /they are the marginalized poor/, allowance discussed earlier given as a citizen's right must include health insurance, too.

Finally, some words about another large field of welfare policy: how we ensure the availability of community provisions and services free of charge or at a minimal cost, and also about these provisions and services.

I have already told that the scope for the institution of social-political spheres is basically

a public administration responsible to their electors.* In order to make public administration function inherent in welfare and social goals, we need a clear division between their representative and authority characters, significantly diminishing the authority side /and making it operative, functional/; filling the representative side with content by free elections. And beyond these political and legal conditions, they also need money.

Taxes, personal and entrepreneurial, or paid by institutions constitute a basis for an operative welfare administration. Personal income taxes /as I have already mentioned/ should function, in my view, primarily as a guarantee for financial security through social security and strengthening citizenship qualities.

Personal income taxes taken by local institutions of public administration can further serve the realization of the common aspirations of the local popular representation and some important local tasks.

* This statement is obviously valid only to a limited extent. For voluntary organizations, associations safeguarding and realising interests, leagues, etc. referred to earlier, serves also social and welfare tasks through provisions for and services etc. to, their own members. An elected public administration would obviously operate in "a smart way" if they defined their policies partly as supporting these organizations and associations, partly developing through them, meeting needs and demands. However, their basic function is to guarantee the welfare of the elector-citizens, and to realise the socially elaborated norms, etc.

However, services and provisions of public administration should rather be built on taxes from institutions and enterprises than on personal income taxes. Namely, because services and provisions of a representative public authority are inherent in more indirect and sophisticated interrelationships due to their character, and hence citizens cannot control them through their personal income taxes. Forms of general and proportionate sharing of taxation and those of control must clearly be avoided: the first is a question of income and redistribution, the other is of political character. It is only their division which can ensure the taxes not to become the means of passing the goals of the State back, while representative control should not be related to a property.

Taxations by a representative State must be passed by Legislature and Parliament. And shares of redistributing tax incomes between local, regional and central levels; what and under what principles would be spent on health services, education, direct redistribution compensating inequalities in services, provisions between settlements should all be decided by the Parliament. Taxation then - in order to control its utilization - should be practical to name, to make clear and easy to survey: how much society pays for education, health services, environmental control, etc. That is, the "resource conception" of today should be turned into an expedient taxation policy.

Welfare public administration will then manage money based on taxation /they are, in my view, not direct tax incomes, but redistributive incomes deriving

from tax resources/; education system will "buy" teachers and school; health care system will buy physicians, surgeries, assistants, hypodermic syringes - they will buy roads, kindergardens, welfare workers, family services, etc. If the task in question is very important, this system will be the exclusive buyer /and hence the service in question is free for the customer/, if it is not considered as one of the socially recognized basic needs, they pay for it or partly pay for it. In this way, we can solve the survival of services and provisions under market conditions /and for an entrepreneur to make fashionable clothes will be just as rationalistic as taking care of old people/; to elevate their actual level and quality to "civilise" them, although they will not be available to their consumers through direct market principles and according to their solvency.

Obviously, beyond purchasing provisions and services, the local welfare institutions of public administration cannot give up their goal: to "finance" occasionally the /potential/ consumers in the interest of some concrete goals , instead of subsidizing institutions. That is to say: they make marginalized people sound through welfare relieves because their being pushed out of the fields of marketed services and provisions is due to their poor load-bearing conditions.

However, our basic strategy, in my view, should be a fiscal policy by public administration aiming not at individuals but rather at the services and provisions themselves. On the one side, just because the development of a double system of services and

provisions can be avoided only this way /disintegrating the forms of health services and education for the "poor" and for the "middle class"/. On the other side, because welfare relieves are personalised and humiliating while subsidizing services and provisions is impersonal and activity-oriented. Third, because a general security of incomes, as I have already mentioned, is basically a matter of social security system. To mix its principles and methods with taxation would ultimately make the possibilities and the validation of a control difficult. This "mixing" could result in a state whereby the two systems - a social security system based on self-government and a welfare public administration - would shift responsibility on each other, and could become a source of their malfunctioning. Furthermore, an extension of welfare relief system and practice, instead of buying services and provisions, would result - instead of strengthening solidarity and integration --in turning public opinion against citizens who "live up" our tax money.

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I must close my reflections as I began them: without a reform development outlined in this paper, the future of the Hungarian society will be a backsliding, a disintegration of the gained values of a bourgeois development; and the real stake of such a decline would be the loss of our so important European quality, a total marginalization of our society. Today we still have our resources to build on in order to avoid these dangers of a national disaster. To accept and to flourish this bourgeois development can become a reintegrating nation-wide goal offering perspectives with social forces rallying around it. It can lead the Hungarian society out of its constraints and deadlock.