

Critic Behind the Curtain

By Force of Thought

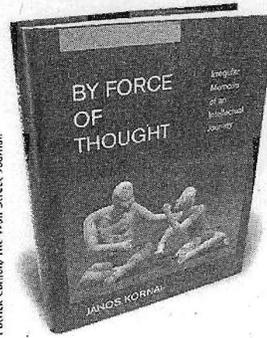
By János Kornai
(MIT Press, 461 pages, \$40)

Outside Hungary and the precincts of professional economists, János Kornai is not a household name. "By Force of Thought," Mr. Kornai's memoir, may not make him one overnight, but it is a thoughtful account of an extraordinary life and a portrait of a certain kind of intellectual dissent too little written about from personal experience.

Mr. Kornai was born in 1928 and raised in Budapest in a prosperous, assimilated Jewish family. His life changed abruptly with the outbreak of World War II. His father, a lawyer, had once represented German business interests in Hungary; he would be arrested and eventually deported to Auschwitz, where he perished. One older brother was drafted into a Hungarian labor battalion and died on the Eastern Front. Mr. Kornai himself managed to obtain a kind of passport, which the Swedish diplomat Raoul Wallenberg was distributing to Jews; armed with this document, he was spared deportation and survived the war.

The traumas he experienced and the need to resist fascism led him to sympathize with the Communist Party and to join it a few months after the war's end. For a time, he was a sincere believer not only in the Hungarian dictator, Mátyás Rákosi, but in Stalin as well; the young Mr. Kornai carried a "blind, unconditional faith" in the Soviet Union in spite of the brutalities he had witnessed by liberating Red Army troops.

"Political naivete and immaturity," he now writes, coupled with moral "blindness and self-imposed isolation," kept him oblivious to the repression around him. For eight years he worked as a journalist for a prestigious newspaper, writing on the economy. But along the way he talked with an old friend who had been tortured by the Communists, an experience that helped to open Mr. Kornai's eyes. Following Stalin's death in 1953, Hungary began to experience political turmoil within the Communist Party itself, leading to a purge



Patrick Conlay/The Wall Street Journal

at Mr. Kornai's newspaper. He was dismissed as an anti-Stalinist, and rightly so: By then he had relinquished his belief in Marxism. He embarked on a career as a professional economist, defending his dissertation just weeks before the Hungarian Revolution in the fall of 1956.

Mr. Kornai was among the advisers to the Imre Nagy, the doomed leader of the Hungarian government who sought to free the country from Soviet domination. Once Soviet tanks intervened and crushed the revolt, Mr. Kornai found himself in a precarious position. But unlike tens of thousands of others, he decided to remain in Hungary come what may and pursue his career as an economist. He was monitored by informers and repeatedly interrogated; he was dismissed from his research institute for lack of ideological conformity. He was forced to denounce a friend who had escaped to Paris, an act that he found "oppressive and degrading."

Mr. Kornai decided in the late 1950s to stay clear of politics and focus on research. His book "Overcentralization" (1957) was the first by an economist behind the Iron Curtain to examine the command economy of "actual socialism" and to criticize central planning. Surprisingly, the authorities allowed it to be published in Hungary, although naturally it was attacked in the press. An English-language edition of the book appeared soon after, from a British publisher. Mr. Kornai's international career was launched.

By 1963, he was allowed to travel to Cambridge, England, where he attended an academic conference and conferred with Western col-

leagues. He later became the first economist from an Eastern European country to work as a researcher at the World Bank. Over the ensuing decades, Mr. Kornai's books and lectures in Europe, North America and Asia established him as one of the leading scholars of socialist economics and an expert on the difficult transitions that many countries face when they move from socialism to a more democratic and capitalist system. Some of this expertise is on display in "By Force of Thought," in passages that professional economists may savor more than the general reader.

At one point in 1974, under the more relaxed rule of János Kádár, when Hungary was the "most cheerful barrack in the camp," Mr. Kornai and his wife decided to build their own home. Over the course of several months, they personally confronted the corruption, endemic shortages and shoddy construction materials that were so common in Eastern Europe. A year later, on a trip to India, Mr. Kornai was faced by idealistic young Maoists whose concern for the desperately poor reinforced their support for socialism. Mr. Kornai responded to them by arguing, as he puts it here, that "rationing systems that spread misery equally may assuage feelings of injustice for a while, but they will not solve anything."

That is not to say that Mr. Kornai's views match up perfectly with Milton Friedman's. He retains respect for Karl Marx as an economist and pointedly notes the "morally nasty features" of capitalism. He is obviously not an intellectual meant for strict orthodoxies of any kind. Nearing his ninth decade, János Kornai continues to enjoy a fully engaged and independent career. He is back in Budapest full-time, after years of spending months at a time at Western universities, particularly Harvard. His memoir shows just how much can be accomplished by force of thought, even when political forces do so much to oppose it.

Mr. Rubenstein, the Northeast Regional Director of Amnesty International USA, is the author of "The KGB File of Andrei Sakharov."