

RECONSTRUCTING ECONOMICS IN POLAND:
CHANGES IN CONTENTS, PERSONNEL
AND ORGANIZATION OF TEACHING AND RESEARCH*

By Karl von Delhaes

The Soviet model: The priority of politics over economics

As in most other countries which after the Second World War came under the influence of the USSR, the political and economic system in Poland was shaped in close resemblance to the Soviet model. Within this framework, economics was assigned an important role under two aspects: Since Marxist ideology termed itself scientific and materialistic, a special brand of economic analysis had to furnish most of the arguments to underpin central tenets, above all the dogma of communism as the inevitable outcome of the history of mankind. Furthermore, economic reasoning was expected to justify the recurring drives to rearrange the whole system, in spite of the fact that their causes were mainly political. Apart from this function, there was a very real need for scientific research and training in the workings of a centrally planned and administered economy, which – excepting a few short-lived wartime attempts – had never been practiced in an industrialized country.

Marx himself had not given overmuch thought to a viable system that was to supplant capitalism since he was convinced that it should be evolved by capitalism itself. Concentration of capital would eventually lead to the creation of a huge trust encompassing the entire economy¹. After transition of this trust into the property of society as a whole, it was to be managed according to the same principles that Robinson Crusoe followed on his island, only on a social scale instead of individually². Engels, too, made light of this task, stating: "The people will solve it quite easily without intercession of the notorious value"³. Only Lenin – admittedly not confronted with a fully developed capitalist economy – seemed to grasp the scope of the problem half a century later, when, during the seventh convention of the Bolsheviks, he termed the creation of an economic organism that would lead "hundreds of millions of people to conform to one single plan" as a gigantic task⁴.

It remains doubtful, however, which role he foresaw for economic sciences in this

* Based on a paper read at panel 2-17 of the AAASS national convention in Honolulu, November 1993, this contribution does not cover the considerable changes during the last two years.

¹ Marx, Karl: Das Kapital vol. III (MEW vol. 25). (East) Berlin 1964. 452.

² Marx, Karl: Das Kapital vol. I. (MEW vol. 23). (East) Berlin 1962, 92.

³ Translated from Engels, Friedrich: Anti-Dühring (MEW vol. 20). (East) Berlin 1962, 288.

⁴ Translated from Lenin, Wladimir I.: Referat über Krieg und Frieden, gehalten auf dem 7. Parteitag der KPR (B) am 7. März 1917 [On War and Peace. Report to the 7th Party Conference of the RCP (B), 7 March 1917]. In: Lenin: Werke vol. 27. (East) Berlin 1960, 77.

field. Being confronted with criticism of his invariably political approach to every problem, Lenin retorted: "Politics necessarily takes priority over economics. Arguing otherwise means forgetting the ABC of Marxism"⁵. During the First Five-Year-Plan, starting in 1928, under Stalin the problem of centrally administering the whole economy was seriously tackled. The approach was characterized more often than not by political voluntarism rather than by economic reasoning. The scope that was left for economics until recently is illuminated by the Soviet standard textbook on 'Political Economy of Socialism' of 1971, which was then obligatory in most socialist countries. In the introductory chapter under the heading 'The partiality of political economy of socialism' we read: "Political economy of socialism, revealing the advantages of the new economic order in comparison to every preceding one, plays an important role in educating the Soviet citizen in the unshakable conviction of the victory of communism", and further, "The political economy of socialism analyzes the development and perfection of socialist relations of production"⁶. Accordingly, an institute or at least a lecturer for political economy was to be found in even the remotest places of higher education such as sports academies and the like, whereas teaching and research in economics as an applied science was strongly centralized and, in response to the pattern of central planning, specialized in ever more subdivisions; thereupon it degenerated to a trade-oriented, mostly descriptive subject.

The Polish case: Independence versus political opportunism

If the socialist approach played a significant part in Polish economic thinking immediately after the war, it was certainly not of the Leninist-Stalinist variety. This field was intellectually dominated by economists affiliated with the Polish Socialist Party (PPS), e.g. Oskar Lange, Edward Lipiński and Czesław Bobrowski. Concerning the role of the state in the economy, they were rather in agreement with the numerous scholars of liberal or at least anti-interventionist persuasion⁷, differing mainly on the question of ownership of the means of production. In an article on "Economic Foundations of Democracy in Poland" of 1943 (and reprinted as late as 1947 in *Przegląd Socjalistyczny*) Lange postulated that "... all centers of economic decision-making are to be 1) strictly separated from the political and administrative state apparatus (similar to the separation of independent courts of law from the executive power) [and] 2) to be organized from below along the principles of democratic self-management and control"⁸.

⁵ Translated from Lenin, Wladimir I.: *Noch einmal über die Gewerkschaften, die gegenwärtige Lage und die Fehler Trotzki's und Bucharins* (1921). In: *Lenin: Werke* vol. 32. (East) Berlin 1961, 73.

⁶ Translated from the East German version: *Politische Ökonomie des Sozialismus*. (East) Berlin 1973, 27.

⁷ For an overview about the published opinion of leading Polish economists such as L. Caro, A. Krzyszanowski, K. Dziewulski, E. Taylor, A. Heydel, F. Zweig, and others on this subject, see: Zagóra-Jonszta, Urszula: *Akademicka myśl economiczna wobec interwencjonizmu w Polsce międzywojennej* [Academic Economic Thinking on Interventionism in Inter-War Poland]. *Ekonomista* 1/1990, 185-208.

⁸ Translated from Lange, Oskar: *Gospodarcze podstawy demokracji w Polsce* [The Econo-

It was only when the faction of the communist Polish Workers Party (PPR) around St. Gomułka, who had proclaimed a specific "Polish road to socialism", was ousted by the Stalinist group around B. Bierut and H. Minc, that efforts were undertaken to transplant, among other things, the Soviet economic model and the corresponding approach to economics. One of the first moves in this campaign was directed at the type of economics applied in the national accounting of the planning office (CUP), then led by PPS experts. H. Minc criticized their adding the contributions of services and trade to the national product in the traditional manner as "not only economically wrong but decidedly the method of the class enemy"⁹.

After the dissolution of the PPS by its integration into the communist Polish United Workers Party (PZPR), some of the economists, e.g. Oskar Lange, recanted their former convictions and others were isolated from the public. Beginning in 1950, the First Six-Year-Plan undertook to "create the unshakable foundations of a new social order in Poland, the foundations of socialism"¹⁰ along Soviet lines¹¹. Reorganization of science and higher education – especially in economics – consequently had two main directions: firstly, "remnants of capitalism in science" were to be weeded out¹² and indoctrination with the proper "scientific" world view was to be furthered¹³ under close control of the party. Secondly, students should be trained as quickly as possible to serve the requirements of the Six-Year Plan. It was planned to graduate 146 000 professionals, among them 20 000 economists, until the end of 1955. At the same time, tuition was free for everyone admitted but workers' and farmers' children were to be preferred to raise their share among students from 58 % already achieved in 1949 to 70 % envisaged as a result of the Six-Year-Plan¹⁴. Both aims were served by abolishing the autonomy of universities – which had been rebuilt to pre-war standards in the late forties – and subordinating them to a central ministry for science and higher education¹⁵. Whereas the relevant decree in 1947 had confirmed the freedom of scientific research, the act on science and higher education from 1951 in its first article explicitly laid down the tasks to be fulfilled¹⁶. Excepting chairs for political economy

mic Basis of Democracy in Poland]. In: *Wizji gospodarki socjalistycznej* [Visions of a Socialist Economy]. Warszawa 1985 (reprint from 1947), 316.

⁹ Translated from Memorandum w sprawie błędnych metod opracowania plan gospodarczego na 1948 r. przez CUP [Memorandum on the Faulty Method of Preparing the 1948 Economic Plan by the Central Planning Authority]. In: *Jędruszczyk, Hanna: Wizji gospodarki socjalistycznej w Polsce 1945–1949* [Visions of a Socialist Economy in Poland, 1945–1949]. Warszawa 1983, 560 (Doc. No. 178).

¹⁰ Bierut, Bolesław: Closing speech at the 5th plenary session of the Central Committee of the Polish Workers' Party, 16 July 1950. In: *Der Sechsjahrplan*. Warszawa 1950, 8.

¹¹ "Soviet science will be the model and signpost for the educated in Poland". Translated from: *Ozga, Władysław: Oświata w planie 6-letnim* [Education in the Six-Year Plan]. Warszawa 1951, 76.

¹² See, for example, *Życie Nauki* 7–8/1951, 643.

¹³ Art. 1 of the Law on Science and Higher Education of 15 December 1951. *Dziennik Ustaw* 6/1952, pos. 38.

¹⁴ Cf. Hartmann, Karl: *Hochschulwesen und Wissenschaft in Polen 1918–1960*. Frankfurt 1962, 58.

¹⁵ *Dziennik Ustaw* 21/1950, pos. 181.

¹⁶ Cf. note 13.

and Marxism-Leninism, economics as a subject was removed from most universities and concentrated in special colleges (as were medicine, arts and agriculture). Subjects deemed not necessary for performing the jobs envisaged for graduates were eliminated¹⁷, and trade specialization, e. g. investment economics or economics of transportation, was increased. In correspondence to the organizational centralization of science and higher education, a concentration of personnel in and around the capital set in: whereas in 1960 already 30 % of all professors and 25 % of all scientific personnel worked in Warsaw, this share had increased to 61 % for full professors, 57 % for assistant professors and 33 % of all scientific personnel by 1978¹⁸.

There is no denying that during the last years of Stalinism the "weeding out" of independent scientific opinion in Poland was attempted with more or less the same methods as in other socialist countries. When in 1956 criticism could be published again, E. Lipiński accused the Polish Academy of Sciences (PAN), newly founded in 1952, of not having guarded the freedom of science, while it was known that there were cases when economists "were not only removed from their positions, but also were accused of alleged high treason, consisting in the publication of some statistical data. They stayed in prison for one and a half years before being released, without guilt, without sentence, without a court of law"¹⁹. S. Żółkiewski, himself a communist functionary who came into office as minister of higher education before the 'Polish October' in 1956, admitted: "As is well known, sterile dogmatism and the personality-cult [kult jednostki] have especially hindered development in philosophy and economics"²⁰.

On the other hand, the measures taken were neither as numerous nor as harsh as those elsewhere. Relegation did not normally mean imprisonment or worse, but suspension from teaching and publishing, quite often even with payment. According to L. Kołakowski, the cultural damage done by Stalinism in Poland was not quite irreparable. This he ascribes to Polish European cultural traditions, to a deeply rooted mistrust against Russian ways of doing things, and perhaps to a subdued enmity of older Polish Communists against Stalin, who in 1938 had liquidated the leaders of the Polish Communist Party²¹. Thus, we may assume that the influence Marxism gained on Polish economic thought during the first decade was not due to outward pressure alone, but also to a genuine conviction on the part of its most prominent representatives, perhaps furthered by the seemingly tremendous initial economic results of the new system and by the constructivist lure it offered to scholars who wanted to take part in the building of a new Poland.

¹⁷ Ozga: Oswiata 77.

¹⁸ Nowe Drogi 10/1960, 103. – Informator o placówkach naukowo-badawczych i rozwojowych województwa stołecznego warszawskiego [Handbook on Scientific, Research and Development Institutions in the Warsaw District]. Warszawa 1978, Statistical appendix, p. 1.

¹⁹ Translated from Polska Akademia Nauk, Sprawozdania z czynności i prac [Polish Academy of Sciences, Report on Activities and Published Works] 3 (1956) 67.

²⁰ Translated from *Dziesięć lat rozwoju nauki w Polsce Ludowej* [Ten Years of Scientific Development in the People's Republic of Poland]. Warszawa 1956, 73.

²¹ See Kołakowski, Leszek: *Hauptströmungen des Marxismus* vol. III. München 1979, 194.

Evidence for this is to be found in O. Lange's speech on "Current problems of Polish economic sciences" at the Second National Congress of Polish Economists in 1956. Maintaining that the Marxist transition of 1949–50 "has purged science from the ballast of bourgeois methodology and concepts which had hindered the understanding of the true laws of societal development"²², he criticizes dogmatism, sycophantism, bureaucratic meddling and political voluntarism as 'deviations' responsible for the sterility of the science in the last years. When he calls for a true Marxist analysis of contradictions within socialist development and a critical examination of bourgeois economics with a view to usable parts, it becomes clear that he is not leaving Marxist foundations but rather invoking traditional qualities of scholarship. The second internationally renowned Polish economist, M. Kalecki, returned to Poland in 1955 because at the height of McCarthyism in the United States his Marxist convictions made his job at the United Nations difficult. W. Brus, their colleague in the Economic Council, which was called to discuss reforms in 1957–58, also admitted to the first signs of his own 'reform attitude' only in 1953 with the 'new course' after Stalin's death and indications of miscarriage of the Six-Year-Plan²³. The same holds true for other later independent spirits. Marxism and central planning were not then generally under debate, and economists like J. Popkiewicz, who championed downright market-socialism or S. Kurowski who even questioned the '— socialism' part²⁴, were marginalized²⁵.

Although the relatively free discussion that started in 1956, as far as it was conducted in public, hardly outlasted the consolidation period of the new party leadership under S. Gomulka until around 1958, it left distinctive traces in the academic discourse among economists. Their, in its way, genuine scholarly effort to modernize Marxism and reform the economic system lasted for over ten years, if increasingly confined to remote theoretical debates. All the same, the party, deeming its ideological monopoly endangered, tried to curb the discussions, branding them as 'revisionism'. The students' uprising in 1968 (somewhat ironically triggered by an immanent 'leftist' critique of the party line by J. Kuroń and K. Modzelewski) led to a thorough purge, especially among academic economists. Among the prominent 'revisionists', W. Brus and K. Laski eventually emigrated, Kalecki resigned, and Kowalik, Lipiński and Bobrowski were, at least for some years, removed from contact with students. Not counting students and other academic personnel, overall several hundred academic teachers were thus condemned as 'Zionists or revisionists' and supplanted by people mainly qualified by their loyalty to the party. In the Central School of Planning and

²² Translated from Lange, Oskar: *Actualne problemy nauk ekonomicznych w Polsce* [Current Problems of the Economic Sciences in Poland]. In: *Wizji gospodarki* 333–359. See esp. p. 338.

²³ Brus, Włodzimierz: *From Revisionism to Pragmatism. Sketches to a Self Portrait of a "Reform-Economist"*. In: J. M. Kovacs and M. Tardos (eds.): *Reform and Transformation in Eastern Europe*. London 1992, 136–142. See esp. p. 136.

²⁴ Some circumstantial evidence for this is given, inter alia, in Kurowski, Stefan: *Na ekonomię polityczną* [On Political Economy]. In: *Skice optymistyczne*. Warszawa 1957. 45–73.

²⁵ Kowalik, Tadeusz: *Reform Economics and Bureaucracy*. In: Kovacs/Tardos (eds.), *Reform and Transformation*, 164–176, esp. p. 170.

Statistics in Warsaw alone, 40 appointments were made of candidates without proper qualification²⁶.

Although, as Kolakowski admits, in the field of political economy Polish revisionism was carried on, e.g. in the works of Brus and Lipiński, it can be said that, on the whole, here as elsewhere the Marxian paradigm degenerated into a "political ceremonial"²⁷. J. Beksiak, presently chairman of a task-force for the reform of economic studies, surmises retrospectively: "One may, therefore, claim that Polish economics were destroyed twice: first in the years 1949–50 when it was dislodged by the dogmatic Marxist economics of the Stalinist era, and second in 1968, when its ground-level personnel was purged ... In both cases damage was done: in the first people and concepts were harmed, and in the second, morale and ethics. The damage seems to have been greater in the second case"²⁸.

Movements on the surface and below (1975 to 1989)

Even the bleak situation outlined above, however, had some features that held hope for the future:

- the dogmatic conformity, symbolized by the translations of the currently obligatory Soviet text book in other socialist countries, never held sway in Polish lecture halls²⁹;
- international contacts and relatively free discussion also with economists of non-socialist countries were maintained since the late fifties;
- the keepers of the Polish economics tradition and their disciples were never entirely silenced and exerted remarkable influence, if mostly via unofficial channels, from within and without;
- beyond the official party line there existed a vacuum of conviction that furthered the seeping-in of "bourgeois", that is Western economic theories, quite often in their most modern or radical versions.

In the second half of the seventies, when the illusions nourished by E. Gierek's reform effort had dissolved, there began numerous underground activities by organizations like the Committee for the Protection of Workers (KOR), the Student's Solidarity Committee (SKS) or the Association for Scientific Courses (TKN). Taking up the tradition of the "flying university" (*uniwersytet latający*) that existed in Warsaw under Russian rule 1885–1905, lectures were organized in private homes on subjects such as: "history, sociology, philosophy ... economics ... , that is fields of science where the

²⁶ Beksiak, Janusz et al.: *Higher Economic Education in Poland. Its present state and proposals for the immediate change*. Mimeograph, Warsaw 1990, 7.

²⁷ Kolakowski: *Hauptströmungen* vol. III. 507.

²⁸ Beksiak et al.: *Higher Economic Education* 8.

²⁹ On the final page of his booklet *Über einige Probleme des polnischen Weges zum Sozialismus* (Warschau 1957), which is otherwise quite respectful of Soviet achievements, Oskar Lange comments on whether or not to use the Soviet textbook on political economy, that "one can make use of any book, but one ought to do it critically".

insufficiency of official education as well as political and ideological restrictions are felt to be especially detrimental"³⁰. In one of these lectures S. Kurowski, after emphatically refuting all the important tenets of the political economy of socialism, posed the question of how it was possible to live down all the contradictions between reality and official doctrine, and concluded: "As yet, we are being protected by our European culture, our Christian morals and our national history. Equally, we are being protected by our ability to think. Our ultimate protection could, perhaps, be our free and independent reflection and analyses"³¹. The Party leadership obviously knew about such activities, but interference was only halfhearted and did not stop them.

At the same time, a search for new orientations in the field of economics could also be observed in some parts of the party hierarchy. In 1978, Leszek Balcerowicz, a member of the Department for Economic Policy at the Institute for Fundamental Problems of Marxism-Leninism of the Central Committee PZPR, was charged with designing an economic system more effective than the existing one, but at the same time not transgressing those limits, which were then held to be "political reality"³².

Balcerowicz (incidentally holding a master's degree in business administration from St. John's University, New York) and his team (many of whose members came into office in Polish governments after 1989) produced a program which was soon embraced by the "Solidarity" opposition as the most radical and far-reaching³³ in comparison with competing projects, especially in relation to the draft elaborated by the governmental reform commission.

Although martial law, announced in December 1981, led to temporary internment or exile of many progressive economists, the tendencies initiated in the late seventies in this field of science continued and increased underground as well as (semi-) officially all through the eighties:

In many reform-projects initiated in 1980-81, e.g. reorganization and more self-determination of institutes of higher education or communal and regional autonomy, research went on. Results, often harshly critical of the existing situation, were eventually published almost uncensored, if not in widespread and popular journals and newspapers. Contact with Western economics and economists persisted and became almost unhampered in the mid-eighties. There was a marked tendency toward publication of materials and reprints from relatively liberal periods in post-war Polish history, e.g. 1945-47 and 1956-58 with special stress laid on socialist alternatives and the "Polish

³⁰ Translated from an announcement of the Warsaw Student's Solidarity Committee, as cited in *Dziennik Polski* (London), 7 April 1979, under the heading *Bojówki bezpieczeństwa przeciwko nauce* [Security thugs against Science].

³¹ Translated from Kurowski, Stefan: *Doktrynalne uwarunkowania obecnego kryzysu gospodarczego PRL* [The Part of Doctrine in the Present Economic Crisis in the People's Republic of Poland]. Lecture, Warsaw 1971. Published, probably underground, by Biblioteka historyczny/Bibliothek literacki, Warszawa 1980, 15.

³² Pysz, Piotr: *Wirtschaftsreform in Polen* (Dokumentation Ostmitteleuropa 5-6/1983). - Balcerowicz, Leszek: *800 dni* [800 Days]. Warszawa 1992, 11.

³³ Cf. Die Gewerkschaft „Solidarität“ zur Neuordnung des polnischen Wirtschaftssystems (Dokumentation Ostmitteleuropa 1-2/1982, 8, 90).

road"³⁴. Even exiled Polish economists (e.g. W. Brus, W. Bieńkowski) and some Western authors (e.g. J.K. Galbraith or J.A. Schumpeter with his "Capitalism, Socialism and Democracy") were available in Polish translation officially. Underground publications which seemed to reach many people with small risk contained reprints of Polish pre-war liberal economists³⁵, as well as Polish translations of L. v. Mises, W. Röpke, F.A. v. Hayek and M. Friedman as pocketbooks ("kamizelówki").

On seemingly innocuous subjects like marketing or foreign trade, some professors at state universities taught their students partly from Western textbooks. In remote fields like theory of statistics and econometrics, which had never experienced much ideological pressure, mainstream standards had all along been kept. The year 1983 (martial law had just been suspended but not yet repealed) saw the reactivation of an economics department at the Catholic University in Lublin (CUL), where the former faculty for law and economics had been liquidated in 1952 by ministerial decree despite this university's continued independence. S. Kurowski, well known dissident since 1956, became head of this department.

Probably favored, but certainly not inspired, by Gorbachev's 'perestroika', during the second half of the eighties the most important ideological foundations of socialist economics began to crumble publicly: Whereas in 1986 an article by Balcerowicz cautiously analysing the comparative advantages of private ownership of the means of production still appeared in a quarterly philosophical journal³⁶, in the beginning of 1988 discussions about a dominating private sector, the end of central planning and administration of the economy, introduction of capital markets, etc., reached the major newspapers³⁷. A rather public conference on "Proposals for remodelling the Polish economic system", with visitors from many then-still socialist countries, was held in the rooms of SGPiS and officially tolerated if not initiated³⁸.

On economic issues, the round-table conference during the spring of 1989 showed hardly any differences between the Solidarność opposition and the still ruling

³⁴ For example a 1200-page collection of sources and documents from before 1949 by Hanna Jędruszczak under the title *Wizji gospodarki socjalistycznej w Polsce 1945–1949* [Visions of a Socialist Economy in Poland, 1945–1949], with very critical remarks on the Moscow-inspired blocking of the "Polish road" (cf. note 9), the reprint of certain articles by Oskar Lange which had not been published since 1947 (cf. note 8) or the analysis *O polską drogę do socjalizmu* [The Polish Road to Socialism] by Jerzy Jagiełło, Warszawa, PWN (!), 1983.

³⁵ Zweig, Ferdynand: *Zmierzch czy odrodzenie liberalizmu?* [Decline or Revival of Liberalism?]. First published in 1938, 5 editions up to 1987. – Heydel, Adam: *Etatyzm po polsku* [Etatism in the Polish Way]. First published in 1932, 3 editions since 1983 in Warsaw.

³⁶ Balcerowicz, Leszek: *Uwagi o pojęciu własności* [Some Comments on the Term Property]. *Studia Filozoficzne* 4 (1986) 105–125.

³⁷ See, for example, the discussion in *Życie Gospodarcze*, which started in No. 1/1988 with an article by Mieczysław Mieszczankowski, *Niewiadome układy docelowego* [The Unknown System we Aim at], and continued all through that year.

³⁸ *Propozycje przekształceń polskiej gospodarki* [Proposals for Restructuring the Polish Economy]. Conference, held November 17–18, 1988, at the Central School of Planning and Statistics in Warsaw. Some of the papers were published in English in: *Communist Economies* 1 (1989) No.3.

communists³⁹. Rather, concerning the question of wage-compensation for losses by inflation, the latter seemed slightly more "capitalistic".

The transition of 1989: Problems and starting points

Notwithstanding these developments, the statement of J. Beksiak and others about Polish economics that, "This field of learning has ceased to serve current needs",⁴⁰ was obviously true from the moment the first government not dominated by communists declared in September 1989 its intention "to transform the Polish economy into a market economy with an ownership structure changing in the direction of that found in the advanced industrial economies"⁴¹.

Insufficiencies and maladjustments to the intended economic system were evident in every aspect:

- The theoretical *contents* of the type of economics officially pursued up to that time, with the labor theory of - objective - value at its core, had not only become doubtful by results, but also was in open contradiction to price determination solely by supply and demand. In a short survey of Polish economics textbooks available in 1990, a team of reformers at the SGPiS (renamed by Parliament 1991 into SGH = Szkoła Główna Handlowa) surmised: "The knowledge about contemporary market economics which a student may acquire from economic textbooks is *approximately zero*"⁴².
- Considering *personnel* in the field of science under discussion, the same team pointed out that, "The domination of the Party did not waver in the higher economic schools from 1981 to 1989,"⁴³ and further on, "A generation of professors and assistant professors who owe their careers to Party pacts from the March [1968, K. v. D.] period and succeeding years is playing the key role in all areas of life in economic schools"⁴⁴. They further grouped independent teaching personnel into four categories, i. e.: 1. Those who hold Marxist beliefs and teach what is called Marxist economics (a numerous group); 2. Those who teach the same but have their doubts, without curiosity about alternatives, however (the biggest group); 3. Those who, although for opportunistic reasons presenting their students with similar lectures as the first two groups, acquired knowledge about economic theory for themselves and 4) those who never assented to Marxism or repudiated it years before, made themselves well-versed in Western mainstream economics and shared their knowledge

³⁹ Porozumienia okrągłego stołu [The Agreements of the Round Table]. Mimeograph, Warszawa, 5 April 1989. A short comparison of opinions on economic issues is presented in *Die Privatisierung in Polen* (Dokumentation Ostmitteleuropa 1-2/1992, 25-28).

⁴⁰ Beksiak et al.: Higher Economic Education 2.

⁴¹ Memorandum (unpublished) on the Economic Reform in Poland and the Role of Foreign Financial Assistance, presented by the Polish Minister of Finance at an IMF conference at Washington, D. C., September 1989.

⁴² Beksiak et al.: Higher Economic Education 10.

⁴³ Ibid. 9.

⁴⁴ Ibid. 14.

with their students as far as possible (by far the smallest group). For the younger academic staff the team's evaluation is somewhat more positive⁴⁵. – *Mutatis mutandis*, the same characteristics hold true for research institutes at the Academy of Sciences (PAN) and elsewhere, whereas it may be expected, that – as a rule – they were more negative for former ideological centers, as, for example, the academy for social sciences attached to the central committee PZPR.

- Many of the complex *organizational* problems to be solved, directly derived from the content and personnel aspects or were closely related to them. New chairs and institutes had to be arranged for, as new subjects were required by the new economic system and/or no longer ideologically banned. Since exaggerated trade-orientation did not fit in a market-economy context and due to a more scholarly approach a redirection of curricula toward more universal erudition was to be attempted. This again necessitated a new order of graduations. A need for reform also existed concerning the mode of conferring academic titles and appointments, which up to then had entirely depended on the deliberation of a central commission. Furthermore, in accordance with decentralization of economic decision-making and to fulfill the new claims for pluralism and scholarly freedom, the whole governmental structure for central administration and financing of academic activity had to be revised. Procedures for self-government of institutions of higher education and research had to be evolved and implemented.

Proposals, achievements, and prospects

Partly in anticipation of the radical change, proposals for relevant legislation had been forwarded already in 1989 (e.g. by the Nationwide Academic Commission of "Solidarity" or by Prof. W. Findeisen from Warsaw Technical University, since 1989 senator). Concerning economics, L. Balcerowicz, as minister of finance responsible for economic reform, turned to his former senior colleague, J. Beksiak of the SGPIŚ in May 1990 with the request to gather a team for the purpose of "analyzing higher economic education in Poland and to elaborate proposals for changes answering the requirements of the changing economic system"⁴⁶. The ensuing report, from which some rather drastic statements have been cited in the preceding section, led to some public criticism⁴⁷, but produced a veritable outcry among faculty members, as insiders confirm. Several economists from other schools and universities were quick to point out that the findings were mainly related to problems internal to the SGPIŚ, which, however, in this author's opinion, is definitely not the case. The team (consisting of J. Beksiak, E. Chimielecka, U. Grzełowska, A. Müller and J. Winiecki) was well aware of the dangerous dilemma between centrally decreed changes and purges, on the one hand, and premature autonomy for academic bodies where reformist members were

⁴⁵ Ibid. 15.

⁴⁶ Translated from *Wyższe szkolnictwo ekonomiczne w Polsce* [Higher Economic Education in Poland]. *Rzeczpospolita* (supplement *Ekonomia i prawo*), 16 August 1990, III.

⁴⁷ See, for example, Wojciechowski, Thadeusz: *Kilku uwagi o wyższym szkolnictwie ekonomicznym* [Some Remarks on Higher Economic Education]. *Rzeczpospolita*, 28 August 1993.

generally outnumbered, on the other. Thus, it proposed some compulsory measures, insisting that they be defined as transitional, whereas it supported solutions respecting the schools' independence while indirect pressure was applied by resource allocation.

The proposals for compulsory implementation included⁴⁸:

- the universal removal of the obligatory course on “The Political Economy of Socialism” (non-economic schools obviously included);
- the withdrawal of all textbooks for the course “History of Economic Thought” and their substitution by non-communist Polish textbooks, e. g. E. Taylor: *The History of the Development of Economics* (last, incomplete edition: Poznań 1957–58)⁴⁹;
- the withdrawal of current textbooks for the course on “The Political Economy of Capitalism” and supply of suitable material either translated or newly written in Polish and delivered by instalments;
- compulsory two-tiered “crash” courses in the main subjects of Western mainstream economics for everyone teaching economics (and including research personnel from outside higher education since they would soon be entering jobs as academic teachers); after examination on completion of the first courses conducted domestically, courses abroad should follow;
- freedom for students to choose their own lecturers, at least in the critical fields, accompanied by payment of lecturers somehow linked to their number of students;
- evaluation of lecturers by the marks attained by their students in examinations with outside control.

In September 1990 the new law on higher education⁵⁰ was passed by the Sejm on the basis of a proposal prepared by the ministry. Reformers were dissatisfied on several points: Many suggestions which aimed at more general regulation, leaving details of academic procedure to autonomous deliberation by independent self-governing bodies of teachers and students, had been ignored. Again, the new law was quite specific on many points and several central commissions retained their functions, among others a decisive part in conferring the postdoctoral degree of “habilitation” and in the appointment of assistant and full professors. Yet, at least the design and implementation of new curricula had been left in a large measure to academic bodies, ministerial control being confined to the fulfillment of minimum requirements only. To people who wanted to put higher economic education on a new footing, and would have preferred some quickly enforced amendments to existing regulation as first measures, the timing of the new law seemed unfavorable: There was fear that while the terms of academic functionaries and representative bodies installed by the old law had to be prolonged until the new law could be applied, conservative forces would try to hire or promote their followers into the electorate. Since promotions in 1990 rose markedly

⁴⁸ B e k s i a k et al.: *Higher Economic Education* 22–30.

⁴⁹ A new edition was available in Warsaw bookshops in September 1993.

⁵⁰ *Dziennik Ustaw* 65/1990, pos. 385, 386.

⁵¹ *Dziennik Ustaw* 42/1985, pos. 201, 202.

above yearly averages, this fear was obviously not without substance. The situation was further aggravated by the dissolution of schools, institutes and chairs mainly concerned with Marxist-Leninist ideology during the fall of 1990, whose personnel sought – and in many cases found – jobs in economic higher education, thus strengthening the anti-reformist faction. Concerning these developments, there were even doubts whether, initially, an “enlightened dictatorship” would not be preferable to immediate autonomy⁵².

However, whether due to an insight into necessities of that part of the academic staff, which was deemed rather conservative, or on account of the remarkable activities of progressive minorities, things got moving, at least at some academies and universities. Notably the former SGPiS, its name now changed back to SGH, elected A. Müller, a reformist and original member of the Beksiak team, as rector. At the college level, new curricula with a much broader approach to economics and including many novel subjects were already in force for the academic year 1991–92. At the same time more freedom of choice was offered to students as long as they fulfilled certain requirements on obligatory subjects⁵³. In due course, the post college-level curricula have been reformed for the academic year 1993–94⁵⁴. The SGH has been changed from a multi-faculty to a one-faculty school. Special stress is being laid on mainstream microeconomics and macroeconomics, the history of economic thought and foreign languages, first and foremost English. The latter, for example, comprise 20 % of lectures and points required for the master's degree in economics⁵⁵. Accordingly, it is estimated that a third of SGH-students now are able to follow lectures in English.

More or less similar efforts have been made in the other four economic academies (Poznań, Wrocław, Kraków and Gdańsk) and some of the universities with substantial economics faculties. Of course, much of the reform consists as yet of re-labeling of old chairs and subjects (eg. Political Economy of Socialism = Macroeconomics, Political Economy of Capitalism = Microeconomics), quite often combined in new faculties and departments in a rather haphazard fashion⁵⁶. But people engaged in the reform will rightly point to the fact that a beginning has been made which they hope

⁵² See, for example, Beksiak et al.: *Higher Economic Education*, 18. During an interview at the Central School of Business on 16 September 1993, Professor Beksiak made clear, on the other hand, that such dictatorship could not be expected from the ministry, since ministers with short terms of office were in a rather rather weak position compared to their bureaucracy, which had been retained from former years and mainly favored the old ways.

⁵³ Cf. SGPiS w stronę zachodu [The Central School of Planning and Statistics is Looking Toward the West]. *Gazeta Wyborcza*, 19 March 1991.

⁵⁴ Cf. *Szkoła Główna Handlowa: Informator 1993/94* [Handbook for the Central School of Business, 1993/94], foreword, 3.

⁵⁵ Chmielecka, Ewa: *Katalog Szkoły Głównej Handlowej* [The Catalogue of the Central School of Business]. *Nauka i szkolnictwo Wyższe* 1/1993, 122, table 2. The comparison on p. 118 shows that the academies in Poznań and Kraków have similar programs in this respect.

⁵⁶ The academy in Poznań, for example, now consists of three faculties. Whereas the chairs for banking and tourism belong to the economics faculty, we find microeconomics in the management and marketing faculty and a chair for theory of business cycles even in the faculty for commodity studies. All the same, all over Poland the Poznań school is considered to be in the forefront of reform.

will generate its own dynamics. In this they seem justified by inter-chair competition for students, who may now choose their lecturers within the faculty, as well as by the many competing private courses, business-schools and academies that are cropping up everywhere. According to one estimate, their number is presently running up to 2000 (!), while there were in September 1993 twelve private economic academies, officially acknowledged by the minister for higher education, conferring a bachelor's degree. Most of them even arranged for acceptance of their graduates into economic faculties or academies run by the state for magisterial studies.

A comparable process is taking place in economic research, which had formerly been concentrated in the PAN and other special, often sectorally oriented institutes. Dried up financially so far as permanent budgets are concerned, they have to compete for government grants and contracts, which are centrally administered by the committee for scientific research (KBN), or form other public institutions or private foundations. Some of the most flexible and progressive scientists have formed private research units (as profit or nonprofit organizations). The first of these, even in the entire formerly socialist realm, was the Gdańsk Institute for Market Economics founded early in 1989. A leading member, J. Lewandowski, held office as minister for privatization twice. Other research scientists seek employment in universities or academies, where basic research will probably be centered in the future alongside teaching.

In the meantime, further reform of higher education in economics is hotly debated between the Council for Higher Education (RGSW) and the Ministry of National Education (MEN) on the official side and a reformist "Coordination Committee for the Reform of Economic Education" (ZKRSE)⁵⁷. The latter aims at a model strongly reminiscent of U.S. patterns (paid tuition, coexistence of autonomous privately and publicly financed schools, evaluation and differentiated contracts for lecturers, etc.) with some elements of the German system. There is a notable exception, however: standardization and coordination of curricular minimum requirements should be decided on by a body constituted of academic teachers, students and representatives of vocational corporations⁵⁸ "since it is extremely unlikely that common norms will be arrived at in a reasonable time just through free competition"⁵⁹.

Outside help has been of some significance in the last few years. Work on and publication of reform projects has been sponsored by the Soros Foundation (acting in Poland as the Stefan Batory Foundation). Two American textbooks of economics have been published in Polish with financial help of the Rockefeller Foundation. EC Tempus Programs and the Oxford Foundation pay Western guest lecturers, and the Warsaw Summer School for Economics (a program for training of higher education personnel in modern economics with several hundred participants from all over Poland) is funded

⁵⁷ See, for example, the reports in *Życie Gospodarcze* under the headings *Primum non nocere* (14 February 1993, 25) and *Instytucjonalne warunki* [Institutional conditions] (21 March 1993, 31).

⁵⁸ Most reformers interviewed, however, declined to include the Polish Economic Association (PTE) among these organizations, since they deemed it "a retreat for conservatives", as one of them put it.

⁵⁹ Cf. Beksiak, Janusz/Chmielecka, Ewa/Grzełowska, Urszula: *Academic Economic Education in Change*. Warszawa 1991, 38.

by the Ford Foundation. Studies for master's degree at Columbia University may be undertaken with bachelor graduation from Warsaw University of SGH. (Candidates are selected, however, on the Polish side and take special preparatory courses.) Finally, every major industrial nation is offering several exchange programs for foreign studies.

At a recent conference on reforming higher economic education in Eastern Europe (Kassel, 30 September 1993), E. Chmielecka, member of the Beksiak team, stated that, despite many hopeful developments, the general situation of economics in Poland had not changed overmuch when compared to the analysis in the first report of 1990. This can hardly be surprising if viewed from a "human capital" approach. Most of existing learning in economics has been entirely devalued, so that accumulation under new conditions had to start almost from scratch. That a forceful start is being made may be seen from students' application and enrolment figures, which doubled or tripled, e.g. with Poznań Economic Academy, the Economic Faculty of Warsaw University or SGH (although, admittedly, unemployment which reached up to 25 % among higher school graduates, may have played its part). The precarious bottleneck constituted by the lack of education in modern economics is illustrated, on the other hand, by applications for "asystent" vacancies, which constitute the normal entrance into academic staff. At Warsaw University's economics faculty, there were in 1992 no applications at all, and in 1993 up to 4 September applications for 27 vacancies. A professor from Łódź stated that although his department had 6 staff members, they were hardly ever available, teaching and advising elsewhere or doing business on their own. Even full professors, first and foremost those engaged in reform, are lecturing in two or three different institutions and manage several consulting jobs in one day. This, of course, is also due to the dismal payment, which amounts to \$ 300 monthly (exchange value) for a full professor in his main job. Taking ten years as the minimum time of preparation for a lecturer in economics and counting 1991 as the start of new curricula at SGH, normalization will only occur in the next century, not taking account of other delaying factors.

Considering such factors, a concluding remark seems to be called for: the elections of 19 September 1993 gave the majority to the nominal heirs of the pre-1989 party structure. Although there is no reason whatever to fear a relapse into the communism of old, the populist economic programs of the victorious parties give support to the statement of J. Winiecki (late of the European Development Bank) "that a climate favoring the economically illiterate is building up in Poland"⁶⁰. To give a notion of the working of a modern market-economy to a broader public and to delete communist stereotypes lingering in the minds of citizens might well be as important, and take more time, than entirely reorienting scholarship in economics. Thus, there is sound reasoning for the senior Poznań economist W. Wilczyński to switch from scientific publication to economic journalism, or his wife, herself a qualified scholar, to write children's books on economic subjects. The same holds true for the Foundation for Popularizing Economic Knowledge, which is presided over by L. Balcerowicz, who initiated and implemented economic reform in Poland for the first years after 1989.

⁶⁰ Zdaniem Jana Winieckiego [The opinion of Jan Winiecki]. *Gazeta Bankowa*, 4 June 1993.