Separated at Birth or Separated by Birth? The Communist Successor Parties in Romania and Hungary

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After dominating political life for almost 45 years, the communist parties of Eastern Europe practically collapsed within a few months in 1989 only to experience what were often spectacular comebacks relatively soon afterward. But while, with the exception of the Czech Republic, the communist successor parties have managed to regain much of their lost political influence, they have chosen very different approaches in their attempt to recast their political profiles and images. The current paper will try to contribute to a better understanding of this controversial process by analyzing the trajectories of communist successor parties in Romania and Hungary and by trying to identify the factors that have shaped the development of these parties. The starting point for this analysis is a puzzling question: Why did the Hungarian Socialist Party (MSZP) pursue a more reformist and pro-Western political path than the Romanian Party of Social Democracy (PDSR), even though its ties to the Communist Party appear to be closer than those of its Romanian counterpart? The paper will first investigate the different degrees of continuity with the Communist Party that have characterized the two parties. Then I will analyze the platform and the policies of the two parties along three key dimensions: economic reforms, nationalism, and democratic record. Finally, I will show how internal and external constraints can be used to explain the different developments of the two parties along the three key dimensions.

Who are the Successor Parties?

Before proceeding with the analysis, it is important to clarify the use of the term *successor party.* Even though in both countries there are several parties that can be regarded as inheritors of the com-

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munist legacy, the present essay will focus on the two most influential successor parties: the MSZP and the PDSR. This choice seems warranted for several reasons. In the case of Hungary, following the breakup of the Hungarian Socialist Workers' Party (MSZMP), two parties were formed: the more reformist MSZP and the hard-line Leninist MSZMP II, which was later renamed the Labor Party. While both parties claimed to be heirs to the MSZMP, the latter has played only a marginal role in the Hungarian political arena, since it failed to pass the 5 percent threshold in both the 1990 and the 1994 elections, while the MSZP has become the dominant political force in the country since the 1994 elections. In Romania, the situation was considerably more complicated because the PDSR only emerged in March 1992,[1] after the breakup of the National Salvation Front (FSN), which had dominated Romanian politics after the 1989 fall of Ceauşescu's dictatorship. For reasons that will be discussed later, neither the PDSR nor its predecessor chose to identify openly with the legacy of the Romanian Communist Party, but both were widely regarded as such within as well as outside Romania. Two other parties need to be discussed in this context: the Democratic Party (PD) and the Socialist Labor Party (PSM). The PD of Romania's first post-revolutionary prime minister, Petre Roman, emerged as the more liberal faction after the split of the FSN in March 1992, and some observers have argued that both the PD and the PDSR should be considered as communist successor parties.[2] Even though initially the split between the two former factions of the FSN may largely have been caused by the personal conflict between Iliescu and Roman, ulterior political developments (culminating in the PD's participation in the Democratic Convention (CDR) coalition government after 1996) have created a considerable ideological rift between the two parties. Furthermore, both the membership and the voter base of the PD provide few arguments for categorizing it as a communist successor party. The other "candidate" is the far-left PSM, which has tried to capitalize on the Ceauşescu nos-

1. After the FSN breakup, Iliescu's faction initially called itself the Democratic National Salvation Front (FDSN) and only changed its name to PDSR in 1993, after its victory in the September 1992 elections.
2. See Heinz Timmermann, "Die KP-Nachfolgeparteien in Osteuropa," *BIOst* 31 (1994).

talgia of some parts of Romanian society by claiming to be the direct successor of the defunct Communist Party. However, these efforts have met with only limited success, and the PSM failed to pass the 3 percent threshold necessary to enter Parliament in the 1996 elections, after it had marginally passed it during the 1992 elections.

Two Kinds of Continuity

CONTINUITY OF RHETORIC AND OF SELF-DEFINITION

The differences between the continuity patterns in the MSZP and the PDSR are visible at both the rhetorical and the membership levels. Rhetorically, the MSZP passed through two phases after its birth as one of the surviving factions of the communist MSZMP:

1. Between October 1989 and May 1990, the MSZP claimed to be the heir of Hungarian progressive thinking and reform communism with the objective of democratic socialism, thus stopping halfway between the pre-1989 reform communism and Western social democracy.[3]
2. From the second congress, following the electoral defeat in May 1990 until the present, the MSZP has achieved a credible departure from its communist past and has managed to redefine itself as a pragmatic, professional political party along the tenets of Western democratic socialism. While the MSZP never officially settled its stance toward the Kádár era and Marxist ideology, the genuineness of this conversion was underscored by the party's clean, professional electoral campaign during the 1994 elections, which avoided unrealistic populist promises, as well as by its willingness to enter a coalition with the Free Democrats despite having won an absolute majority of seats in the Parliament.[4]

3. Barnabás Racz & István Kukorelli, "The Second-Generation Post-Communist Elections in Hungary in 1994," *Europe-Asia Studies* 47:2 (1995), 160.
4. As will be discussed in a later section, this alliance was at least partially meant to dispel fears both inside and outside Hungary that the MSZP's rise to power could revive authoritarian strands in many of the party's former communist officials.

In Romania, the problem of continuity was much more complicated, partly because of the extreme volatility of the successor party, which has gone through a number of name and identity changes.[5] In the period immediately following the 1989 revolution, the ruling FSN defined itself in highly contradictory terms united only by their unambiguous rejection of the Ceauşescu regime. On the one hand, Iliescu claimed that the NSF was a product, not a cause, of the revolution[6] and as such represented the interests of a wide cross section of Romanian society.[7] In this spirit the FSN proclaimed the abolishment of one-party rule and the creation of a pluralist democratic form of government.[8] On the other hand, however, many of the FSN's political actions seriously questioned its commitment to Western democracy and the ability of its leaders to break with their communist past. Thus Iliescu admitted his allegiance to the values of communism[9] and advocated the adoption of an "original democracy" in Romania that avoided "narrow party positions" in favor of "unity in word and action."[10] As the May 1990 elections approached, the FSN constituted itself as a party and won an overwhelming majority in Parliament on a vaguely defined populist platform.[11] After the growing factional dissentions during much of 1990 and 1991, the FSN split, in March 1992, and it is only from this point on that one can talk about a more clearly defined party ideology. Even though both resulting parties defined themselves as social-democratic and claimed to represent the "true" spirit of the original revolutionary FSN, it was Iliescu's faction that emerged as the most influential political party on the left of the political spectrum.

5. The most consistent common element of the various stages has been the central position of Ion Iliescu, who has managed to retain de facto control over the party from the first days of the revolution until the present.
6. Ion Iliescu, *Momente de istorie* (Bucureşti: Editura Enciclopedică, 1995), 31.
7. As we will see, this claim was strengthened by the presence in the FSN of a series of high-profile anti-communist dissidents and prominent intellectuals.
8. Iliescu, *Momente,* 37.
9. In an interview in *Le Figaro,* 8 January 1990, cited in Anneli Ute Gabanyi, *Die Unvollendete Revolution* (München: Serie Piper, 1990), 51.
10. Iliescu, *Momente,* 61.
11. As Silviu Brucan, one of the FSN's most influential figures during the first half of 1990, remarked, "Our ideology consists of five points: more food, more heat, more electricity and light, better transportation and better health care." See *Reuter,* 29 December 1989, cited in Anneli Ute Gabanyi, *Die Unvollendete Revolution* (München: Serie Piper, 1990), 51.

However, by 1992 the parameters of the political debate had changed substantially. Rather than advocating an "original third way" for Romania, the PDSR won the elections on a gradualist, socially sensitive reform platform, compatible with its professed social-democratic orientation. Despite a series of blemishes,[12] the four years of governance, the fairly clean 1996 electoral campaign and the PDSR's willingness to accept its electoral defeat have largely dispelled fears about the party's propensity to step outside the framework of procedural democracy and secure power by resorting to the methods of its communist predecessor. Thus it appears that in both countries the successor parties have managed the transition to becoming socialist/social-democratic parties compatible with the standards of Western democracy. This commonality does not, however, preclude the existence of considerable developmental differences in the two parties' political profiles, which will be discussed in the second part of this essay.

CONTINUITY OF LEADERSHIP

Apart from ideological legacies, the political background of the successor parties' leadership can provide important insights into their degree of continuity with the communist parties. For the Hungarian case, I will rely on a detailed study of the MSZP elite between 1989 and 1996 by Csilla Machos,[13] which finds a surprisingly high level of personnel continuity between the MSZP and its communist predecessor. Of the 87 leading members of the party[14] during this period, 19 (21.8 percent) had occupied high-ranking positions (type 1) and 26 (29.9 percent) medium-ranking positions (type 2) in the communist hierarchy and state apparatus, and only two persons (2.3 percent) had never been members of the Communist Party.[15] The strong position of former high-

12. These blemishes include the PDSR's electoral alliance with several extremist parties, Iliescu's rather intolerant attitude toward dissenters within the party, and the occasionally strident nationalist overtones of the electoral campaign (which at some point resembled Ceauşescu's nationalist rhetoric).
13. Csilla Machos, "Elitenbildung und Elitenwandel in der Ungarischen Sozialistischen Partei (1989–1996)," *Südosteuropa* 1–2 (1997): 65–89.
14. Machos defined the MSZP elite as all the members of the Party Presidium since 1989, all the MSZP MP's in the 1990–94 legislature and the leaders of the parliamentary faction of the current legislature.
15. Machos, "Elitenbildung," 73

ranking communist officials was even more pronounced during 1990–94, when the group held 39–43 percent of the MSZP's parliamentary seats. Though the influence of the group on the MSZP parliamentary faction has gradually declined since 1994,[16] the party's Presidium was still heavily dominated by apparatchiks—for example, in the latest Presidium, elected in March 1996, type 1 officials still occupy 4 and type 2 officials occupy 8 of the 15 seats in the Presidium.[17] But while the dominance of high state officials in the post-communist party structures is higher than elsewhere in Eastern Europe, it is important to emphasize that most of them had only entered the highest political spheres after 1985, when the reformist movement began to dominate the MSZMP.[18]

Unfortunately, in the case of Romania no similarly detailed study of the PDSR elite exists. Nevertheless, it is possible to identify certain broad trends, which can be compared to the Hungarian case. Thus the careers of the two parties' leaders offer several striking similarities: Both Ion Iliescu and Gyula Horn studied in the Soviet Union in the early 1950's, both participated in repressive actions against anti-communist protesters in 1956, both rose to important leadership positions under the communist regime, and both became associated with reform communism in the late 1980s. However, while Horn's political career peaked in the late 1980s, when he occupied the post of foreign minister under the Neméth government, Iliescu was marginalized during the last years of the Ceauşescu dictatorship. Thus Horn's career confirms the wider trend within the MSZP leadership, and—at least in the period immediately following December 1989—the same holds true for Iliescu in the case of Romania's FSN. Iliescu's claims about the spontaneous creation of the FSN in the heat of the revolution are questioned by the prominence of former high-ranking communist officials (including army and Securitate officers who were instrumental in the anti-Ceauşescu coup) in the initial FSN lead-

16. Due to the high number of MSZP MPs in the new legislature, Machos tracks only the leaders of the MSZP parliamentary faction for this period. Within this group, the number of former high-ranking officials declined from 4 out of 18 in May 1994 to one out of 19 in March 1996.
17. Machos, "Elitenbildung," 67.
18. Machos, "Elitenbildung," 74.

ing council.[19] Its main members (Ion Iliescu, Silviu Brucan, Dumitru Mazilu, Alexandru Bârlădeanu, Corneliu Mănescu) had for various reasons fallen out of grace with the Ceauşescu regime without repudiating communism as an ideology. Even though the FSN defined itself as an open civic forum and managed to attract a number of prominent dissidents and intellectuals (Mircea Dinescu, László Tökés, Doina Cornea, Ana Blandiana, Géza Domokos, Andrei Pleşu, etc.), during the first weeks the trio—Iliescu, Brucan, Mazilu—wielded de facto control in the power vacuum left by Ceauşescu's demise. Even though first Mazilu and then Brucan dropped out from the most intimate circles of power, the significant proportion of former high- and medium-ranking officials among the dignitaries of the first post-Ceauşescu government suggests that this was largely controlled by a group of former communists, who wanted to reform but not change the system.[20] The power imbalance was further exacerbated by the rapid resignation from the FSN of most credible anti-communist intellectuals, who had initially upheld the image of the Front's diversity.

As the May 1990 elections approached, many critics inside and outside Romania expressed concerns about a return to communism, albeit "with a human face."[21] This criticism was justified by the FSN's failure to dismantle the feared Securitate and to purge the administrative apparatus of the most blatant beneficiaries of the communist regime.[22] At the same time, however, a combination of developments fundamentally changed the leadership profile of the FSN and thereby significantly reduced the power of the old political elite. Thus an intense campaign waged by the independent press and the nascent democratic opposition, combined with

19. Matei Călinescu and Vladimir Tismăneanu, "The 1989 Revolution and the Collapse of Communism in Romania," in Vlad Georgescu, *The Romanians* (Ohio State University Press, 1991), 289.
20. Martyn Rady, *Romania in Turmoil* (London: I. B. Tauris & Co, 1992), 122.
21. While the references to support this fear are potentially endless, I want to mention only two suggestive slogans present at virtually all anti-FSN demonstrations of that period: "FSN=PCR" and "*Iliescu pentru noi, este Ceauşescu II*" (For us, Iliescu is Ceauşescu II).
22. Vladimir Tismăneanu, "The Quasi-Revolution and Its Discontents: Emerging Political Pluralism in Post-Ceauşescu Romania," in *East European Politics and Societies* 7:2 (Spring 1993): 337.

international pressures, contributed to the resignation of several key figures who were accused of crimes during the communist period (Mazilu, Chiţac, Brucan). Another (possibly even more important) factor that contributed to these purges was Iliescu's efforts to secure his grip on power by eliminating potential rivals. Finally, the emergence of a parallel elite of younger technocrats around Prime Minister Petre Roman provided an important counterbalance to the group of old-style communists who surrounded Iliescu. Even though Roman was initially regarded as a docile follower of Iliescu,[23] he developed an increasingly independent pro-reform stance after the 1990 elections. The ensuing conflict between Iliescu and Roman and the eventual split of the FSN in March 1992 proceeded along the reformist/antireformist fault line. Even though Roman denied the existence of a reformist wing in the pro-Iliescu faction, the FDSN (the Democratic National Salvation Front, later renamed the PDSR),[24] I would argue that the party's antireform stance was more a result of Iliescu's tight control over the party[25] than of substantial continuity with the Communist Party. As discussed before, after 1992 the PDSR had relatively few remnants of the old-style top communists that had dominated the FSN in early 1990,[26] and this purification extended to the broader party elite.

In order to substantiate this claim, I have analyzed the biographies of 84 leading PDSR members between 1992 and 1996.[27] The

23. After all, the two enjoyed previous connections, since Roman's father had been a prominent communist and a close friend of Iliescu for several decades. This connection was one of the main reasons for Roman's rapid ascendance from obscurity to power in 1990. See Rady, *Romania in Turmoil,* 129.
24. Michael Shafir, "Romania: The Rechristening of the National Salvation Front," *RFE/RL Research Reports,* 2 July 1993.
25. Telling in this respect is Pasti's observation that the two presidents of the PDSR base their authority on having been appointed by Iliescu rather than on their legitimacy within the party. See Vladimir Pasti, *The Challenges of Transition: Romania in Transition,* trans. Fraga Cheva Cusin (Boulder: East European Monographs, 1997), 121.
26. Many former high-ranking officials instead drifted to Ilie Verdeţ's Socialist Labor Party (PSM), which was the only party that openly claimed to continue the legacy of the Communist Party. However, as mentioned before, the PSM has failed to play an important part in the Romanian political scene.
27. The short biographies are from Barla (1994, 1996), two editions of a dictionary of Romanian public and political figures, and include leading members of Parliament as well as PDSR members appointed to key positions in the state apparatus (ministries, etc.). See Graziela Barla, *Personalităţi publice-politice: dicţionar, ediţia a II-a 1992–1994,* (Bucureşti: Editura Holding Reporter, 1994); and Graziela Barla, *Personaliăţi publicepolitice: dicţionar, ediţia a III-a 1995–1996* (Bucureşti: Editura Holding Reporter,

results were striking: Using Machos's categories, I found that only 9 (10.7 percent) of the PDSR's key figures had been former high-ranking officials, 5 (6 percent) had been medium-level officials, while 70 (83.3 percent) of the PDSR elite had pursued professional careers. These results differ significantly from Machos's findings in the Hungarian case, where more that half of the MSZP elite had held high- or medium-ranking positions under the communists. One can therefore conclude that, both in terms of self-definition and in terms of membership, the MSZP displayed greater continuity with its communist predecessor than did the PDSR. While leadership change has been widely regarded as a key component of successful reform,[28] the rest of this paper will argue for a more nuanced view of continuity, which takes into account not only the degree of leadership change but also the potentially very different starting points of the post-communist transitions.

Policy Orientation Along Key Dimensions

Among Western observers, the MSZP has consistently received high marks in comparison with the communist successor parties in other countries,[29] while the PDSR (and before it the FSN) has been far less popular. The following section will try to test the basis for these perceptions by analyzing the track record of the two parties with regard to economic reforms, nationalism, and democratic record.

ECONOMIC REFORMS

The MSZP—More Reformist Than the Reformers? Despite its ability to capitalize on the rising antireform sentiment of a large

1996). While the space limitations and selection criteria of the dictionary may have led to the omission of some important figures, I did not notice any major gaps, and it is unlikely that such omissions would significantly influence the overall results.

28. Indicative in this respect is Shleifer's discussion of the importance of human capital of politicians and elite change for the creation of favorable business environments in Poland and P ıssia. See Andrei Shleifer, "Government in Transition," *European Economic Review* 41:3–5 (April 1997): 400–401.

29. For example, former French PM and chairman of the Socialist International, Pierre Mauroy, said that the MSZP had had the most success of all the reform communist parties in transforming itself into a social-democratic party. Cited in Edith Oltay, "Hungarian Socialists Prepare for Comeback," *RFE/RL Research Reports*, 4 March 1994.

section of the Hungarian electorate, the MSZP has largely avoided unrealistic populist positions both during the 1994 electoral campaign and during its governance after 1994. Thus, despite some early question marks (such as the scandal around the rescinded privatization deal of HungarHotels), the Horn government has continued the large-scale privatization drive initiated by the previous government. Contrary to predictions by its political opponents, the MSZP has been successful in consolidating the confidence of foreign investors: After the temporary disruption that followed the 1994 elections, foreign investment in the Hungarian economy reached record levels in 1995.[30] Furthermore, in a move designed to reduce the huge budget deficit inherited from its predecessor, the MSZP/Free Democrats coalition introduced a radical program to reduce the government bureaucracy and the excessively high Social Security benefits. Despite the fact that two-thirds of the public rejected the effective dismantling of the welfare state through the budget cuts proposed by Finance Minister Lajos Bokros,[31] the MSZP did not back down and as a result managed to reduce the budget deficit from 5.7 percent of GDP in 1995 to 1.9 percent in 1996.[32] At the same time, Hungary has pursued a tight monetary policy and thus maintained inflation levels below 30 percent, in spite of the pressures of the country's oppressive foreign-debt burden. Despite a certain reluctance to reduce the high marginal tax rates and to fully liberalize energy prices (both of which were problems inherited from the Antall-Boross regime), the MSZP's economic policy can be regarded as more reformist than that of its center-right predecessors.[33] Ironically, this very reformism contributed to the narrow defeat of the MSZP in the 1998 parliamentary elections, in which, despite the country's remarkable economic recovery, the electorate punished both the

30. The $4.5bn foreign investment in 1995 is impressive not just in comparison to the $2.3bn from 1993 (the last full year of the previous government) but also in comparison to the results of other East European countries during 1995: $419m in Romania, $183m in Slovakia, etc., *Business Central Europe* web page at http://www.bcemag.com.
31. Karen Lowry Miller, "Hungary Gets the Message from Mexico: Reform or Else (Economic Reform Plan in Hungary)" *Business Week,* 17 April 1995, 61.
32. Statistics are from the *Business Central Europe* web page at www.bcemag.com.
33. Ironically, this statement is indirectly acknowledged by the Hungarian opposition parties, which have accused the MSZP of hurting the "man on the street" in order to make profits for foreign investors. See Susan Milligan, "Broken Promises," *Infrastructure Finance* (February 1997).

Socialists and the Free Democrats for the pain and suffering incurred as a result of the austerity package introduced by the Horn government.[34]

The PDSR—The Art of Half-Way Reforms. As discussed in an earlier section, the PDSR (and before it the FSN) advocated a gradual reform intended to minimize the social costs of the transition. While this rhetoric was certainly effective both inside and outside Romania in establishing the party's image as an opponent of reforms, the track record of its six-year governance presents a more nuanced picture. From the point of view of monetary policy, after three years of politically motivated inflationary spending, the PDSR minority government finally approved a radical stabilization program in early 1994, which resulted in a sharp decline of inflation rates from 256.1 percent in 1993 to 136.8 percent in 1994 and 32.3 percent in 1995.[35] Another example of the party's uneven economic record is its policy toward privatization. On the one hand, privatization of agricultural terrain, housing, and small firms in the retail and service sectors has proceeded at a speedy rate, but on the other hand large-scale privatization was much slower than in most other East European countries.[36] At the same time, there were limited restructuring efforts in state enterprises,[37] even though the budget constraints of these enterprises were gradually hardened as a result of the 1994 stabilization program. One of the ironic paradoxes of the party's economic policy was the remarkably low level of Social Security spending as a percentage of GDP throughout the PDSR governance,[38] which suggests a level of economic pragmatism that stands in stark

34. "Young, Hip and in Power in Hungary," *Boston Globe,* 5 June 1998.
35. During the 1996 election year, inflation increased again to 38.8 percent, which, however, is still a respectable rate by East European standards.
36. Thus while Hungary had privatized 75 percent of its large-scale firms by 1994, in Romania the proportion was only 13 percent. See Lavinia Stan, "Romanian Privatization Program: Catching Up with the East," in Lavinia Stan, ed., *Romania in Transition* (Brookfield, VT: Dartmouth Publishing, 1997), 150.
37. Yves Van Frausum, "Industrial Restructuring in Romania: Diagnosis and Strategies," *Europe-Asia Studies* 47:1 (1995): 50.
38. Between 1991 and 1994, Romania spent on average less than 10 percent of GDP on Social Security benefits, while in Hungary the average was above 18 percent of GDP. From *World Economic Outlook* (Washington, D.C.: International Monetary Fund, 1996), 81

contrast to the populist rhetoric of many PDSR politicians. This pragmatism is further supported by the relatively low budget deficit throughout the PDSR (and the FSN) governance: Between 1990 and 1996, the average budget deficit as a percentage of GDP was 3 percent in Romania, compared with 4.4 percent in Hungary for the same period.[39] But despite these positive signs and the IMF's positive assessment of Romanian reforms[40] (Wood 1996:26), Romania attracted only $1.2bn in foreign direct investment between 1990 and 1996, which represents less than 30 percent of what Hungary received in 1995 alone.[41] Thus, even though the PDSR was arguably more reformist than both its rhetoric and its reputation would indicate, the reluctance and the inconsistency with which these reforms were pursued had an adverse effect on the credibility and effectiveness of the reform process.

NATIONALISM AND MINORITY POLICIES

The second comparative dimension of the two communist successor parties' policy orientations is their position on questions pertaining to nationality. The question taps into a broader theoretical and practical dilemma, which has confronted the socialist/communist parties in the region—namely, the need to reconcile the internationalist claims of Marxism and Leninism with the powerful political resonance of nationalist ideas in most East European countries. Both before and since the fall of communism, Romania and Hungary have differed substantially in the degree to which their "leftist" parties have embraced nationalism. An evaluation of the MSZP's and the PDSR's nationality stance will have to account for the fact that while Hungary is the most ethnically homogeneous country in Eastern Europe, Romania has a 1.7-million-strong Hungarian minority. Therefore while in the case of the PDSR this essay will focus primarily on minority policies, for the MSZP it seems to be more reasonable to analyze its attitude toward Hungarians abroad as the main indicator of national orientation.

39. *Business Central Europe* web page at http//: www.bcemag.com.
40. Barry Wood, "Romania: Eastern Europe's Second-Biggest Market Is Often Overlooked," *Europe*, 356 (May 1996): 26.
41. *Business Central Europe* web page at http//: www.bcemag.com.

The MSZP and Historical Reconciliation. Both during its 1994 electoral campaign and since its ascendance to power, the MSZP has consistently emphasized its commitment to "historic conciliation" with its neighbors. Rejecting the nationalist tendencies of its predecessor, the MSZP signaled from the very beginning that it was willing to sign bilateral treaties with its neighbors that would recognize the inviolability of borders and renounce any territorial claims. In order to counter accusations of abandoning the sizable Hungarian minorities living in neighboring countries, Horn emphasized that, while he shared "a deep feeling of responsibility for the fate of Hungarians living abroad," the fate of these minorities was unlikely to improve without the normalization of the bilateral relations between Hungary and the respective countries (i.e., primarily Slovakia and Romania).[42] While the new coalition government stressed its continued concern for the respect of minority rights, the new foreign minister, László Kovács, emphasized that Hungary would not seek to apply political pressure or isolate other countries in order to pursue its own interests.[43] Instead, Hungary passed a new law of education, which stipulated substantial minority rights, and could thus serve as a model for Slovakia and Romania, where the issue of minority education was subject to heated debates.

The conciliatory tone of the MSZP's nationality stance was reflected in the concrete diplomatic achievements of improved relations with its neighbors. While initially the prospects for a rapid normalization of relations looked better with Slovakia, the return to power of the nationalists under Vladimir Meciar in late 1994 reversed the early progress. Unexpectedly, however, relations with Romania gradually improved and culminated in the signing of a bilateral treaty, which recognized the inviolability of frontiers and rejected claims to ethnic autonomy. Horn was vehemently criticized for the treaty both by the Hungarian minority in Romania and by the nationalist opposition in Hungary, who accused him of treason and of "anti-Hungarian complicity,"[44] but neither the

42. Alfred Reisch, "The New Hungarian Government's Foreign Policy," *RFE/RL Research Reports,* 26 August 1994.
43. Ibid.
44. Agnes Maczo Nagy of the Smallholders Party quoted in Michael Shafir, "A Possible Light at the End of the Tunnel," *Transition,* 27 September 1996.

MSZP nor its coalition partner, the Free Democrats, backed out. Furthermore, Hungary has openly supported Romania's bid to enter NATO in the first round, after the relations between the two countries continued to improve in the aftermath of the 1996 Romanian elections. Thus, the MSZP has demonstrated remarkable restraint with regard to nationalism, which contributed considerably to the country's foreign-policy goals[45] and to higher stability in the region. As the strong showing of the right-wing parties in the 1998 elections suggests, however, this internationalism may have cost the MSZP valuable electoral support, which ultimately contributed to the party's narrow defeat despite its successful foreign-policy record.[46]

The PDSR: Unholy Alliances and Populist Nationalism. Unlike its Hungarian fellow socialists, the PDSR and its spiritual leader, Ion Iliescu, proved to be much more willing to play the nationalist card in order to hold on to power. Despite the aforementioned presence of several high-profile Hungarian political figures in the National Salvation Front in early 1990, the relationship between the FSN and the Hungarian minority began to deteriorate rapidly after the violent ethnic clashes that occurred in Târgu Mureş in March 1990. The FSN leadership never criticized the ultranationalist *Vatra Românească* for its role in the Târgu Mureş incidents and signaled its support for the organization by appointing its members to important to public offices at the local and national levels.[47]

However, the turning point in the PDSR's nationalist attitudes occurred after the 1992 elections, when the party failed to win a majority of seats in the Parliament and therefore had to rely on

45. Given the eloquent position of the United States, which indicated that it did not support autonomy on an ethnic basis, and the NATO requirements that none of the new members could have any unsettled disputes with their neighbors, one might, of course, interpret the MSZP's willingness to compromise as a mere pragmatic foreign-policy move. Nevertheless, the action is in accord with the broader stance of the party on nationality issues.
46. While it would be hard to establish the precise "cost" of the MSZP's nationality policies, the FIDESZ—Smallholders electoral alliance—which ultimately defeated the socialists, seems to have few ideological commonalities besides a more nationalist rhetoric and a strong dislike of the MSZP.
47. Tom Gallagher, *Romania After Ceauşescu* (Edinburgh, Scotland: Edinburgh University Press), 101–102.

the support of a red-brown coalition of four small parties, which included the anti-Hungarian Party of Romanian National Unity (PUNR) and the ultranationalist, xenophobic Greater Romania Party (PRM). While this marriage of convenience suffered frequent crises and Adrian Năstase condemned the "extremist blackmail" of the PUNR,[48] the party's willingness to compromise with its extremist allies in order to avoid early elections led to an intensification of nationalist policies and rhetoric between 1992 and 1996. Indicative, in this respect, was the drawn-out debate about the Law of Education during the summer of 1994, in which the PDSR complied with the PUNR's campaign against the demands of the Hungarian minority. The episode is significant because it marks one of the few instances in which the PDSR "rebelled" against the wishes of President Iliescu, who had earlier advised PDSR deputies to accommodate the Hungarian claims as much as possible.[49] The rebellion was led by Education Minister Liviu Maior, a member of the nationalist *Vatra Românească* movement,[50] which suggests the degree to which the PDSR had become a prisoner of its own political maneuvering. Still, the four years of PDSR governance were marked by relatively low levels of ethnic conflict and a gradual improvement of relations with Hungary, which led to the bilateral treaty in August 1996. Even though much of the credit for the treaty may go to the concessions made by the Hungarian side and to both countries' efforts to join NATO, the PDSR's willingness to sign the treaty just a few months before national elections indicates an attempt to distance itself from its ultranationalist allies. Indeed, PUNR leader Funar obliged by vehemently opposing the treaty and threatening to withdraw from the governing coalition.[51]

The PDSR's ambivalent attitude toward nationalism was under-

48. Quoted in Tom Gallagher, "The Rise of the Party of Romanian National Unity," *RFE/RL Research Report,* 18 March 1994. Năstase was the leader of the PDSR until the 1996 elections, because, according to the Romanian constitutions, the president is not allowed to be a member of any political party.
49. Michael Shafir, "Ethnic Tension Runs High in Romania," *RFE/RL Research Reports,* 19 September 1994.
50. Maior had joined the Văcăroiu government as an independent, and later became a PDSR member, despite the fact that as a member of *Vatra Românească,* the more logical party choice would have been its political arm, the PUNR of Gheorge Funar.
51. Michael Shafir, "A Possible Light at the End of the Tunnel," *Transition,* 27 September 1996.

scored by the bizarre dynamics of the 1996 parliamentary and presidential elections. Following the UDMR's (Hungarian Democratic Union of Romania) endorsement of Constantinescu in the second round of presidential elections, the PDSR, in a press release, issued a warning about the threat of looming federalization, and President Iliescu went even further when, during a campaign rally, he accused the UDMR of plotting the secession of Transylvania.[52] While this rhetoric underscored the willingness of both Iliescu and the PDSR to employ ultranationalist rhetoric in order to hold on to power, the reaction of their erstwhile extremist allies suggests the limited credibility and effectiveness of the PDSR as a mouthpiece of Romanian nationalism. Thus the rabidly nationalist and xenophobic chairman of the PRM, Corneliu Vadim Tudor, accused Iliescu of plagiarism and announced that the president's "anti-Magyar campaign is the reaction of a desperate party led by irresponsible leaders,"[53] while PUNR chairman Gheorghe Funar endorsed Constantinescu for the presidency. Overall, it seems that the PDSR's willingness to embrace nationalist rhetoric is due less to any deep ideological commitment than to an opportunist attempt to stay in power by using populist propaganda and making concessions to extreme nationalists. The strategy may account for the initially unlikely survival of the PDSR government, but its internal ideological inconsistency eventually backfired and contributed to the 1996 electoral defeat.

THE DEMOCRATIC RECORD

One of the major concerns regarding the revival (or, in some cases, survival) of communist successor parties in Eastern Europe was the lingering questions about the genuineness of their commitment to democratic principles. A substantial portion of both the internal and the international public opinion feared that the success of the former communists would lead to a reversal of democratic developments and pave the way for some new form of authori-

52. Michael Shafir, "Romania's Road to 'Normalcy,' " *Journal of Democracy* (Winter 1997): 51.
53. Quoted in *Evenimentul Zilei,* 13 November 1996; cited in *Transition,* 27 December 1996.

tarianism, consistent with the weak democratic traditions in the region. This section will analyze the policies of the MSZP and the PDSR/FSN to evaluate the degree to which such fears were well founded.

Hungary's Democratic Socialists. The MSZP's rising popularity between 1990 and 1994 and its resounding victory in the 1994 elections, in which the party won 54 percent of the parliamentary seats, was accompanied by increasingly stringent warnings from the right of the Hungarian political spectrum about the dangers of communist restoration. Aware of the burdens of the historical legacy of his party and of the potentially catastrophic economic consequences of Western concerns about Hungary's democratic credentials,[54] the MSZP's chairman, Gyula Horn, dismissed the fears of a return to the communist era as absurd and pointed out that the social-democratic MSZP did not want, and Hungary's plural democracy would not allow, a return to the old system.[55] In order to counter such questions about its democratic credentials, the MSZP entered a governing alliance with the liberal Free Democrats, who had been the most consistent critic of the former communist regime. This unlikely alliance has proved to be effective insulation against the MSZP's populist left wing and has contributed to what most observers agree is a remarkably clean democratic record for the almost four years of MSZP governance. In doing so, the MSZP has proved that it was not only more reformist but also more democratic than its MDF predecessors. Unlike the MDF, which during 1993–94 had conducted a veritable attack on the media in an attempt to elbow the opposition out of the media, the MSZP has rejected intense mediatization since gaining power in 1994, choosing instead to project a low-key, professional image to the Hungarian public.[56] Another significant aspect of the MSZP's commitment to democracy was the reform of self-gov-

54. The important implications of Hungary's heavy dependence on Western credit and foreign direct investment will be discussed in greater detail in the final section of this essay.
55. Quoted in "Gyula Horn, Prime Minister of Hungary," *Defense & Foreign Affairs' Strategic Policy,* 30 June 1994.
56. Ákos Szilágyi "The Mediatization of Government Politics," in Csaba Gombár et al., eds., *Question Marks: The Hungarian Government 1994–1995* (Budapest: Korridor Books, 1995), 203–206.

ernment procedures at the local level, as a "response to the introverted, sometimes even anti-democratic, attitudes of the leadership of local self-governments during the previous cycle."[57] Most significant, perhaps, the MSZP-SZDSZ coalition tried to reach a comprehensive social and economic agreement for its four-year economic program through a tripartite negotiation mechanism between the government, the labor unions and the employers' organization.[58] Even though this unique experiment to obtain a social consensus for reform failed, it nevertheless demonstrates the MSZP's resolve not only to avoid a return to communism but to go one step further than many East European reformers in terms of respect for democratic norms. Despite the criticism of some observers that Horn's personnel changes have occasionally been too abrupt, which have been interpreted as a sign of his dislike to cede power to anyone,[59] I would argue that the MSZP's political trajectory in the past seven years credibly establishes the success of the party's transition to the tenets of Western social democracy.

Romania's "Original" Democracy. Romania's democratic record during the 1990–96 period has, by most accounts, been mixed and inconsistent, which obviously reflects on the democratic credentials of the leading political party during that period: the PDSR and its earlier incarnation, the FSN. Even though few observers have matched the vehemence of Crozier's assessments of Romania as a "neo-Communist sham democracy,"[60] Iliescu's vision of an "original" Romanian democracy has been regarded with considerable reservations by most of the West and by a considerable portion of Romanian society as well. Rather than try to evaluate the justification of these labels, the present discussion will focus on several key elements that have characterized the evolution of democracy during the PDSR/FSN period.

57. Ilona Pál Kovács, "The Government's Gestures and Structures in the Process of Decentralization," in Csaba Gombár et al., eds., *Question Marks: The Hungarian Government 1994–1995* (Budapest: Korridor Books, 1995), 341.
58. Lajos Héthy, "Anatomy of a Tripartite Experiment: Attempted Social and Economic Agreement in Hungary," *International Labor Review* (1995), 361.
59. "Horn's Dilemma: Hungary (Prime Minister Gyula Horn)," *Economist* (28 January 1995): 78–99.
60. Brian Crozier, "Lurching Towards Democracy," *National Review,* 25 September 1995, 33.

During the first six months following the overthrow of the Ceauşescu regime, Romania witnessed the creation of a multiparty system, a free press, and the first democratic elections after more than half a century. However, these achievements were overshadowed by several serious question marks about the commitment of the new Romanian leadership (particularly Iliescu and the FSN) to the values of free and open democratic competition. The blatant manipulation of national television, the violent electoral process and the intimidation of political opponents, the widespread reports about voting irregularities during the May 1990 elections, the brutal intervention against the pro-democracy demonstrators in Bucharest's University Square, and the FSN-orchestrated rampage of the miners through Bucharest in June 1990 are only highlights of the FSN's political liabilities during that early turbulent period. Nevertheless, given the genuine popularity of the FSN and the weakness of the political opposition, the electoral victory of the FSN largely reflected popular preferences, even if its proportions (Iliescu received 83 percent and the FSN 66 percent of the popular vote) raised justified concerns about the prospects of pluralism in Romania.

Unexpectedly, pluralism arose at least in part from within the ranks of the FSN, where the personal rivalry between President Iliescu and Prime Minister Roman eventually led to a split of the FSN, in early 1992, into a reformist camp under Roman and a group of hard-liners under Iliescu, which eventually formed the basis of the PDSR. After the local elections in February 1992, in which the democratic opposition won significant victories in most larger cities, the national elections in the fall of 1992 brought a narrow victory for the PDSR. The electoral campaign was much more civilized than it was in 1990, the political field more closely resembled that of stable democracies,[61] and international observers judged the election free and fair, or at least considered that the minor irregularities did not influence the outcome of the elec-

61. By this admittedly broad and risky term, I mean the existence of a number of reasonably well-defined and organized parties with electoral platforms that offer voters a variety of choices along a number of key dimensions (economic policy, minority policies, social-welfare agenda, nationality issues, etc.). Furthermore, in contrast to the 1990 elections, there existed a relative balance of power between the main contestants.

tions.[62] While the 1992 elections undoubtedly marked a significant step toward the consolidation of a democracy, several questions still undermine the PDSR's claim to genuine democratic behavior. Even though the print media faced no censorship for expressing critical and divergent political standpoints, the continued state control over state television played an important role in shaping public opinion and the electoral choices of the population, given that as late as 1995 more than 58 percent of Romanians relied on state television as their primary source of information.[63] An even graver accusation is levied in an interesting article by Henry Carey,[64] who argues that the PDSR used the lack of independent observers in a significant part of polling stations to decisively rig the results of the vote by invalidating votes for the opposition and through a heavy reliance on special lists. While the razor-thin margin of the PDSR's victory and the discrepancy between election results and pre-election polls lend support to these accusations, the fact that they have not been pursued by either the Romanian or the Western media[65] raises some questions about their reliability as a basis for judging the democratic character of the 1992 elections.

But while the 1992 elections marked at least an improvement in the PDSR's democratic credentials as the winners of internationally sanctioned free elections, the party's choice of political allies renewed doubts about the genuineness of its commitment to democratic values. Unlike the MSZP, whose choice of a coalition partner served to establish the democratic and reformist credibility of the new government, the PDSR vied for the support of several notoriously extremist and antidemocratic parties. While the details of this often stormy and unstable cooperation are

62. Henry Carey, "Irregularities or Rigging: The 1992 Romanian Parliamentary Elections," *East European Quarterly* (March 1995): 45.
63. Henry Carey, "From Big Lie to Small Lies: State Mass Media Dominance in Post-Communist Romania," *East European Politics and Societies* (Winter 1996): 36.
64. Henry Carey, "Irregularities or Rigging: The 1992 Romanian Parliamentary Elections," *East European Quarterly* (March 1995): 43–66.
65. While Carey argues that the reason for this silence was government intimidation of the Romanian media (which in itself is questionable given that Romanian newspapers of the period are full of vehement attacks against Iliescu and the PDSR), it completely fails to account for why the Western media, which was certainly no great supporter of Iliescu, chose to ignore the affair.

beyond the scope of the current discussion, the PDSR's willingness to sacrifice both self-respect and credibility in order to hang on to power[66] threw doubt on the party's ability to complete the transition to a democratic-socialist political organization, which its name and professed orientation aspired to.

Even though, unlike the MSZP, the PDSR has not yet succeeded in becoming fully democratic, its attitude during the 1996 elections demonstrated that the party at the same time defied predictions about a possible turn toward authoritarianism. Starting in late 1995, several pro-opposition private TV stations (ProTV, Antena 1) reached national audiences without serious interference from the government. Thus one of the major power disparities between the PDSR and its political opponents was greatly diminished, and, considering that the large majority of the independent media openly sided with the opposition, I would argue that in terms of mediatization the 1996 elections clearly met democratic standards. Furthermore, aside from Iliescu's shrill notes in the last stage of the presidential campaign, the PDSR resorted to fewer scare tactics and populist promises than it did during the previous elections. Most important, however, both Iliescu and the PDSR accepted their electoral defeat as a normal democratic phenomenon and pledged to engage in "constructive opposition." Ironically, this admission of defeat may have been the most genuine expression of the PDSR's commitment to democracy and the most significant step in the long and winding road of the Romanian communist successor party toward democracy since December 1989. One may, of course, ask whether this conversion will prove to be genuine and lasting—as one may wonder whether seven years of ambivalent democratic attitudes can be redeemed in an instant—but from a pragmatic "better-later-than-never" perspective the peaceful transition of power at least reduces the democracy gap for the PDSR far more than for the much more "emancipated" MSZP.

66. One of countless examples of the trials to which the PDSR was subjected by its "allies" was an attack by C. V. Tudor, the chairman of the PRM, who accused Iliescu of subjugating the country to the Jews and predicting that "Vadim will be to you what you were unto Ceauşescu." See *România Mare,* 6 October 1995.

Explanations for the Policy Differences

As the preceding analysis has shown, the Romanian communist successor party has overall been less reformist, more nationalist, and less democratic than its Hungarian counterpart, despite the latter's higher degree of continuity with its communist predecessor. In trying to understand the reasons for this paradox, I think it is significant to point out that in many respects the soul-searching that the PDSR went through after its 1996 electoral defeat was very similar to the identity crisis the MSZP experienced after the 1990 elections. In the case of the MSZP, the realization of defeat initiated the process of reorientation, which then bore fruit four years later. Meanwhile, the PDSR did not have a similar experience before 1996, and therefore had less motivation to change its style and profile. The point of this comparison, however, is not to emphasize the rejuvenating consequences of electoral defeat but to point out the need to rethink the approach toward comparative analyses of parties from different countries. For the remainder of this essay, therefore, I will argue that the policy differences discussed in this paper need to be explained in the context of the substantially different constraints faced by the two parties and countries at the outset of transition.

THE LASTING LEGACY OF THE PAST

Economic Conditions. At the outset of the "official" transition in early 1990, the economies of Hungary and Romania started from radically different positions. In Hungary, the gradual economic liberalization of Kádár's goulash communism was accelerated by the increasing influence of the reformist wing of the MSZMP, starting with the mid-'80s. Thus by early 1990 Hungary had significant structural advantages for economic reform in comparison with the other former communist countries:

> The apparatus of state control and central planning had been dismantled. Prices and trade had been freed. Private ownership and private businesses had again been allowed. Competition had been restored. A framework of commercial laws and institutions had

been re-instituted. Privatization had begun. A banking system and a capital market had been created.[67]

As a consequence, by 1990 Hungary had already traveled a significant portion of the road leading to a free-market economy and, despite the gradualist reform approach of the Antall-Borros government, in 1994 the MSZP inherited a largely privatized economy with solid institutional foundations and a heavy reliance on Western investments.

By contrast, when the FSN came to power in December 1989 the Romanian economy displayed all the ingredients for catastrophe:

> Romania, under communism, stood out for its unflinching adherence to Stalinist precepts of economic policy, its isolationism, its industrial policy choices which blatantly ignored comparative advantages, its trade policy choices which ran counter to the very logic of functioning of the domestic economy, and a *sui-generis* "shock therapy" in the eighties.[68]

Dăianu's assessment explains not only why the Romanian economy was arguably much more difficult to reform along free-market principles but also why at the outset of reforms the FSN faced a much more negative popular response toward reforms than did its Hungarian counterpart. Ceauşescu's shock therapy of the 1980's not only ruined the economy (which contracted by almost 11 percent in 1988–89) but the drastic reduction in consumption and social services during that period created an understandable aversion of large portions of the Romanian population toward economic policies that required people to make further sacrifices in the standard of living. Given the critical state of the Romanian economy in early 1990, the FSN did not have Hungary's choice of gradual yet "orthodox" reforms.[69] At the same time, Romania lacked even the most fundamental social constituency for reform, while in Hungary the gradual development of private property under communism had created a group of emerging capitalists and

67. Colin Jones, "Old Guard, New Route," *The Banker* (January 1995): 34.
68. Daniel Dăianu, "Macro-Economic Stabilization in Post-Communist Romania," in Lavinia Stan, ed., *Romania in Transition* (Brookfield, VT: Dartmouth Publishing, 1997), 95.
69. By *orthodox,* I mean an approach sanctioned by the West as being reformist. Even though Western specialists widely disagree on the "correct" approach to transitions, most of them nevertheless agreed that Hungary's gradualism was more compatible with conventional economic wisdom than was Romania's original approach.

a series of institutions that served to facilitate and consolidate reform. The strength of these economic and social constraints suggests that the FSN would have faced almost insurmountable obstacles *even if it had opted for serious reforms,* while the MSZP would have had a hard time reversing the Hungarian reform process, *even if it had been opposed to reforms.*[70]

In addition to the different internal constraints, the different economic-policy trajectories of the two countries were also influenced by external constraints. Ironically, Romania's only significant economic advantage over Hungary in early 1990—the quasi-total freedom of foreign debt compared with Hungary's alarmingly high debt[71]—may have enforced the different internal incentives and thus contributed to the more reformist stance of the Hungarian socialists. This effect was due to two factors. On the one hand, the Hungarian government had to comply closely with Western requirements and guidelines in order to ensure continued financing from the West, while Romania was at least initially free from such constraints. On the other hand, the high Hungarian debt raised the West's stakes in the event of a total collapse of the Hungarian economy and may have contributed to the closer economic integration with the West. By contrast, according to Otto Storf, chief economist at the Deutsche Bank, "Romania's problem is that the bankers don't care. It has no debt, and it is too far away."[72] As Storf's comment suggests, the West's relative lack of interest in Romania by comparison with Hungary was at least partially due to a combination of economic and geographic/historical factors over which the post-1989 Romanian authorities had very little control.

One can therefore conclude that internal and external constraints have significantly influenced the economic-policy choices available to the MSZP and the PDSR/FSN. While the insistence of this section on the importance of these constraints is neither intended

70. Indicative in this respect is Horn's aforementioned declaration that Hungary's plural democracy would not allow a return to the communist era, even if the MSZP would attempt such return (*Defense & Foreign Affairs' Strategic Policy,* 30 June 1994).
71. Hungary's foreign debt amounted to $21.3bn in 1990 and had risen to $28.3bn by 1994 when the socialists came to power. See *Business Central Europe* web page at http// www.bcemag.com.
72. Barry Wood, "Romania: Eastern Europe's Second-Biggest Market Is Often Overlooked," *Europe,* 356 (May 1996): 26.

to "exculpate" the PDSR for its wavering reforms nor to downplay the merits of the MSZP's reform policies, it nevertheless emphasizes the need for a more nuanced interpretation of economic policies in the context of the pre-transition economic differences.

Different Nationalist Legacies. A closer look at the communist legacy in Hungary and Romania is also justified in trying to explain the different stands toward nationalism taken by the two successor parties. Even though historically nationalism has played an important role in the politics of both countries, significant differences existed in the Communist parties' use of nationalist rhetoric. Particularly during the last decade of Ceauşescu's rule in Romania, nationalism became an integral part of the communist ideology, largely as an increasingly desperate and shrill attempt of the leadership to maintain legitimacy in view of the rapid deterioration of the country's economy and its international position. The partial credibility and success of this strategy was due to Ceauşescu's shrewd manipulation of the country's relatively independent foreign policy and to an artificial revival of ethnic tensions. Even though, ironically, Ceauşescu's demise ultimately came when Romanians crossed ethnic lines and joined a protest action against the deportation of a Hungarian priest in December 1989 in Timişoara,[73] his peculiar brand of "homegrown" communism created a strong ideological link between populist egalitarianism and ethnic nationalism.

By contrast, Hungarian communists relied much less on nationalist ideas as a "supplement" to Marxist ideology. On the one hand, the violent repression by Warsaw Pact troops of Hungary's democratic socialist experiment in 1956, as well as the continued presence of Russian troops in Hungary, made it much more difficult for the MSZMP to describe the Kádár regime as an indigenous phenomenon. On the other hand, the relative economic success of Kádár's goulash communism reduced the need to resort to nationalist rhetoric in order to maintain a minimum of stability and legitimacy.

73. Regardless of whether the 1989 "events" are interpreted as a revolution or a coup d'état, the timing and the initial impulse came from Timişoara.

The differences in the connection between nationalist and communist rhetoric in the two countries before 1989 have substantially influenced the use of nationalist rhetoric by the communist successor parties after 1989. First of all, Iliescu and the PDSR/FSN had access to an ideological repertoire that combined nationalist and socialist-populist elements, to which the Romanian public was accustomed, while for the MSZP this option was largely unavailable. Second, the use of nationalist ideas under communism influenced the legitimacy of these ideas for the democratic opposition, and thereby indirectly influenced the effectiveness of nationalism as an ideological tool for the successor parties. Thus in Hungary several of the MSZP's most important political opponents (the MDF, the Smallholders, and the Christian Democrats) drew heavily on nationalist sentiments in their party programs and electoral campaigns. By contrast, in Romania the main democratic parties opposed to the FSN/PDSR largely avoided nationalist rhetoric, at least in part as a result of the negative connotations of Ceauşescu's national communism.[74] Given that the democratic opposition had unilaterally surrendered the nationalist arena, and in view of the weakness and extremism of the other contenders (the PUNR, the PRM, etc.,) the FSN/PDSR decided to tap the potential political capital of nationalism. Furthermore, while in the case of the MSZP the alliance with the Free Democrats served to isolate the party's left-wing and nationalist factions, the PDSR's alliance with the red-brown extremist parties strengthened the hard-liners and nationalists in the party.[75]

As in the case of economic reforms, these structural explanations do not imply that the two successor parties *had to* develop along preordained ideological lines but, rather, that certain elements of

74. Remarkably, the most important of these opposition parties, the National Peasants' Party (PNTCD), had originally been a rather nationalist, conservative party in the early interwar period.

75. One may, of course, justifiably ask whether the choice of coalition partners was not in itself a sign of the party's ideological leanings, but in both cases the successor parties had only limited choices. Thus in Romania, initially the PDSR unsuccessfully tried to form a coalition government with the Democratic Convention (CDR), which would have led to a more moderate governing coalition. In Hungary, the Free Democrats was the only parliamentary party that was willing to cooperate with the MSZP, but one may still speculate about the possible outcome of a MSZP-Smallholders coalition.

the political system and ideology under communism have provided important incentives for developments in particular directions.

Different Democratization Paths. To an even larger degree than the analysis of economic policy and nationalism, the approach to the question of democratization has to begin with the realization that in the cases of Romania and Hungary the starting points were two very different varieties of communism. While in Romania during the 1980s the Communist Party had become a personal appendage of Ceauşescu's paranoid worldview, during the same period Hungary witnessed a negotiated revolution,[76] which led to a gradual liberalization of the political sphere. While the details of this fascinating negotiation process are beyond the scope of this paper, what matters for the present argument is that by the time the MSZMP had accepted the principle of a multiparty system in February 1989, the Hungarian opposition had already organized into several ideologically distinct and reasonably well-organized political parties. Remarkably, the two most significant opposition parties in the late 1980s (the Hungarian Democratic Forum and the Free Democrats) and eventually the two strongest parties in the 1990 elections were not successors of Hungary's interwar historical parties but outgrowths of the anti-communist opposition in the 1970s and 1980s.[77] As a result of the widely publicized political debates after 1987 (e.g., the Opposition Roundtable in March 1989), several parties (including such historical parties as the Smallholders and the Christian Democrats) had attained reasonable visibility and legitimacy in the eyes of Hungarian voters. This relatively well-developed party system and the growing civil emancipation of the public effectively narrowed the maneuvering space of the MSZMP to the point where a reversal of the liberalization trend would have been possible only through violent means. At the same time, as the MSZMP's *ability* to reverse the changes began to decrease, the slow but steady marginalization of the hard-liners

76. László Bruszt, "The Negotiated Revolution in Hungary," in András Bozóki et al., eds., *Post-Communist Transition: Emerging Pluralism in Hungary* (London: Pinter Publishers, 1992), 47.
77. László Lengyel, "The Character of the Political Parties in Hungary (Fall 1989)," in András Bozóki et al., eds., *Post-Communist Transition,* 34–41.

within the party after 1985 reduced the *desire* to do so. Given the relative popularity of the Neméth regime and the low probability of direct personal repercussions for the reform communists of the last preelection government, the decision to "play the democratic game" appears to have been rationally justified regardless of the deep, intimate convictions of the individual actors.

Meanwhile, in Romania, Ceauşescu's personal dictatorship undermined not only the emergence of organized opposition groups and civic organization but also the Communist Party itself. Thus after the downfall and execution of the dictator during a stormy week in December 1989, Romania was faced with a substantial and potentially dangerous power vacuum. On one hand, the close association of the Communist Party with the universally despised Ceauşescu dictatorship undermined the chances of *reform communism* as a transition alternative. On the other hand, with the possible exception of the National Salvation Front (which, at least initially, resisted being classified as a party), in early 1990 Romania had no well-organized nationally legitimate political parties that even came close to their Hungarian counterparts. Moreover, the very concept of a *political party* was distrusted by many Romanians, and Iliescu reflected this widespread attitude when he said that Romania needed to overcome any ideological or party limitations in order to solve its problems.[78]

Thus the absence of a well-defined political party system provided the *opportunity* for the FSN to keep a tight grip on its political power. The *motivation* for the limited initial democratization was provided by the fact that the communist elite, which still controlled most of the levers of power, had more reasons to fear retribution in the case of a victory of the newly resurrected historical parties.[79] Thus the birth of the National Salvation Front can be regarded as an attempt by the old elite to square the political circle and ensure its political survival while at the same time denying continuity with the old regime. As discussed in the first part of this paper, the FSN/PDSR chose to sacrifice the top of the old

78. Iliescu, *Momente*, 60.

79. During the first months of 1990, the historical parties became the center of a moral-purification movement, which advocated the punishment of those responsible for crimes during the communist period and the exclusion from public life of all high functionaries of the previous regime (in the famous eighth clause of the *Timişoara Proclamation*).

power hierarchy in order to save the rest of the pyramid. This phenomenon may go a long way toward explaining the less reformist and democratic profile of the FSN/PDSR compared with the MSZP, despite the latter's higher degree of continuity with the Communist Party leadership.

While the discussion of structural constraints goes a long way toward explaining why the democratization paths of the two parties and the two countries differed, one should not neglect the individual preferences of the key political leaders. Thus, while Horn has so far done an admirable job in balancing and reconciling the many conflicting ideological factions of the MSZP,[80] Iliescu has been notoriously unwilling to tolerate dissent within the ranks of his party, which has led to the breakup of the FSN and the radicalization of the PDSR. Iliescu's more authoritarian inclinations therefore may have significantly influenced not just the democratic profile of his party but also the broader political arena.

Nevertheless, I would argue that essentialist arguments about "good versus bad guys" or democratic versus undemocratic politicians and cultures contribute little to a thorough understanding of the democratization process. Even though, as previously discussed, the MSZP's political behavior was clearly more democratic than that of the FSN/PDSR, I would argue that, given the unfavorable starting point of the Romanian transition, the democratic evolution of both the PDSR and Romania as a whole has been above expectations. Even though it is premature to celebrate the decisive victory of democracy in Romania—and possibly even in Hungary—by 1996 both countries had a reasonably well-defined political party system and had witnessed free and fair elections, and, more important, a peaceful transition of power.

Conclusion

The current essay has a twofold agenda: On the one hand, to assess the different orientations of the Romanian and Hungarian communist successor parties and, on the other hand, to try to explain the reasons for these differences despite the MSZP's higher level

80. Edith Oltay, "Hungarian Socialists Prepare for Comeback," *RFE/RL Research Reports*, 4 March 1994.

of continuity with its communist predecessor. While the first part of the agenda substantiated the conventional wisdom that the PDSR was less reformist, more nationalistic, and less democratic than its Hungarian counterpart, the second part of the essay has tried to explain these variations from the perspective of the different legacies inherited from the communist regime. Even though to my knowledge nobody has denied these differences, the general tendency has been to compare and evaluate the former communist countries within the framework of a unique model of political and economic transition. While such an approach may facilitate the identification of certain broad trends and relationships, I would argue that it misses a very important layer of reality. As this essay has argued, in terms of economic and political institutions, Romania was several years behind Hungary when it embarked on the transition process in 1990. As the cases of Albania and Yugoslavia, and to a lesser degree Russia and Bulgaria, have since proved, for some of the post-communist states the very survival of the state has been at stake. Even though the seriousness of the threat of civil and ethnic strife was probably exaggerated and to some degree fueled by the FSN for electoral purposes (e.g., the ethnic clashes in Târgu Mureş or the University Square protests), the ethnic tensions in Transylvania and the quasi-breakdown of state authority in the weeks following Ceauşescu's fall are not that different from the conditions that led to civil wars in Yugoslavia and Albania. Arguably, after the chaos of the 1989 revolution, the same fate could have awaited Romania. Seen from this perspective, democracy and free markets were a much more unlikely option in Romania than in Hungary, where a carefully managed peaceful transition of power had been underway since the mid-1980s.

The significant differences of the pre-1989 economic and political developments in Hungary and Romania suggest a rather simple answer to the paradox of the discrepancy between elite continuity and reformism stated at the beginning of this essay: The MSZP and the FSN/PDSR were not separated *at* birth but separated *by* birth. The MSZP has indeed preserved closer personnel and ideological continuity with its communist predecessor than its Romanian counterpart, but its point of reference (the post-1985

Hungarian Socialist Worker's Party and the at least partially liberalized political and economic environment in Hungary) was radically different from the tabula rasa of the Ceauşescu legacy in Romania. Thus the proverbial difficulty of teaching an old dog new tricks was greatly diminished in Hungary, where most of the really "old dogs" had been largely marginalized before 1989 by a new breed of technocrats and reform communists. This negotiated transition not only precluded the dangerous conflict potential that Romania faced in early 1990 but it also prepared a new generation of Hungarian politicians, who combined a relatively clean record with significant political experience. In Romania, on the other hand, Ceauşescu's heavy-handed suppression of any reformist tendencies in the Communist Party led to a much stricter trade-off between moral credibility and experience for the post-1989 nascent political elite. Seen from this perspective, the gradual replacement of former top communists in the FSN/PDSR leadership may be regarded as a belated replica of the negotiated transition, which Hungary had witnessed several years earlier.

In view of the different types of communism in the two countries, one needs to distinguish between two different types of transitions in the two countries. Given that both the tasks at hand and the means to accomplish these tasks were largely circumscribed by a variety of preexistent internal and external constraints, we need to look at transitions not only from the perspective of *toward what* but also to consider the questions *from what* and *at what stage.* Therefore the usefulness of universal "democracy" and "economic reform" scores as a basis for judging a certain party or country appears questionable unless it is situated in the broader context of the particular country's political and economic stage of development. Maybe what was "good" in Hungary in 1990—a free and open multiparty election and a rapid liberalization of the political and economic spheres—would have led to extreme instability and civil strife in Romania. While this essay in no way attempts to excuse and exculpate some of the grave errors and transgressions committed by the Romanian communist successor party during its seven years in power, it nevertheless argues for a more nuanced contextual analysis of the post-communist transition process.