Hungarian Approaches on Social Stratification and Mobility as Reflected in the Szociológiai Szemle Journal. A Review

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Abstract. My study provides a preliminary review on the process of social transition in Hungary as reflected through changes in social stratification and social mobility, according to theoretical and empirical research published in Szociológiai Szemle (Review of Sociology), the journal of the Hungarian Sociological Association. I consider that the stratification studies show several very specific dimensions of social transition, presenting the evolution of these processes in transitional societies as well as its effects. The main aim of this study is to present the conceptualizations and results of the research and studies which contributed to a better understanding of the transitional processes in Central and Eastern Europe. In my opinion, Hungarian sociology was better prepared to reflect and analyze the social aspects of the transition than the social sciences of the other countries in this part of Europe. The main argument of this statement is that the starting theory of the market transition elaborated by Nee (1989) builds its conceptual framework on the findings and results of Hungarian social scientists like Polányi, Szelényi and Kornai.

Keywords: social transition, stratification theories, Hungarian sociology

Article selection criteria

The definition of transition is a very difficult task, also regarding the delimitation of its period, due to the multitude of accepted definitions existing in parallel. In my study, which concerns the case of Hungary, I consider that the transition started in February 1989, when the former ruling party MSZMP
(Hungarian Socialist Labor Party) accepted the multi-party system, and agreed to the organization of free elections. Regarding this criteria I will refer only to those studies which refer to the period after the above mentioned date, except for those prior events that are needed to be noted for a better understanding of the present.

In my approach\(^1\) I will consider the stratification studies with the following themes: the description of a specific stratum of the society (mainly we can find descriptions of three main social strata: the elites, the middle class, and the low class, usually identified by the unemployed strata), or the analysis of the stratification process. By mobility studies, I understand those studies that are presenting the mechanisms of social mobility, as well as its characteristics and inner logic.

Even with these specifications or delimitations, there is a multitude of themes presented in *Szociológiai Szemle*, which include both theoretical and empirical, research based results, as well as comparative and local case studies. In my opinion, this diversity shows the complexity of the transition the most eloquently.

In the present review, I present the results of the articles according to two criteria. The first is the chronological order of the published articles, and after that, the main themes that present the aspects of stratification.

**The changes in social stratification**

Before the description of the new social structure, the Central and Eastern European (in most cases newly emerging) sociology tried to present the characteristics of stratification in the communist society, for a more adequate presentation and understanding of the post-social changes. In these conditions the first study which presented social stratification was published by Kolosi, Szelényi, Szelényi and Western (1991). The authors consider that former communist or state-socialist countries comprise the following characteristics: the strategically important capitals could be exclusively state property, assuring them a monopole position controlled by the leading party, the party’s legitimacy was based on the Marxist–Leninist ideology, and the social structure was pyramidal, having the cadres at its top, and the workers at the bottom. According to their study, the most important precondition of social ascension was political loyalty. In the summer of 1990, the Central-European countries and particularly Hungary could have been considered post-communist, as far as the private property was considered of equal importance with the state property, and free elections were organized. This presentation of the society is important for the authors, because, in their point of view, in this new system a new mobility channel for social ascent has emerged: i.e.

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\(^1\) I wish to thank for the comments received from the part of the reviewers on the previous version of my manuscript.
for the owners of private property. The bipolar social system formerly composed of workers and intellectuals was completed by a third component, i.e. the new bourgeoisie.

Further in their study the authors specify that in 1990–1991 the Central-European countries should not have been considered capitalist, but merely “socialist mixed economy”, where the state sector still maintains its dominance, while the market based sector, even if it grows fast, plays only a secondary, complementary role (Kolosi et al., 1991: 9).

These changes were both the basis, and the consequence of, the political and economical changes in Central-European societies. The fact that these changes represent a totally new experience is presented by Offe (1992), who argues that the Central-European transition is a new economic, political and social process, which is not similar to the changes experienced in some South European or South American countries. This observation is shared by Kolosi and Róna-Tas (1992), who explain the differences, stating that while in Latin-American and Southern European countries the transitions were only political ones – where the main feature was to reconstruct the political institutions, to create a new political elite and to redistribute the power – the ex-socialist countries had to change their economical system as well. Consequently, in these countries new economical institutions and new economical elites appeared, and the redistribution of the ownership and the economical welfare have been changed, too. Furthermore, in the author’s opinion, the re-stratification is the result of the relationship between the socialist leaders and their opposition during the 1970’s and 1980’s.

To describe the effects of the transition on the Hungarian society – also testing Nee’s (1989) theory about the market transition in Central-European countries – Kolosi and Róna-Tas conclude the following: “the simultaneity of the economic and political transitions in Eastern-Europe follows a different logic. While the political transition creates new political elite and new political institutions, meanwhile the new institutions of the economic transition present a good opportunity for the old elite” (Kolosi and Róna-Tas, 1992: 24). From this situation results that the ex-socialist countries have to face a real contradiction: the logic of the political transition needs a wide range of change in the elites, but the market-based automatism favours the old elite. The authors conclude also that the only protection against these tensions could be a strong middle class, as far as this

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2 Victor Nee elaborated the theory of market transition in three theses: “1. The market power thesis”, according to which as the transfer of goods will be increasingly placed on the market so will be the transfer of power, and as a consequence the direct producers will gain power against redistributors; “2. The market incentive thesis: Markets provide powerful incentives for immediate producers whereas redistributive economies depress incentives”; “3. The market opportunity thesis: In state socialism the transition from redistribution to markets result in new opportunity structures centered on the marketplace” (Nee, 1989: 666-667)
class could guarantee that there is a possibility for economic prosperity even for those who were not part of the old elite.

Referring to the possibility of social ascension for non-elites in the post-communist regime, Lengyel and Tóth wrote in 1993, by analyzing the willingness for entrepreneurship, that the most important social gap is not between the workers and intellectuals, but between the skilled and unskilled workers (Lengyel and Tóth, 1993).

In his study, as one of the beginning points, Mateju quotes Nee, declaring: "If the transition from redistribution to the market mechanism involves changes in the mode of allocating and distributing resources, the transition will probably change the stratification order" (Nee, 1989: 663 – cited by Mateju, 1993: 19). In a further analysis of Nee’s result, Mateju concludes that one of the central questions of the post-communist transition is “a transition which brings with it a change in the stratification system of society, namely not only in the social and economical inequity, but in the characteristics of the newly emerging dimensions of inequity” (Mateju 1993: 22).

To answer this question, Mateju formulates two theses, applying the capitals theory on the post-communist societies. Firstly, during the political and economical changes the economical and human capital will appraise, while the political capital will severely devaluate. Secondly, the process of post-communist transition will go hand in hand with the mutual conversion of the different type of capitals (Mateju, 1993). Mateju’s findings are the following: a) contradictory to Nee’s theory, the post-communist transition leads to the increase of social inequity; b) the finding of Kolosi and Róna-Tas is proved also in the Czech society, according to which the main causes of the increasing inequality lay in the fact that the strategies applied by the former cadres, who accumulated important human and economic capitals, are very effective; c) as a consequence of this result, the formal career is not the best strategy for gaining economic capital, while becoming an entrepreneur is a better solution for individual economical growth; d) the cultural capital has no effect on the intra-generational mobility; e) the economical capital, precisely the startup capital, does not play an important role in entering the class of entrepreneurs – the social capital plays a much important role; f) a strong vocational commitment rather predicts a parallel enterprise, than the strategy of a formal career. Finally, Mateju concludes that the theory of capitals should create the framework for sociological analysis applied on transitional societies.

Analyzing a special segment of workforce, namely the engineers, Székely and Solymosi (1944) consider that the former good and/or well-paid positions in the public sector, especially in upper education, show a real declination. This finding suggests that the presence of cultural capital solely is not enough to preserve social status. Connected to this research, Gazsó (1995) in his introduction considered that the private property will play a structural role in the newly emerging societies, but
at the same time the owner class is still in its emerging phase. As a general observation, the author suggests that the social and economic processes connected with the transition could lead to the general rising of the knowledge and “this process could be identified not only in the power-based or ownership-based relations, but in the whole system of the division of labor” (Gazsó, 1995: 3)

The analysis of the unemployment, besides other perspectives, shows the new ways of the mobility and the closing ones in the transitional period which also reflect the transformation of the social structure. The findings in the publications since 1995 show the following characteristics.

Simonyi (1995) concludes that it could be considered the paradox of the transitional period that the permanently unemployed, due to accommodation constraints, will avoid the market based economy. The main causes of the described situation are: a) this strata will depend considerably on the state controlled redistribution and b) these persons will provide/procure goods outside of the market, based on reciprocity and on other transactions in kind without the use of money. Analyzing those entrepreneurs which were formerly unemployed, Frey (1995) finds that only one to two percents of the unemployed persons who were on dole choose to be self-employed. Furthermore, the main socio-economic characteristics of this group are the following: younger and with a higher education and formal vocational education. These two approaches prove also that the only way for someone to step to a superior social stratum is a higher level of knowledge, identified in the majority of cases with the cultural capital.

Csíte and Kovács (1995), comparing the rural societies in Central and Eastern-Europe conclude that besides the ‘path-dependence’ (Stark, 1992) there are also several inter-country similarities. One of these is the evolution of the inequities in income. Their findings show that in those countries where the influence of the rural-urban differences has a less important effect on the income-inequities, the unemployment and other kinds of employment-based or newly emerged inequities are present to a higher degree.

At the beginning of their study, Angelusz and Tardos (1995) conclude that one of the two main themes regarding the stratification effects of the transition in the Hungarian literature of specialty by 1995 is the emergence and the consolidation of the middle class. The other one is the increasing social and economic polarization, which leads to the backsliding of a major social stratum, and the end of embourgeoisment. The aim of their research was to identify the connection between the inherence of social strata and social-political identification. The results show that the knowledge of strata-affiliation is still in formation.

I consider the result of Kovács and Váradi (1995) an important finding on the newly forming social strata, whose analysis of the characteristics of the transition in Nagykőröös finds that the positions of newly emerged managers of the former co-
operations are strong enough – due to the professional and market based connections – to remain durable performers in the local agrarian economics.

An analysis of the social mobility based on ascription (father’s occupation) and achievement (formal qualification) in the case of the male population in Hungary (Luijkx, Róbert, de Graaf and Ganzeboom, 1995) found that both hypotheses were correct: the two factors described above lose their effect on social mobility. But an interesting result is that the effect of the two dimensions is not a linear one, which means that in the late 1980’s and early 1990’s the theory of industrial society seems to lose its capability of explanation, as far as in this period the social origin shows – even slightly – a growing role, while the achievement shows a decreasing role in the process of status-achievement.

Referring to the increasing rate of social inequity, Andorka analyzes the degree of pauperization. He is quoting the results of Gyenei (1995), according to which the proportion of the extremely poor has practically not changed between 1992 and 1994. The proportion of the poor shows some decrease, but the wealth of the rich has grown significantly. From this result, Andorka concludes that one-tenth of the Hungarian society is capable to accumulate wealth, so this stratum is the real winner of the transition (Andorka, 1996).

The need for an analytical review of the many newly emerging theories is satisfied by Szelényi and Kostello (1996) who present the evolution of market transition according to Nee (1989) and also test its relevancy in transitory societies. The first aspect of this theory refers to the social inequity, i.e. the narrowing of the income gap due to the emergence of the market based commerce as an alternative income possibility besides redistribution. The authors argue that if we analyze the evolution of the gap in incomes, and also generally, between different social strata, the graph will have a U-shape, which means that after the first period of the transition there is a relative convergence of the different social strata, mainly because the lower stratum was able to complete its income from second economy – which here means the market based economy during socialist rule – in which the prices were slowly but firmly defined by the market. The second period was marked by the appearance and evolution of the labour-market, which disadvantaged the lower stratum.

The second aspect discussed by Szelényi and Kostello (1996) is the evolution of the former cadres, as this aspect reflects on the evolution of the social mobility. The research of the presented period (1990–1994) concluded that the main winners of the market transition were these cadres. In the conclusions, the authors nuance their affirmation, as the bureaucratic cadres will be the losers of this transitional process, and only the technocrat members of the former nomenclature will be winners.

The evolution of the transition in the rural economies is presented by Andor, Kunczi and Swain (1996). In their comparison of four (previously three) countries
they found that between 1980 and 1994, the main group who could preserve its status or its occupation were the specialists – with university degrees – outside the agriculture and they were followed either by the specialists – also with university degrees – within agriculture, or by the skilled workers in agriculture. The unskilled workforce was in the most unstable situation. This situation confirms the earlier presented findings, that the value of the cultural capital made concrete in formal scholarly degrees plays a stratification role in the transitional societies. An interesting conclusion of the authors, in the perspective of the Romanian situation, is that in the analyzed countries (Czech Republic, Hungary, Poland and Slovak Republic) the percent of those people who live from agriculture decreased in the presented period.

Another important aspect of the economical transition was the establishing of the market-based banking system. After analyzing the pre- and post-socialist period, Várhegyi (1996) deducts the following conclusions: even the assignment of the bank leaders in Hungary presents a lot of single case scenarios and in many occurrences there are some common aspects. The first is that in the late 1980’s a group of specialists in their late thirties/early forties had the essential knowledge to become the future leaders of the banks, so that the technocrat-managerial elite theory seems to be viable from this perspective. The other finding is that the value of the political capital in fulfilling the key positions of the (semi)state owned banks has not diminished, as the power of naming or revoking the leaders in these positions lays with the government.

The use of different types of capital to preserve or to advance in social hierarchy is further elaborated by Vedres (1997). In his study, based on data collected in 1993, he argues that the two mobilizing dimensions in the post-communist societies, i.e. the role of special knowledge and the role of the market (economic capital) should be analyzed together. Due to this perception, he considers that the persons who do not have any useful capital will remain in the same position as before the beginning of the transition. About the theories describing the elites, the author considers that those who predicted the survival of

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3 In Romania the agriculture played a different role as it is presented in this study. The two main differences are: 1. in former socialist states at the beginning of the transition (in year 1990) the highest percent of the agriculture to value added to the country’s GDP was in Romania (23.74%) and continued to play an important role until 2009, when the greatest value was still in Romania (7.16%); according to the World Bank country profiles. (data source: World Bank, http://data.worldbank.org/indicator/NV.AGR.TOTL.ZS, visited on December 1st, 2010); 2. the primer sector plays an important role in comparison with the presented states, as this sector was meant to absorb a big part of the workforce released from the secondary sector (mainly from industry). Due to this fact, in the period after 1990 the percent of the workforce engaged in primer sector shows a rising tendency until 2000, when it reached the top (41.37%). Even in 2009 the primer sector played an important role in Romania’s economy, engaging more than a quarter (28.66%) of the total number of employees (data source: National Institute of Statistics: https://statistici.insse.ro/shop, visited on December 3, 2010)
the communist elite were “nearsighted”, because in a longer period the exchange of the elite is evident. However, following the former elites, the main finding of the author is that during the transitional period not only the value of the economical capital is over-emphasized, but also mainly the knowledge to manipulate it. So, the conclusion is, that there is a real difference and hierarchy of the achieved scholarly degree, and the degrees in economy value more than the others (for example the engineering degrees that he analyzed).

Szalai (1997) gives a comprehensive view of the transition in Hungary by analyzing the new elite, their possession of capital and the institutional moral frame in which this capital works. Even the focus of Szalai’s analysis is the elite; I will only present those aspects that I consider relevant for the presentation of social mobility, and stratification effects. The study emphasizes that the new ideological framework of the transition after 1993 in Hungary became monetarism, which – like Marxism – offers simple and fast positive results for everyone, even if in the first (short) period there are some “collateral victims”. In this process, the dominant fraction of the economical elite becomes more powerful in comparison with political and cultural elites, whom they try to put to their service. The role of the economic capital is not, and cannot be considered the major explanatory factor in the description of the elites in its real weight, because the new economical elites are not willing to show their real wealth, so they highly diversify their investments. According to this result and completed with the findings of Vedres (1997), I concluded that the economical capital and the knowledge (cultural capital) to manipulate it offer the guarantee to become or remain a part of the elites, and the legitimacy of these capitals is secured by the idea of monetarism.

Regarding the evolution of the middle class, Szalai (1997) considers that the segregation which occurred among the former elites is relevant also to this class. Therefore, those members of the middle class who were connected somehow with the economical elites could preserve or even raise their social and economical positions. Another important finding of the author is that the transition is approaching its end, because the ways of mobility seem to be consolidating. This observation is confirmed by Kovách (1997), who considers – based on multiple research – that the new economical elite is starting to became a social class, the bourgeoisie. Another important finding of Kovách is that the political elite plays a far weaker role in the control of the economical elites than it was suggested by the former analyses, even in matters such as privatization.

The finding of Szalai about the situation of the middle class is also confirmed by Kovách, who described this class as an inconsistent and fragmented one. The massive appearance of the enterprises does not bring by itself the embourgeoisement, moreover the social status of the middle class is provided by the cultural capital, which has been accumulating in this social stratum in the last thirty years.
Returning to the social background of the economical elites, Róna-Tas and Böröcz (1997) found, by analyzing four different countries in transition (Bulgaria, Czech Republic, Hungary and Poland), that despite the surface disparities, there are many similarities. This situation is the result of the differentiated effect of the different type of capitals. While the economic capital can be moved and transferred very easily, the other types of capitals are far more “gluey”, like the cultural capital (operationalized as high scholarly degree and experience) and social capital, which cannot be alienated from its owner.

Reflecting on the circulation of the economical elites, Lengyel (1998) concludes that the personal composition of this group has radically changed, but the social characteristics, the career samples and the loyalty criteria have not changed significantly. Lengyel affirms also that besides the appearance of the entrepreneur and unemployed strata, there were four major changes which affected the stratification of the Hungarian society in the 1990’s. These changes are: 1) in the economy, the private sector became dominant; 2) the tertiary sector became the dominant economical sector, outpacing the industry and the agriculture; 3) the inactive population became dominant and 4) a new dualistic system was emerging in economy, where the differences lie between the small and big enterprises.

There were two studies published in 1998 that gave a theoretical resumé and notional clarification. Vedres (1998) follows the evolution of the market transition theory. In his opinion, the sociology of the market transitional economy tries to explain the connection between the institutional changes and the change of social structure, and the individuals’ social mobility. The conclusion made by the author is that besides the two theoretical approaches – the path-dependency and the teleological approach – there could be possible to create a meta-theory of transition.

Angelusz and Tardos (1998) attempt to clarify the sociological notions of the middle classification and embourgeoisement. Beside the conceptual and operational considerations, they also reflect on the fragmented state of the middle level of the (Hungarian) society due to polarization. Furthermore, the described situation leads to the conclusion that the correct form to describe this social stratum is to use the plural form of this noun, middle strata. Regarding their arguments, the notion of middle class and embourgeoisement are different, because of their sociological and historical connotations and operationalization4.

Defining the social classes by income, Habich and Spéder (1999) conclude, after comparing three countries (former East- and West Germany and Hungary in the 1992–1996 period), that the biggest changes occurred in former East-Germany.

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4 The authors’ conclusion is that in the Kádár-period, when there was an increasing economical prosperity in Hungarian society, there was an accentuated mid-classification with slight embourgeoisement, while after the beginning of the transition, in the higher strata of the Hungarian society (which is narrower than the middle class) starts an embourgeoisement, and meanwhile the mid-class shows a decrease.
In Hungary, the middle class in terms of its income shows a convergence toward the median value, which means that the majority of this class has suffered negative evolution in the terms of real wages. Another important consideration of the two authors is connected to the end of the transitional period. The authors argue, similarly to Szalai (1997) that when it is not possible to observe increase or decrease in mobility, or the mobility was similar that in former West-Germany, then the transition could be considered as being finished. The data show that in Hungary, in 1996, the mobility level is much higher that in former East- and West-Germany, so the authors conclude that the transition has not been finished at that moment. Besides this result, the data show that the lowest level of mobility is in Hungarian lower class, which means that they could be definitely outpaced. This relative stability occurs also at the stratum with the highest income, so the two ends of the income-based strata are stabilizing, while the middle class gives the highest volume of the mobility.

The effect of the social stratification on the lifestyle is analyzed by Róbert (2000), in the period between 1982 and 1998 in Hungary. The author finds that in the socialist period the status-inconsistency was a common effect of the social policy that was applied in that period, as it controlled the connection between the qualifications and wages. Analyzing the changes in lifestyle in the transitional period (the data is from 1992 and 1998), the results show a strong correlation between the lifestyle and the demographical-, status- and class-specific indexes. As for the evolution of the lifestyle in the entire analyzed period, the author assumes that between 1982 and 1992 there was a growing tendency of crystallization of the connections between the cultural and material lifestyle, but this correlation has diminished from 1992 to 1998. Regarding the explanatory variables, only the qualification and the age have a significant effect on the lifestyle.

The structural changes and inequities in state-socialism and in the newly emerged capitalism is analyzed by Zsuzsa Ferge (2002). The author’s main question is how the social inequities could grow so fast and spectacular in Hungary compared with the previous social system. Regarding the new capitalist structure in Hungary, Ferge considers that the main structuring factor in society is not the market, but the legal (constitutional) framework, which made possible the emergence of the market economy, especially through the right to private property and the freedom of contractual arrangements which regulate the property and workforce market relations. The conclusions were that due to the structural changes, the material inequities rise very fast. Generally, the risk has grown and the existential safeties have decreased.

After 2003 the number of articles that appeared in Szociológiai Szemle in connection to analyzed aspects of the transition has decreased, except for the reviews of the books published on these themes. This evolution suggests that the majority of the sociologists consider that the transition process is over and the new
social structure and strata show the ‘usual level’ of mobility that can be detected in consolidated democracies.

As a general conclusion it can be assumed that the presented works prove that the transition as a process had a real deep impact on social stratification. The theory of capitals proved to be an adequate framework in describing the ongoing changes in the transitional societies. After the change in regime, the main role was played by the cultural capital, meaning, in the case of the elites, a degree in economy and managerial experience. In the case of the middle class, the cultural capital was operationalized as a high level or a vocational degree. The role of the economical capital on social mobility seemed to follow the increase of the private property share within the economy.

The lowest social strata did not gain any kind of capital during the transition, and have also lost the social framework maintained previously by the state. Consequently, this stratum has been preserved in its former status.

It can also be concluded that an inherent feature of the transition is an increased social mobility, which lasts until the crystallization of the newly evolved mobility channels.

As for the middle class, considering the aforementioned theories there are two things that can be observed: the middle class in Hungary is very fragmented and this stratum provides the highest level of social mobility. As a consequence, individuals belonging to this stratum comport the most risk of losing their social position.

The list of articles from the Review of Sociology presented in this study in chronological order


Róna-Tas, Ákos and Böröcz, József (1997). Folyamatosság és változás az államszocializmus utáni bolgár, cseh, lengyel és magyar üzleti elitben (Continuity and change in the period after socialism within the Bulgarian, Czech, Polish and Hungarian elit). Szociológiai Szemle, 2: 49-75.


Hungarian Approaches on Social Stratification and Mobility


**References**
