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Dreams of a Social Market Economy: The HVG and Hungary's Second Age of Reform, 1979-1989

This paper looks at the Hungarian reform efforts in the 1980s through the lens of the country's foremost economic journal, the *Héti Világgazdaság* (HVG). The HVG, founded in 1979, was modeled on the British *The Economist* and the West German *Der Spiegel*. Its very founding reflects the antagonizing forces within the party leadership, most notably between the HVG's patron, the Chamber of Commerce and the Ministries of the Interior and Economy, during Hungary's second attempt to reform and improve its economy.

The HVG provided an unprecedented public platform for economic expertise, showcasing the country's internationally recognized economists, and its journalists explained alternative models and foreign policy solutions, primarily in West Germany and Yugoslavia. While it warned of the detrimental effects of deregulation and privatization in the UK, France and the U.S, it shed light on collective efforts outside of COMECON to deal with the world economic crisis, such as the G7 summits and European integration. A reassessment of the journal's main line of argument in the 1980s and interviews with journalists, economists and sociologists from those days suggest that the HVG portrayed West Germany's social market economy as the most favorable. Hence, this project presents an alternative narrative to the alleged inevitability of neoliberalism following the collapse of state socialism. Nevertheless, it was an interview in the HVG with the renowned economist and critical thinker János Kornai, promptly dubbed "the Kornai bomb," which, in the uncertain times of late 1989, dealt a death blow to visions of gradual reforms for a socially more just economic system in Hungary.