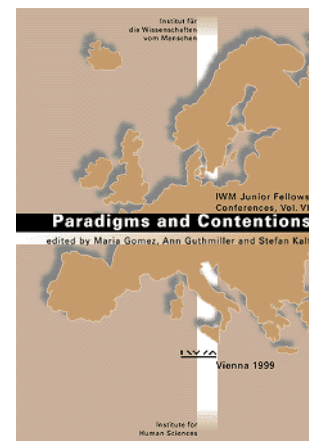


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From Losers and Winners to Victims and Perpetrators¹

Violetta Zentai

In the post-socialist transformation, people are engaged in reinventing the standards of a decent human life and social well-being. In a parallel way, critical debates have arisen in scholarly and other intellectual circles to investigate the outcomes of the wholesale social restructuring. Many observers contend that the critical accounts of the transformation dominantly express disappointment, discontent, and even deep despair in most countries of the region. Investigating the experience of post-communist disillusionment, Vladimir Tismaneanu concludes that constitutional pluralism lacks magnetizing virtues; people experience cultural chaos, sense deep cynicism, humiliation, panic, and insecurity. Under circumstances in which sources of authority are eroding, an entrenched attitude of suspicion characterizes people's imagination. This disposition invites the return of the repressed, politics of emotion, hostility and anger.² One may contrast this exasperated opinion with Albert

¹ This paper is a by-product of a larger research project that investigates current social discourses on money and wealth in transitional societies in Central and Eastern Europe, using the example of Hungary. The research was supported by the Wenner-Gren Foundation for Anthropological Research (New York).

² Tismaneanu, Vladimir (1996): *The Leninist Debris or Waiting for Peron*. *East European Politics and Society*, Fall: 294-535.

Hirschman's treatment of disappointment as a central element of human experience, the natural counterpart of man's propensity to entertain magnificent vistas. The modern imagination conjures up images of radical change, yet subsequent public actions typically fall short of the expectations that these images evoke.³

Despite (or along with) this sense of disillusionment, critical debates show a growing urge to spell out new social distinctions, to uncover the reasons behind them, to make moral judgments, and to offer ideas for social reconciliation. Powerful concepts based on binary contrasts circulate within these debates, such as the division between the "haves" and the "have-nots," the privileged and the marginalized, or the well off and the deprived. In this paper, I will shed light on some critical accounts that scholarly efforts have recently produced in Hungary for the wider public, with particular emphasis on those which demonstrate the division of transitional societies into "losers" and "winners."

Before closer scrutiny, one may argue that the logic of losing and winning seems applicable to descriptions of some distinctive domains of social practices, in particular, games and battles. In fact, the logic of these practices or their combinations saturate market transactions, politics and even cultural production in contemporary modern societies. But none of these domains operate by the pure model of game or battle, and nobody can seriously argue that any of these domains can in itself speak for the complexity of a social system or systemic changes.

By the same token, one should also recognize the intellectual and moral urges behind the targeted critical concepts. In a broad sense, these concepts examine the human condition in the current transformations and critically investigate the tools chosen to advance it. In so doing, most of these accounts identify new social differentiations, explicate their causes and effects, and contemplate their legitimacy. These are, no doubt, perfectly legitimate objectives in the current transition as new forms of social inequalities are experienced, emerging models of successes and failures are contested, foundations of public morals are fragile, and a scarcity of interpretive devices is felt in public debates and in the public imagination. These critical concepts participate in the search for a language that is capable of grasping and expressing social currents that were previously unknown or distant.

Notwithstanding, before the loser-winner terminology and the underlying assumptions achieve an unquestionable reputation, it is essential to highlight their analytical weaknesses as well as their dubious moral and political implications.

³ Hirschman, Albert O. (1981): *Shifting Involvements*. Oxford: Basil Blackwell.

Concepts...under scrutiny

In the following section, I describe some major voices that promulgate the loser and winner distinction as the most significant outcome of the social transformation in Hungary. It should be noted that some of the observed accounts have emerged as distinctive theses, while some of them are cumulative products of different interlocking thoughts. All of the examined accounts intend to secure basic scholarly qualities beside their critical engagement. Parallel to the major theses, I present some counterarguments distilled from theoretical considerations and empirical investigations. I am aware that my reading emphasizes the converging arguments of the selected theses, rather than pursuing a comparative genealogy. This effort may unjustly homogenize these theses despite their varying background, intellectual depth, and influence on other public discourses.

(1) The thesis of the *fight for economic resources and privileges* assumes that those who have significant cultural and political capital inevitably become the winners of transition. Most importantly, the previous *nomenklatura* acquires ownership rights by transferring cultural and political capital into economic resources. These transactions compose a zero-sum game in which the chief beneficiaries of transition acquire resources at others' expense. Such transactions also feed conflicts and resentment among the less favored as well. The argument is strengthened by proposing that the losses accumulated in the previous system were financed by the many, whereas the current gains are distributed among the few. The label of pretended transformation indicates insincerity and undeserved rewards on the side of winners.⁴

The thesis also indicates that access to economic resources appears to be illegitimate to the rest of society, that is "the losers." Losers form the conception that wealth originates in corruption and ruthlessness, thus endowing the cornerstones of market relations with diabolic traits. Anti-capitalist feelings therefore emerge not from nostalgia or fear of the unknown, but from the sense of helplessness for which successful people are indirectly responsible. Some accounts talk about the dominantly negative social perception of income inequalities; other ones indicate that people view social polarization as unjust or even unbearable. Inequality in material terms matters far more than any other form of social goods, rights, and benefits.

The above accounts assume that people view ownership as the only possibility for material and social advance. However, recent ethnographies convincingly portray

⁴ Among others: Borocz, Jozsef (1995): *Szinlelt nagy atalakitas? (Pretended Great Transformation?)*, *Politikatudományi Szemle*, No.3: 19-39.

practices in which people with little to no cultural and political capital do participate to elevate their positions.⁵ After a short fascination with the idea of receiving property, many people have chosen to pursue their living as employees, even with the risk of becoming unemployed. Others search for the path to capital accumulation without ownership rights by mobilizing their networks of locality, family, professional ties, and past employment. Social networks of formal and informal economic activities are constantly reorganized so that those with and those without ownership interact intensively.⁶ Though the interactions may take the form of paternalism or disruptive informality, the cleavage between the "haves" and "have-nots" does not delimit separate social spaces and identity patterns.

One can substantially doubt the statement that the more deprived a social group is, the more inclined it is to insist on egalitarianism and condemn differences. Moreover, the general acceptance of the value of egalitarianism does not necessarily tailor how people judge their actual position in a concrete social space. Instead of dwelling on one ultimate social cleavage, people take part in shaping a new economic and social order in which distinctions are made between earned and unearned, dirty and clean, and work- or speculation-based activities, just to name a few. These binary oppositions, conveying inherent moral judgments as well, do not converge into an overarching social dichotomy that separates the well off from the rest.

It is also revealing that when asked directly, the majority of people answer that the income differences are intolerable. Yet, when the question is phrased more subtly, the answers tolerate differences that come close to actual reality. Albeit ambiguously, many accept merit-based distribution of income and conceive of education as a legitimate basis for social differentiation. Thus, the impact of cultural capital as a structuring condition is understood and justified morally by many people.⁷ These people tend to conceive of cultural and political capital as inalienable and non-divisible. They view it as something that cannot be taken away from people and redistributed; thus it is not subject to unjust distribution.⁸

⁵ It should be admitted that the best anthropological inquiries have been completed in Poland, Romania, and Bulgaria, whereas in Hungary sociology has produced valuable researches.

⁶ Sik, Endre (1994): Network Capital in Capitalist, Communist and Post-Communist Societies. *International Contributions to Labor Studies*, no.4: 73-93.

⁷ The most comprehensive research on the perception of inequalities has been carried out by Orkeny, Antal (1997): *Hetkoznapok igazsaga* (Truth in Everyday Experience). Budapest: Uj Mandatum.

⁸ The idea has been recently emphasized by sociologists who also focus on the redistribution of property rights in transition. See: Rona-Tas, Akos (1998): Path Dependency and Capital

It is pertinent that this thesis ignores the point that subjective experience is more diversified than the losing and winning positions in the privatization game suggest. The sense that wealth has been distributed unjustly, a concern that many people undoubtedly share, does not necessarily compel people to identify with the losers. The humility that the losers share cripples commitment and deflates energy, enthusiasm, and appetite for action. In Hungarian society, there are no signs that people regularly aim low and celebrate limits even if they do like to complain. Perhaps the strongest empirical argument refuting this thesis is that the proportion of those who identify themselves as middle class has remained stable in Hungary over the last couple of years, even if some downward movement is acknowledged at the lower end of the economic spectrum.

A particular version of the thesis stated above relies on social psychology and suggests that a feeling of cognitive dissonance has saturated society where the majority are descending and the minority are ascending. Those descending do not think that they are less talented than the ascending minority, thus they see the cause of their deprivation somewhere else. The answer is found in the insincerity of the ascending that offers a more positive self-image for the descending. This binary opposition does not use the loser/winner language yet the ultimate social map it draws is not significantly different.⁹

Contrary to the above, maxims from social psychological also suggest that pride embodies a good feeling in twin senses: acting as one should and enjoying the results of such action. One is proud of what one feels responsible for. These sources of pride may well be part of the lives of those who are not successful in material terms. Pride has an upward striving dimension since one lives up to his/her moral principles without assigning a relative position to others. Accordingly, pride is not a sheer consequence of social advancement but many times can be the source of it.¹⁰

(2) The theorem of a *break-even game of upwardly striving people* can be seen as akin to, yet not identical with, the previous account.¹¹ It is epigrammatic yet influential. It argues that the upwardly striving people in Hungary aim to obtain maxi-

Theory: Sociology of the Post-Communist Economic Transformation. *East European Politics and Society*, no.1:

⁹ Sagi, Matild (1996): Egyenlotlenseg es egyenlotlensegtudat. In: *Tarsadalmi Report 1996* (Social Report 1996). Ed. by Andorka, Kolosi, Vukovich. Budapest: Szazadveg-Tarki.

¹⁰ Smith, Tara (1998): The Practice of Pride. *Social Philosophy and Policy*, Vol. 15, no. 1: 71-90.

¹¹ See for example: Hankiss, Elemer (1995): One Can Never be Too Careful. In: *Questions Marks: The Hungarian Government 1994-1995*. Budapest: Centre for Political Research: 51-73.

mum benefits and to achieve this goal they "graze the grass down to the root." To put it simply, they ultimately rob but do not build the market. In this way, they contribute to the aggravation of economic hardship and the impoverishment of society. Losers become demoralized since sheer survival becomes their only desire. These upwardly striving people refuse to make a social contract; therefore, the subsequent social destabilization threatens them as well. In other words, the zero-sum game they play ends up in a break-even game, with everyone losing in the end.

This critical account refers to the motivation of greed as the single constitutive element of the new market conditions and the major factor propelling social differentiation. It powerfully suggests that private wealth does not contribute to, but appropriates from, the public good. Caught in an internal contradiction, this account presupposes unrestricted greed on the part of upwardly mobile people, but also criticizes them for their unwillingness to make a social contract. Unrestricted greed as the only motivating force cannot logically generate any contract. Such a society lacks any mechanism, whether Hobbesian or Adam Smithian in nature, capable of reconciling the passions of avarice and selfishness. The idea of helpless losers surfaces again in this line of thought but with more severe consequences than in the previous thesis. There, losers turn out to be relentlessly egalitarian or envious; here, they are simply demoralized, passive, and lacking inner dispositions and intentions. This thesis implies not only that demoralization embodies the absence of ambitions and self-esteem, but also entails a total indifference to good and bad.

Besides its simplicity and internal contradiction, I suspect this thesis would fail any empirical test. According to recent surveys, the top entrepreneurs in Hungary emphasize the significance of social solidarity and, at least rhetorically, state their readiness for making a social contract. They believe that welfare services should be provided by the state through redistribution. Although this conviction reflects a low appreciation of philanthropy, it acknowledges the necessity for redistribution.¹²

The concept of "wild or frontier capitalism" offers a supporting argument to this thesis. It proposes that the current transformation has nothing to do with the classical western model based on innovation, developmental incentives, business ethics, and a sense of responsibility corresponding to the size of wealth and the proprietary instinct. Though possibilities are felt to be limitless, the protagonists lack stable norms in this story. The market is excluded from the moral sphere of life and amplifies the ugly side of human nature. Combined with the epigrammatic thesis

¹² (1997): *Nagyvallalkozók és társadalmi környezetük* (Top Entrepreneurs and Their Social Environment). Budapest: TARKI.

stated previously, this concept reinforces the dark picture of upwardly mobile people and the dominant social ethos that regrettably guides the losers as well.

(3) The concept of the *elite and the rest of society* concentrates on a social group that partly overlaps with the previously marked group of winners. In its most bitter version, it articulates that the elite circles conceive of their legitimation as the most important objective in the transition.¹³ Accordingly, they are driven by pure and unmediated power interests and praise the "value of defeating others." The elite is motivated to convert its economic and political capital in two directions: it pursues feudal and caste-like arrangements since it does not have trust in the "invisible hand," simultaneously, it inclines strongly towards social engineering. Therefore, this elite ethos is furnished with a cynical attitude, as well as an awareness of a social mission.

The outcome of the elite's efforts is a dual society composed of themselves and the rest. Although "the rest" possess deep layers of socio-cultural traditions and want to form their own lifestyles, behavioral patterns of the elite erase any alternatives. Thus, the deprived majority should follow the ethos of the winners. By the same token, they have the urge to support the idea of social solidarity against the selfishness and ruthlessness promulgated by the elite. With an anthropological twist, people somehow feel that the dominant ethos they follow is improper. This can hold true, the thesis argues, when people are guided by a duality of "desired and followed values." The result is a pathological society characterized by growing atomization, intolerance of conflicts, suppressed aggression, and disintegration.

This thesis emerges as a repercussion of the old thesis depicting the treason of intellectuals mixed with a banal conspiracy theory. The elite is presented as an allegory of cynical power practices and ruthless desire to shape the world in its own image. It is difficult and perhaps futile to argue with an account that is fueled by the disdain and anger of unspecified sources. However, it is worth mentioning that the major proponent of this account, Erzsebet Szalai, revealed the circulation of elite groups within political, economic and cultural positions in her empirical inquiry. This finding can be the subject of a reasoned discussion but it does not validate the claims concerning the hegemonic and repressive dynamics between the elite and the rest of society.

This thesis insists that people are forced to follow certain norms since the elite has a totalizing power to shape culture in anthropological terms. In other words, values are not in formation in transitions; they are given by a higher and morally

¹³ Szalai, Erzsebet (1997): *Az elitek atvaltozasa* (The Circulation of the Elite). Budapest: Cserepfalvi.

dubious order. As opposed to the picture of envious but compromising people in the first thesis and to the demoralized mass seen in the second one, here the deprived majority appears to be completely schizophrenic. Visions like this one, based on the ubiquity of power in human affairs, cannot take cognizance of human interpretive capacities that can deteriorate or be inflected, but never be entirely suppressed.

Ironically, the most vigorous opponent of this rather erratic account proposes a cynical mirror-image of the mighty elite. It pictures the ruling elite as lacking any well-founded concept of democracy and market economy. Thus, the elite is incapable of producing any ideology that would suit the aspirations and position of the impoverished. Regardless of the roots of the dominant social cleavage, the elite is faulted for being impotent to justify and naturalize the winner and loser distinctions.

(4) The thesis of *growing impoverishment* in transitional societies is used in two distinctive forms. One of them relies on statistical evidence that can objectively speak of growing poverty in society. It draws a poverty line (relative to the average income) and measures the number of households falling below it. These official statistics grasp only formal income and respective consumption and classify society accordingly. The other version suggests that fear about and overestimation of social deprivation develop simultaneously in transitional societies: people are ready to see themselves as deprived regardless of their actual position. Recent research demonstrates that, indeed, public opinion tends to exaggerate poverty. For example, two thirds of Hungarian society identify themselves as the most unfavorable. Even members of the statistical middle class consider themselves to be poor in many instances. At the same time, more than a third of those who consider themselves to be permanently poor have never been even temporary poor.

The most professional Hungarian poverty research also uses some quantitative measures yet distinguishes some important qualitative aspects of the problem as well.¹⁴ In a closer view of contemporary Hungarian society, the share of permanent poverty is only one third of the statistically poor; the rest were temporary poor one or two times over a five year period and the percentage of the permanent poor did not change in the respective period. The research also emphasizes that a drop of income does not necessarily entail decisive deprivation since rationalization of spending can save a family from poverty. The argument resonates with Jon Elster's

¹⁴ Andorka, Rudolf; Speder, Zsolt (1997): Szegenyseg (Poverty). In : *Az ajtok zarodnak. Magyar Haztartasi Panel Muhelytanulmanyok* (The Doors Are Closing. Hungarian Household Panel Working Papers). Ed. Sik, E., Toth, I. G. Budapest: TARKI.

notion of adaptive preference formation, the outcome of which is reversible and effect-oriented and is decided upon through causal reasoning as opposed to wishful thinking.¹⁵ In addition, a recently completed survey highlights that the viability (not the efficiency) of escape- or survival-motivated enterprises regularly overrules that of classical market-oriented enterprises.

The above refined account explicates the experience of deprivation as being primarily shaped subjectively. Thus, many people have strong resistance to identifying themselves with the poor even if they are close to or below the official poverty line. Self-perception, therefore, only loosely corresponds with "objective" social conditions. All-embracing pessimism does not generate all-embracing self-pity and does not undermine upwardly mobile ambitions. Though the middle layers of society tend to depict a darker picture about themselves, those in the bottom of the income hierarchy are inclined to show themselves in more favorable positions than official classifications would suggest. The subjective experience and the life strategies people form do not copy the seemingly homogeneous and excessively pessimistic picture of social deprivation. There is serious resistance in transitional societies to narrowing the horizon of future possibilities.

(5) The *deconstruction of the welfare state* thesis attacks new welfare provisions in the making that selectively target low-income and deprived groups and withdraw support from the middle-class. This thesis ventures to undermine the authority of the concept of the "early matured welfare state" by arguing that the welfare state is, in fact, "premature" for it cannot prevent growing poverty. This thesis stresses that the elimination of a universal welfare system will have two major consequences. The ideology of a limited state and large individual responsibility separates services for the poor and the rich and thus brings a more uneven distribution of wealth. The new ideal of selective and tested targeting ultimately deteriorates social integration. This thesis suggests that it is unwise to withhold welfare benefits from the middle class. Someone who pays but does not receive will consider the poor to be parasites. The smaller the share of benefits the middle class receives, the greater their resistance to taxation, since these benefits are financed by their tax payments. Finally, the thesis warns that the emergence of the "new poor" demonstrates that social position and acknowledgment can vanish overnight. The omnipresent fear in society stemming from the relentless process of polarization, once halted by the

¹⁵ Elster, Jon (1986): *The Multiple Self*. Cambridge: Cambridge University Press.

welfare state, creates new expectations. As citizens' expectations grow and their possibilities shrink, frustration and a deficit of trust emerge.¹⁶

The most sophisticated version of this account posits its arguments within the ongoing debate on the needs and possibilities for transforming the welfare systems in current post-industrial societies. The point here is not to support or refute the validity of the argument for universal welfare provisions which, of course, should be investigated in further critical steps. This analysis is constrained to questioning the claim that the deconstruction of the previous welfare state is nothing but the destruction of the whole system, the physical devastation of the future, and the annihilation of the social ethos. This account conceptualizes welfare provisions as the ultimate ground for furnishing life with the hope of security and well-being and as the building block of a social ethos replacing the sense of solidarity and self-esteem generated by individual emotions and convictions

Theoretically it is dubious to insist that the middle class is driven by purely utilitarian motivations when considering welfare arrangements. According to such an idea, the will to contribute to redistribution depends on the promise of direct benefit from it. In simple terms, the middle class ethos is propelled by a cost-benefit consideration. We should agree with the argument that considering costs and benefits is different from insisting on welfare provisions as entitlements obtained in the recent past. By the same token, there is no evidence that the above attitude towards social redistribution is the only one that the middle class could develop from its historically shaped values. Judgments on and interactions with other groups in society have already been pluralized within the middle class (depending on divergent views of societal affairs). Traditions and expectations are in flux; current dispositions based on limited knowledge of alternative models are being challenged within the middle-class ethos as well.

Zsuzsa Ferge, the scholar who navigates the flagship in this critical current, has made efforts to justify her account of the middle-class attitudes towards welfare policy by survey research.¹⁷ The research proves that the middle class tends to prefer a system of increasing taxes and growing services as opposed to decreasing and stagnating models. This, in fact, may show an affinity with the principle of insurance-based welfare and not necessarily the perpetuation of the state-run welfare system,

¹⁶ Ferge, Zsuzsa (1995): Challenges and Constraints in Social Policy. In: *Question Marks: The Hungarian Government 1994-1995*.

¹⁷ Dogei, Ilona; Ferge, Zsuzsa (1997): Rovid kiegészites az adotudatossag kerdesehez. (Short Remark on the Issue of Tax-Paying Consciousness). In: *Az ajtok zarodnak. Magyar Haztartasi Panel Muhelytanulmanyok*.

even if security remains an important requirement. Again, the insurance preference does not exclude the possibility of participation in a selective redistribution system in which not all contributors benefit.

New inquiries also challenge the argument that people nurture growing expectations towards general welfare provisions for various reasons.¹⁸ The criticism examines those surveys that utilize biased questions and "reveal" pervasive popular desire for free social services provided by the state. Alternative survey methods suggest that if the question refers to the consequences of such services for individual taxes and offers alternative arrangements, the answers are significantly refined. The general desire for welfare services delivered by the state have started to diversify in regard to pensions, health and higher education. People are developing preferences for new potential welfare systems such as: state-run, market-based, or mixed arrangements.

(6) The thesis of *ill-designed transformation policy* argues that the ambitions to master the economic transition coupled with a lack of proper societal vision has resulted in poorly-designed transformation policy and a distorted society.¹⁹ This account relies on the well-known concept that delineates the conflict between the structure and life-world of modern societies. In current Hungarian society, the thesis argues, no attention is paid to the life-world of people and thus transformation distorts citizens' basic values. This thesis attacks the socialist-liberal government (which was in power from 1994 to 1998) and the way it promulgated the notion of liberty and legitimated any legal form of earning a living instead of practicing classical property rights. Contemporary liberal thought wrongly suggests that it is employment, public education and growing standards of living that foster civic liberty in contemporary modern societies. It neglects, the thesis argues, that non-owners are incapable of developing a social ethos that generates self-dignity and aspirations. Regrettably, in Hungarian society, people are more prone to turning into petty bourgeois rather than *citoyen*. They prefer a relatively small scope of consumption with secure jobs, little political influence, and a public sphere restricted to the family circle. People are not concerned about moral issues; their social ethos remains amorphous.

Furthermore, the crucial question concerns who makes decisions on property rights in transitional societies. The answer resonates with the elite circulation and

¹⁸ The sharpest criticism and alternative survey methodology is offered by: Csontos, Laszlo-Kornai, Janos-Toth, Istvan Gyorgy (1996): *Az allampolgar, az adok, es a joleti rendszer fogalma* (Citizens, Taxes and Welfare Concepts), *Szazadveg*, no.2: 3-28.

¹⁹ The full-fledged thesis is elaborated in: Felkai, Gabor (1997): *Ket tarsadalomelméleti illuzio szettorese a jelenkori magyar kozgondolkodásban* (The Fall of Two Social Theory Theses...), *Szociologiai Figyelo*, no. 1-2: 86-124.

the pretended capitalism theses seen as undermining the chances of bourgeois transformation. Society is constituted by desperate people silently cursing the internal fights of groups controlling resources. In these circumstances, a new social contract is in the making in which the losers get back the old certainties. Thus, society tolerates the sins of the elite and their indecent conduct. Yet, to secure a glimmer of hope, the thesis reminds that historically Hungarian society has proved to be more sincere and compassionate in regenerating the capacities of the life-world than its elite has.

This hyperbolic reasoning rescues and amalgamates several arguments that the previous theses raised. First, a systemic deficiency of modernization is put on the agenda, then behind the failure of a modernization concept, the ghost of the neo-liberal elite and ideology is captured. One may ponder the intricate dynamics of such arguments and ask: is it the fascination with the classical model of bourgeois transformation that fuels a deep aversion to contemporary liberalism or is it a deep aversion to liberalism that inspires one to promulgate vanished historical models? It is enough to refer to other dedicated scholars of bourgeois transformation who propose that the ideal autonomy of property, a distinctive lifestyle, and public involvement reflects the 19th century definition of the bourgeois ethos. The myth annihilates itself when it is informed that in post-socialist societies the entrepreneurs, lacking substantial economic resources, can often mobilize their cultural capital, form a multilayered identity in a multiplicity of lifestyles, and build an elusive public sphere in a global culture.

Transformative governmental policy appears again as a conspiracy or misguided activity. The elite commits its greatest sin by transforming only the basic structural frames of life and letting people form their own lifeworld. Ordinary members of society are again imagined as helpless subjects of cunning reason, who follow a peculiar path leading in two directions at the same time: heroic resistance and demoralization. Though this account also uses arguments resonating with the winner and loser dichotomy, the crucial concern is not social polarization. This account expresses a fear that groups capable of potential bourgeois transformation fall prey to misconceived social visions and lose a historical chance. It confirms a normative ideal and uncovers how it becomes barren due to the devastating binary outcome of transformation politics.

Critical theses turn to rhetoric

Pursuing scholarly scrutiny and critical alertness, the examined accounts combine causal explanation and moral reasoning. Yet, as highlighted above, the explanations they draw upon often fall short of analytical strength and empirical evidence.

Many of the critical arguments described above center on the distribution of gains and losses in transitional society. They often postulate a zero-sum game among groups of society in obtaining material resources or benefits. As a matter of fact, a zero-sum game presupposes quantifiable gains and losses. Although the distribution of material resources at a certain moment can be measured, this will not predetermine the equally proportionate outcome of units of resources. Besides the unintended and unexpected consequences of transactions, material resources are coupled with cultural and political capital which are rarely quantifiable, although inalienable. Though we may agree that, more often than not, cultural and political capital go together with material resources, it should be noticed that social network capital is a resource available not only for the privileged. In addition, economic transactions include a variety of non-market and non-material exchanges such as: barter, gift giving, labor exchange, capital-pooling within the family, etc., which rarely appear in statistical evidence. These spheres of informality overlap but are not identical with the illegal economy and do not uniquely characterize non-western developing societies. Networks and regulated sets of exchanges are constitutive part of market economies in the most advanced societies as well and not only among the deprived groups within them.

Furthermore, material resources are not the only forms of social goods nor the exclusive components of well-being. We can intuitively argue that the expanded rights and freedom of choice in diverse spheres of life make Central and Eastern Europeans feel more comfortable than before even if they seem to put material well-being to the top of their preference hierarchy. Beyond individual aspirations, the recognition of certain collective rights and a sense of belonging, plus the experience of common goals and achievements may also contribute to well-being in these societies. Though we need more convincing empirical evidence, the actual well-being of individual subjects and collective entities is theoretically composed of shifting combinations of material and non-material desires, needs, and consumption. Though the dominant social ethos is hardly furnished with compassion, responsibility, and solidarity, these emotional and moral dispositions are apparent in family circles and smaller networks of society and could be valuable components of well-being.

These critical voices, though they uncover undeserved and illegitimate social dynamics, treat the problem of justice insufficiently. While it is true that most of them do not intend to address the problem of justice explicitly, they end up acknowledging some form of injustice. The ones which grasp injustice have no proper means to connect the issues of justice and injustice. The elusive arguments or hints about justice often neglect the distinctive forms of justice most commonly classified as legal, distributive, and symbolic or cultural.²⁰ Some notion of historic injustice is also lurking behind the presented arguments. It remains unreflected that the loser/winner distinction is considered primarily as a subject or result of distributive justice. The observed critical accounts do not address the problem that the veritable "kingdom of justice" can be sought by finding reconciliation of conflicting moral claims and concepts of public good, regardless of what position one takes in the libertarian and communitarian debate.²¹ These accounts either take for granted that a consensus exists concerning the principles of justice in society or trivialize the potential principles of justice, with the exception of the declining welfare service thesis.

When offering moral judgments, most of the theses fixing loser/winner distinctions commit two major fallacies: postulating that social transformation serves exclusively the "winners" and drawing the consequence that winners inadvertently do harm to "losers." Causing harm is morally wrong, in other words, "unjust;" thus, the division of losers and winners becomes equated with a division between victims and perpetrators. As uncovered before, some of these theses even presuppose conscious malevolence or total indifference on the part of winners. In these cases, the winners can be directly blamed for actively causing harm and doing injustice to the rest of society.

These accounts are basically right in suggesting that an elaborate model of justice does not explain the personal and political experience of injustice, as Judith Shklar, the eminent moral philosopher argues.²² Accordingly, feeling desperate makes people give meaning to their pains and find some remedy. Injustice is a predominantly subjective experience, notwithstanding the fact that political actions and ethical

²⁰ Recent social theories have introduced the concept of recognition as another crucial domain of justice, often called symbolic or cultural. See for example: Fraser, Nancy (1997): *Justice Interruptus*. New York: Routledge. The concept seems to horrify both liberals and conservatives in this region.

²¹ See often cited volumes from the vast literature: Sandel, Michael (1982): *Liberalism and the Limits to Justice*. Cambridge: Cambridge University Press. Nussbaum, Martha; Sen, Amartya, eds (1993): *The Quality of Life*. Oxford: Clarendon Press.

²² Shklar, Judith N. (1990): *The Faces of Injustice*. New Haven: Yale University Press.

debates try to capture, demonstrate, and reconcile it. Thus, injustice is necessarily and inherently a part of social practices.

Shklar identifies two typical reactions to the subjective sense of injustice. On the one hand, the feeling of injustice motivates victims to blame someone for their misery and to search for human perpetrators. Behind any disaster and subsequent distribution of failure there must be ill-will or human fault. The personification of the responsible agent gives ground for rational explanation. On the other hand, Shklar also renders it relevant that victims often do not recognize themselves as such; nothing could be more degrading than fear and helplessness. They are willing to reorder reality rather than become the helpless subjects of injustice.

The investigated critical accounts, however, offer a thin analysis of the subjective experience of winning and losing, the only experiences they consider relevant. They either view the losers as always already infatuated by the winners' account, or they conceive of subjective experiences as evident and unequivocal due to the extreme visibility of distinctions. As a consequence, these accounts rarely acknowledge those patterns of reactions to injustice that Shklar convincingly explicates. If they do so, they tend to look at social realms through the eyes of the losers and point at the perpetrators accordingly.

Shklar reveals another crucial aspect of the subjective experience of injustice. The outcome of people's feeling of being treated unjustly depends on what they choose to believe is inevitable as opposed to unfair. These ideas are encouraged by a culture that maintains a cognitive safety in society in broad terms. Ideologies and discourses, using the repertoire of culture due to distinctive motivations, help to come down hard on some causes of injustice and thus sustain belief in a just world. It is obvious that critical discourses on the social consequences of transition also interfere with this cognitive arena. But none of the theses examined in this paper feels urged to offer some self-reflexive accounts of this sort.

Intending to practice a relentless criticism on social transformation and to introduce provocative thoughts, the examined critical voices apply rhetorical devices but they themselves become a streamlined rhetoric informing further critical and moral discourses. Rhetoric, as the art of persuasion, is tested by its ability to mobilize thought and action, and thus produce changes in the world. To do this, it tries to rely on premises that could be accepted as self-evident almost everywhere, that is without needing any particular justification. The suggestion that the loser/winner dichotomy embodies some form of injustice qualifies as a premise of this kind.

As primarily rhetorical constructions, the examined critical arguments turn to particular means of representation and persuasion. The application of binary oppo-

sitions to thoughts constitutive of more complicated concepts is a preferred cultural device in different civilizations. These binaries explicate and obscure the world at the same time and put enigmas in reasonable frames. Here the complexity of the social world is deconstructed into elementary binaries: loser/winner, public good/individual interest, market/morality, present/future, etc. Then, in the dichotomy of losing and winning, these binaries coalesce into neatly opposing poles.

Many of the above accounts authorize themselves by using public opinion surveys as the ultimate source of empirical evidence. These surveys are fashionable for they produce easily conceivable results by referring to scientific underpinnings. The preferred methods and techniques, more often than not, use simplified and tendentious questions which inevitably suggest and constrain the answer. The result is normally a set of sweeping generalizations instead of any subtle knowledge on the negotiated norms and subjective experiences people gain in everyday practices of transition.

Broader implications

The rhetoric of victimization inscribes a limited horizon to explain the fabric of society. The most stubborn proposals of victimhood resonate with the notion of *pariah* used originally by Hannah Arendt for characterizing the position of Jews excluded from society.²³ Arendt's understanding revealed the nobility of exclusion that was often claimed by dissidents under state socialism and is remembered in post-socialist critical accounts as well. The nobility of exclusion, however, which was the only morally legitimate position in harsh and soft forms of totalitarianism, cannot be automatically imported into democratic political and social conditions. In the latter case, exclusion is an undesirable position and identity based on exclusion turns to be disconcerting and self-defeating.

A new notion of kinship, as the dominant form of social interactions, emerges in the arena constituted by the antagonism of losers and winners. Kinship is either made by networks of shared suffering or by networks of illegitimate advancement. Many of the above analyzed theses may help develop popular media messages which confirm that the networks of the winners are justly considered to be mafia. In reality, the principles of solidarity, trust, and mutual exchange as well as threat, corruption, and mutual cheating govern the formal and informal networks among

²³ Arendt, Hannah (1978): *The Jew as Pariah: Jewish Identity and Politics in the Modern Age*. New York: Grove Press.

both losers and winners. Forms of social interaction and organization are, of course, are more multifaceted and ambiguous than this new notion of kinship suggests.

The freezing of the social landscape into winners and losers obstructs members of society from comparing their short-term losses with their potential long-term benefits; it proposes that people concentrate exclusively on their current positions. It overlooks that people are capable of differentiating between short-term and long-term objectives and sacrificing short-lived for enduring gratification. Long-term benefits can be realized through negotiated adjustment. As Hirschman suggests, people who are not the beneficiaries of the present social and economic situation can be patient if they see a long-term improvement, that is "a light at the end of the tunnel." The loser and winner dichotomy, however, is more prone to envision an endless tunnel.

In *understanding general conditions of late modernity*, loser/winner arguments appear to be blind to common structural problems that both post-socialist and post-industrial societies face today. In the 1990s, western societies experience the demise of the welfare state, growing social inequality and insecure employment structures in global capitalism. Due to cultural shifts and growing welfare, the proportion of active and inactive citizens is dramatically changing. Western societies, therefore, are compelled to create a new balance between market progress and welfare needs and to restructure citizenship rights and entitlements. Critical voices of transition rarely incorporate these conditions as potentially common to both post-socialist and post-industrial societies when evaluating achievements and failures of their own societies.

The above examined voices divide the world into the discrete spheres of utility and propriety, in other words, market and morality. This cleavage mirrors the split between economic and social man and its repercussions in social interactions. Though these thoughts are by no means new and are not the inventions of post-socialist critical debates, their repercussions facilitate the classification of people into two divergent clusters. In addition, in some critical voices, one cannot help sensing contempt for the materialization of life and the pervasive effects of market relations. This stance is strangely coupled with the drive to understand human intentions and experiences primarily in material terms. In other words, material gains and losses will structure society and shape the models of success and failure. To complicate the puzzle, some of the above theses swing back and forth between two sets of explanatory potentials; the overriding power of the market versus the diabolic effects of conspiracy. What appears common to most of them is belief in the cunning of reason rather than any fair public policy.

The loser/winner concepts propose models of identity which seem to nicely accommodate contemporary ideas that suggest that identity is based on claiming sameness against some otherness. The antinomy, however, is not a necessary condition for finding otherness in society. Furthermore, the above cited theses inadvertently convince the losers that deprivation would eliminate the strive for dignity and that the paths to empowerment are basically closed. What the critical warnings promulgate to the winner is also disconcerting: as they are always seen as unwelcome *parvenus*, they either should not care about what the rest think of them or find an identity in bad conscious or self-denial. These accounts ignore that although the winning and losing positions appear as ready-made schemes, different standards of success and models of survival are constructed on different grounds and in divergent subjective universes. To form allegiances, identities, and life strategies, people do need tangible and symbolic boundaries among social categories, but not necessarily binary ones.

Considering the *political hopes and consequences* that loser/winner discourses generate, losers are encouraged to name perpetrators and to narrate their crimes deserving of a collective punishment. The narratives of betrayal in turn legitimize discourses of victimization by making suffering visible and indisputable. The outcomes of structural (path-dependent) versus policy orchestrated transformation are conflated; perpetrators are blamed for both.

The rhetoric of victimization suggests that losers deserve unconditional help from society, most importantly from the state. The continuous pressure on perpetuating welfare entitlement without serious debates on principles and institutions of justice decreases the chances of finding adequate responses to post-industrial welfare challenges. The pressure to promise more and the possibility to give less undermines the credibility of state policies and provisions. This danger, in fact, is expressed by the welfare state thesis but with no reference to the role of the critical discourses shaping the dynamics between hopes and possibilities.

The binary opposition between losers and winners inherently suggests an unbridgeable social antagonism and ultimate division within society. Losers and winners can fight but not deliberate on their interests or desires. This heightened antagonism is especially disconcerting in post-socialist adversarial politics sharply described by G. M. Tamas.²⁴ Ideologies of suspicion combined with paranoia, conspiracy theory, and persecution mania dominate post-socialist public discourses. Governments are called mafia, property is considered theft, morality is tomfoolery;

²⁴ Tamas, G.M. (1996): Etnarchy and Ethno-Anarchism, *Social Research*, Vol. 63, No.1.:147-190.

in short, nothing is what it looks like. In the center of persuasion is the enemy who prevents us from liberation. The division of society into winners and losers nicely accommodates to the above ideological menu since it posits social groups as enemies and implicitly suggests that redemption should come from outside society. The winners are not willing and the losers are not capable of advancing the cause of social justice and reconciliation. No actors are in-between.

The *moral universe* that the selected critical accounts generate confirms the self-perpetuating feeling of disillusionment. They may contribute to justifying the plea of dishonesty within different networks and situations. The morally unspotted perspective of the loser easily conflates civic virtues and civic vices by justifying a "Robin Hood" ethos. This ethos nurtures a parallel culture of complaint and complicity.

The unrecoverable position of the victim often annihilates sensitivities to other forms of suffering and develops a myopia. Myopia refuses to respect other human beings as subjects of practical reasoning on the same footing. It tends to ignore the absolutely redundant group within the deprived. For example, in Hungarian society, Roma people are detested as the recipients of state benefits that make them the gaining losers. In other words, the most disenfranchised members of society are perceived to be effectively robbing the rest.

Dissecting opinions?

At this point, the first signs of self-critical accounts within the targeted voices should be acknowledged. For example, Zsuzsa Ferge, the she-apostle of universal welfare provisions and advocate of loser/winner arguments, admits (due to the results of recent comparative research) that the identification with losers or winners is a complicated process and does not show strong correlation with objective sociological variables (i.e., occupation, education, income). The survey she conducted could only prove the simple correlation that those who see the previous system as better think themselves as loser, with the same logic prevailing on the side of winners.²⁵ The conclusion does not admit, however, that the loser/winner dichotomy is offered as the imaginary framework by the survey itself. People's agreement to place themselves in the given dichotomy does not imply that this is the only or dominant factor in shaping their identities.

²⁵ Ferge, Zsuzsa (1996): A rendszerváltás nyertesei és vesztesei (Winners and Losers of Transition). In: *Társadalmi Report 1996* (Social Report 1996). Ed. by Andorka, Kolosi, Vukovich. Budapest: Szazadveg-Tarki.

From a radically different perspective, some scholars advocate the unavoidable production of winners and losers by successful transformation policy. This thesis argues that transitional governments should strategically consider short term losers (subjective position) and long term benefits (public good). The underlying assumption is that liberal reform policy is unavoidably elitist, autocratic and exclusionary. Wholesale economic reform must be pushed through and enforced by the state because social groups have a vested interest to maintain the status quo. Compensation is the key to successful transition policy. Compensation is to be given to losers but only for strategic purposes. It should be clearly seen that the morally justified and politically efficacious criteria for compensation diverge: political efficacy requires that not all losers are compensated and that those compensated are not all losers. Yet, the compensation-based political strategy is morally justified if the ultimate goal is democracy and the long-term benefit of the whole society.²⁶

One might be puzzled by listening to this voice. If the point is to inscribe the loser/winner language onto public debates for pursuing a morally justifiable outcome, some critical warnings prevail that I spelled out among the broader implications of the examined critical theses. Though the practice this argument promulgates is willing to shift the subjects of the loser/winner labeling, it cannot but implicitly accept the idea of wholesale transformation as a zero-sum and material game. It is silent about the problem of distributive justice or implicitly assumes that to foster the whole society's long-term benefits, particular groups cannot be given short-term favor unless they threaten the long-term benefits of all. This conception envisions the arena of politics as a battlefield of long-term and short-term enemies who ultimately get along with each other if the transformation is successful. Of course, this argument deserves a thorough analysis which is not the task of this paper.

Finally, the theses of the winner and loser division should face another powerful competing discourse: the idea of *embourgeoisement* or middle-class progress. In its sincere version, it shows fascination with a stable and capable social middle that never existed in societies of the region. In its more cynical version, the thesis diverts attention to those who are stable and critically important voters and classifies society accordingly. It shies away from the loser/winner rhetoric to strengthen, in fact, the position of those who may consider themselves to be legitimate winners. The concept of the bourgeois appeals to the mainstream which is distanced both from the privileged and the deprived. The notion of bourgeois is

²⁶ See a fully developed treatment of the concept in Greskovits, Bela (1998): *The Political Economy of Protest and Practice*. Budapest: CEU Press.

also saturated with the magic of normalcy disentangled from any ideology. This concept, although it does not lack the propensities to channel thought and action in antagonisms, may challenge the concepts of the winner/loser dichotomy. It is an open question, however, whether it could quickly overshadow them.

Perils and hopes of criticism

My critical reading of the pinpointed critical theses by no means aims at debasing their alertness in judging the outcomes of social changes. It also refrains from disqualifying those inquiries that discover hidden and open processes that generate and reinforce social differentiation. The kind of critique I pursue shares a concern for those groups of society that seem to be losing chances for a dignified human life. I also grasp the cogent argument that the less people can control their life, the more they will perceive others as enemies, and the more frantically they will try to disentangle themselves from the strangers and internal others. In other words, the intensity of resentment grows with the feeling of powerlessness and the lack of a rightful and secure position in society. Thus, critical accounts should raise public awareness whenever they see the danger of social exclusion. I am also concerned, however, by the influence of discourses that tend, often unintentionally, to announce social exclusions by earmarking winners and losers and capture subsequent victims and perpetrators in rhetorical devices.

Contemporary social criticism rightly shows mounting concern over the results of transformative changes and the social perception of them. At the same time, it should be alarming that a variety of currents have emerged in post-socialist states which generate panic and millennial expectations and prepare fertile ground for paranoid visions of conspiracy and treason. Different forms of social demagoguery and populist exploitation of mass discontent surface and gain support. New versions of radicalism that combine themes of the left and the right draw fictitious boundaries between martyrs and criminals.

In these circumstances, critical thoughts should be especially cautious and self-reflexive. They are invited to listen to Paul Ricoeur's warning, who ponders the pathos of misery as a powerful persuasive device. He pronounces how some philosophical inquiries connect man's fallibility with the evil of injustice.²⁷ Critical accounts evaluating the results and the failures of social changes should be able to offer ethical reflections and articulate injustice yet refrain from the concept of evil.

²⁷ Ricoeur, Paul (1986): *Fallible Man*. New York: Fordham University Press.