INTRODUCTION

It is unclear what shape the state will eventually take in the post-communist countries. The process of change it is now undergoing is a combination of many forces, including, to a certain extent, the conscious reform activities of the political and intellectual elites. What I shall argue here is that the intellectual and political leaders in the post-communist countries—including those whose transformations are most advanced, the Central European countries, upon which I shall concentrate—have failed to articulate clear and convincing, not to mention realistic visions of the socio-economic system that should be established. I shall also argue—and this is one of my main points—that they are hardly to be blamed for this failure, as the real cause is the crisis facing all twentieth-century models of the economic role of the state. Central Europe lies on the periphery of the more developed West, and at present, as was the case in the pre-communist past, institutions here are being designed on the basis of imported ideas. Since many of these ideas are now being questioned at their origin it is not surprising that the leaders of post-communist societies are finding it difficult to adapt them.

Questions about economic systems in general, and the role of government in particular, may be posed from different points of view: for example, normative and analytical—historical. The normative question concerns the best economic system imaginable in keeping with a number of higher-order values, while the analytical question concerns the kind of arrangements which might have a chance of being realized. Neither approach is self-evidently better than the other—one's choice depends upon the aim of the analysis. In this paper, however, I shall concentrate on the second question, merely touching on the first as far as is necessary. My approach shall be historical—comparative, and may be located somewhere between economic history, historical sociology, and the hist-
tory of ideas. What I shall try to do is to look at normative models of the state's role within the economic system and take some historical cases which, at least in some respects, can be compared with the post-communist situation. Confined as I am by the limits of this short paper, I shall have to remain fairly general. As a result, I shall be comparing not so much concrete cases, as models or ideal types. Three types of particular importance from my point of view are (i) the neo-liberal state, (ii) the redistributive state, and (iii) the developmental state. These models are important as they constitute either an ideological and conceptual 'menu', from which 'architects of transition' may make their selection, or cognitive devices which help them to interpret reality.¹

I shall start with a brief account of the role of the state in the development of capitalism in both the advanced and the less advanced industrialized countries. I shall then consider normative ideas concerning what governments should do in the post-communist countries. Finally, I shall reflect upon the social conditions which make it likely that one form of the state or another shall prevail.

STATE, CAPITALISM, AND REDISTRIBUTION IN WESTERN EUROPE

Let me start with a historical excursion through Western Europe. The historical landscape shows two things: first, that a strong state was one of the conditions of the emergence of capitalism, and second, that the process of industrialization and the advent of extended-franchise democracy led to a profound reconstruction of the economic system and the evolution of the welfare state.

I do not want to go too deeply into the ongoing debate on the origins of capitalism. Instead, I shall confine myself to recalling the thesis of the 'European miracle'.² According to this interpretation, Europe was unique among the great agrarian civilizations of the past in developing capitalism. This development was the result of a rather unlikely coincidence of cultural, political, and ecological circumstances. In other words, it was not a product of historical necessity (as the Marxists would like it to be), but rather a historical accident.

What role did the state play in this process?

Economic history shows that the state was instrumental in the emergence of a legal system which protected private property. In their important book, North and Thomas argue that the development of this role for the state depended upon specific—and to an extent accidental—conditions, including the perception that the best way of securing regular state revenues was through the taxation of prosperous merchants.³ The state also contributed to the rise of capital-

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² Discussion of the origins of capitalism must remain restricted to a number of works which stress the role of the state in this process.