

**MONEY AND PLAN: FINANCIAL ASPECTS OF EAST EUROPEAN ECONOMIC REFORMS.** Edited, with an introduction, by *Gregory Grossman*. Berkeley and Los Angeles: University of California Press, 1968. 188 pp. \$6.00.

This collection of seven essays grew out of a Workshop on Communist Money and Finance held at Berkeley in December 1966. In the lead essay Andrzej Brzeski analyzes empirically the record of inflation in Poland. In the context of a macro-economic model of a Soviet-type economy, John Montias examines the quantitative implications of alternative monetary and fiscal policies. Interestingly, Montias explores, among other things, the relation between the budgetary surplus and real output and other variables, on the assumption that planners make quantity rather than price adjustments. Three of the essays deal with aspects of the most radical reforms (János Fekete, managing director of the National Bank of Hungary, writes on the Hungarian reform, and Boris Pesek and Václav Holešovský write on the ill-fated Czechoslovak reform). While the Fekete essay may be too sanguine in its discussion of the need for reform, the opposite could be said of the Pesek and Holešovský contributions. One wonders if and why the advantages of the standard system were inoperative in Czechoslovakia. Eugene Babitchev analyzes and describes the so-called COMECON bank, particularly the issue of multilateralism. The concluding essay by George Garvy (which incorporates comments by workshop participants other than the contributors), together with Gregory Grossman's rather extensive introduction, does much to pull together this small but somewhat unwieldy package.

This book, especially Garvy's perceptive contribution, raises fundamental and intriguing questions about money, finance, and credit in both the standard and reformed economies. What was the role of money in the standard system? If money is not necessary for exchange, can it at the same time be an effective "budget constraint" (Grossman, p. 7)? And can, as Brzeski asserts (p. 23), the Fisherian quantity approach provide a fruitful analytical framework? Was wage control ineffective? What is the "real bills" doctrine? The link between monetary and real variables? The role of the budgetary surplus? Will changes in financial flows have more than a purely accounting significance? Will the reforms usher in a "renaissance of money"? Will the central bank emerge as a key actor in a "polycentric" system of planning? And so on.

This is a valuable book.

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**NATIONALISM IN EASTERN EUROPE.** Edited by *Peter F. Sugar* and *Ivo J. Lederer*. Far Eastern and Russian Institute Publications on Russia and Eastern Europe, no. 1. Seattle and London: University of Washington Press, 1969. ix, 465 pp. \$15.00.

After World War II it appeared for a time that the pressure of Stalinism would extinguish every vestige of national sentiment among the peoples of Eastern Europe. The resurgence of this sentiment since Stalin's death, however, has demonstrated that nationalism in Eastern Europe is well-nigh indestructible and that it must be regarded as one of the dominant forces in the history of the region,