of the past, a tradition created by the gentry and the petite bourgeoisie, antiscientific, and so forth. The fact that 80 percent of the youngest teachers (under twenty-five) have declared themselves to be devoted to the church (p. 196), although they were born as citizens of a Marxist-atheistic state, is, as the author agrees, not easy to explain by dividing the Poles into "Progressives" (the small Communist minority and their fellow travelers) and stubborn "Traditionalists."

The conflict in Polish society is not between revolution and tradition. The Poles made no revolution after the war, but found themselves in a geopolitical situation which they were not strong enough to change. The group which rules them is basically opposed to the whole culture and history of the Poles, whose religion is Roman, philosophy French-influenced, literature romantic (partly German-influenced), and to whom Marxism-Leninism as an educational guide appears as an Eastern heresy and is incomprehensible.

LUCJAN BLIT
London

SOCIALIST BANKING AND MONETARY CONTROL: THE EXPERIENCE OF POLAND. By *T. M. Podolski.* Soviet and East European Studies Series. New York and London: Cambridge University Press, 1973. xiii, 392 pp. $28.50.

The role of money in a planned economy has been traditionally viewed as one of passive support for meeting real economic objectives spelled out in the plan in physical terms. This view is supported by Professor Podolski's study of the prewar and postwar Polish banking system. From the onset of central planning, the main function of the National Bank of Poland—a central bank as well as an enterprise credit-granting institution—has been to oversee enterprise economic activity to ensure that it conforms to the plan. Podolski has carefully documented many institutional and policy changes that have occurred in the banking system throughout the planning period, but one is struck by the lack of change in the fundamental relations between the banks, the planners, and the enterprises. Only the 1969–70 reforms indicate the possibility of some decentralization of decision-making.

In addition to his description of bank control over enterprise behavior, Podolski also suggests that the bank has little power to control the overall level of spending and thereby the rate of inflation through the use of traditional monetary policy tools. This is an interesting and controversial question, since evidence on the Soviet Union indicates a relation between credit expansion and inflation. He argues that Polish enterprises have resorted to the use of illicit trade credit whenever the level of bank credit has been restricted. He is therefore arguing that the velocity of money in Poland is quite variable and accommodates itself to the needs of the enterprise. It would have been useful if the author could have presented some statistics on the relation between the growth of bank liabilities and economic aggregates. Despite this shortcoming, the book offers a thorough and well-documented description of the evolution of Polish financial institutions. The study provides insight not only into banking practices but also into the fundamental problem of the locus of decision-making authority in a centrally planned economy.

JOYCE PICKERSGILL
California State University, Fullerton