

EVOLUTIONARY INSTITUTIONAL THOUGHT'S EMERGENCE IN RUSSIA

Coauthored by:

Svetlana Kirdina; Head; Sub-Division for Evolution of Social and Economic Systems; Institute of Economics; Russian Academy of Sciences; Moscow, Russia;

e-mail kirdina777@gmail.com

John Hall, Professor; Departments of Economics and International Studies; Portland State University; Portland (Oregon, USA); and Research Professor, Halle Institute for Economic Research (Germany); email johnbattailehall@gmail.com (corresponding author)

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Abstract:

Our inquiry explores and details the slowed and often thwarted development of evolutionary-institutional thought in Russia, and then its later flourishing. We make use of Nikolai Berdyaev's understanding of "median utilitarian culture" as well as Alexandr Akhiezer's term of "inversion cycles" as a way to frame our inquiry, and relatedly, we divide the arrival and advancement of the evolutionary-institutional field of inquiry into two distinct phases, with the first defined as a *Thwarted Phase* that becomes evident in the 1930s. The *Flourishing Phase* commences with the start of the 1990s and continues up to the present. Symbolic and related to this thwarted phase, we can note that Thorstein Veblen's seminal article "Why Is Economics Not an Evolutionary Science?" was not translated to the Russian language until 2006, more than one hundred years after its first appearance in 1898. We draw relationships with how some of the long term effects stemming from the October Revolution of 1917, the founding of the USSR in 1921, and the tradition of dialectical materialism derived from Karl Marx and Frederick Engels, effectively thwarted the evolutionary-institutional approach to Economic Science for almost all of the Soviet era. The Flourishing Phase can be distinguished by the start of the transition to market economy, the emergence of independent presses, and the translation of key institutionalist documents, plus the dissemination of articles and books authored by Russian scholars—with some reaching into university curriculums. Relatedly, and in conclusion, we offer insights into the prospects for the emergence of a distinct "Russian Institutionalism" and based upon original contributions from Russian scholars relying upon contemporary methodological principles. (words 264)

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The evolutionary-institutional school of thought did not emerge in Russia, but in the United States and western Europe and during the Decades of the 1920 and 30s. With this inquiry we shall investigate the Russian and Soviet scholars' perceptions and absorption of ideas advanced in this field of study.

Our inquiry consists of four sections followed by a conclusion. The first section introduces and seeks to define the notion of "inversion cycles" that are thought to characterize and also limit Russian social development. Our second section deals with some of the critics of the evolutionary-institutional tradition in economic thought advanced by Soviet thinkers in the Decades of the 1930s through the 1980s. The third section presents institutional ideas derived from selected contributions of Soviet political economists and sociologists. The fourth section considers the spread of this tradition in social science thinking in Russia, starting with the early post-Soviet era and running to the present. Finally, the main conclusions are presented in summarized form.

Part 1, Inversion Cycles and Discontinuities in Russian Social Development

At the beginning of the 1990s, Alexandr Akhiezer introduced the idea that Russia's society can be understood as "split." In Akhiezer's view (1991, p. 195), what are termed "inversion cycles" contribute to discontinuity patterns for Russia, and as rocking vibrations moving between two contrasting poles. These cycles are noted to emerge related to an outright rejection of a full set of societal values and practices that could have been, but are not, preserved and relied upon as previously accumulated knowledge.

Adding to this line of thinking, Susanna Matveeva (1997, p. 20) stresses that inversion cycles tend to prove disruptive and thereby contribute to disorganization, reducing prospects for societal progress. Disruption can occur when previously held values contribute toward conflicting values and a related societal disorganization in a subsequent historical era. Akhiezer relates such inversion cycles to the weakness of what is defined as a "median utilitarian culture" in Russia, what was deeply investigated in works Nikolai Berdyaev (1915), and that refers to the creation of new elements of culture that cannot be reduced to the previous polar extremes.

One way that inversion cycles manifest themselves and work themselves out is that over a span of Russian history, each new historical turn in social development denies the hard-earned cultural practices and traditions that could be garnered from the past era. In this sense, inversion cycles can indeed violate the unity and continuity of Russian society, rendering social development—if not impossible, then—extremely costly as mistakes are made that tend to be irreversible. The long Soviet era, or even the shorter era of "perestroika" that arose and fell in the second half of the 1980s, offers vivid examples of inversion cycles, demonstrating that as a

previous era is cast out, members of Russian society are faced with starting a new historical era that is plagued by opposing and even conflicting values, and so largely unable to synthesize values drawn from the previous era.

For this inquiry, we think that Akhiezer's notion of inversion cycles offers a fruitful framework for our efforts to understand the perception of evolutionary-institutional thought in Russia. While Akhiezer's notion and application of inversion cycles frames our inquiry, his thinking is also supported by what we shall introduce below.

Part 2, Soviet Political Economy and Institutional Thought

The institutionalist tradition, as a well-developed and comprehensive approach, started to spread internationally during the Decade of the 1920s. (Footnote 1) Starting earlier in the United States, Thorstein Veblen (1857-1929) generated a selection of seminal articles and books establishing and advancing this field of inquiry, while in the United Kingdom and France, notable authors such as John Hobson, (1858-1940) and François Simiand (1873-1935) offered other important contributions. In Russia during the 1920s and 30s there emerged what translates as a "socio-institutionalist" approach, and L. M. Ippolitov (2008, p. 46) notes the importance of Peter Struve, as well as some other economists, who departed Russia after the Bolshevik Revolution of 1917 and contributed towards advancing Russian institutional thought from abroad. With the rise and later dominance of bolshevism as a political ideology, that was also put to practice in the newly established Soviet Union, evolutionary-institutional thinking entered into what we define as a *Thwarted Phase*; for this area of inquiry generated over-seas met pointed and harsh criticisms that can be best understood when considering the development of economic thinking in that formative and also turbulent early era of Soviet economic history.

One could view the first part of the 20th century as composed of decades during which those advancing ideas in Economic Science were engaged in a competition for influence and even dominance. Before the 1917 revolution, Karl Marx was better known in Russia than anywhere outside of Germany and Great Britain. The first translation of Marx's famous tome, *Das Kapital, Band I* [1867] was undertaken from the German to the Russian language, and this book was published in Russia in 1872. The first Russian edition of 3,000 copies outran the 1,000 copies that were printed as the first edition in neighboring Germany. Ten years later, the *Communist Manifesto* [1848], coauthored by Marx and Friedrich Engels, was translated by Georgi Plekhanov and published in Russia.

Up to the start of the 20th century, Marx's thinking increased in popularity among Russian intellectuals and in this manner came to exert effects on public opinion and later the course of Russian history. After the successes of the Bolshevik Revolution of 1917, Marx's ideas

were drawn upon to form the basis of the official ideology for the nascent Soviet Union. What contributed to wide-spread acceptance of his thinking within the Soviet context, is that Marx not only advanced a critique of capitalism, but he also offered a vision, according to Kirdina (2006), of an improved society that resolved the key contradictions of capitalism and that also proved congruent with a centralized society already found in Russia.

The ascendancy of the Bolsheviks to dominance with the October Revolution of 1917, and the post civil war founding of the Soviet Union in 1921, led to a full endorsement of Marx's orientation while simultaneously limiting the prospects for other economic approaches, including evolutionary-institutional thinking.

For the duration of the seventy year-long Soviet era, the institutional tradition in economics advanced by Veblen and some others was regarded coolly, for this school of thought was held suspect and deemed a competitor to the dominant, Marxian interpretation based upon dialectics. In his book, *Foundations of Leninism* [published in Russian 1924], Josef Stalin offered and delineated "Marxism-Leninism" as the Soviet Union's official ideology. Stalin (1939, p. 3) emphasized its importance as "the theory and practice of the dictatorship of the proletariat." That would also be "... serving the interests of the working class." And this particular requirement became the main criteria for evaluation of other social and economic concepts. Therefore, if an economic theory were judged to serve "the interests of the bourgeoisie," what was perceived and regarded as a reactionary class during those times, such an economic doctrine or concept was marked as "vulgar" and for limiting inquiry to surface phenomena without penetrating into the deeper structures of social and class relations.

In addition, an officially termed "political economy of socialism" was spelled out by the Soviet leadership, and for investigating and explaining developments taking place in the recently formed Soviet economic and social order. And curiously, within this environment of officially sanctioned Marxism-Leninism, critiques emerged and took form as competing schools. However, these competing schools were relegated to a periphery and were designated as forms of "Bourgeois (Vulgar) Political Economy," and in this manner, were safely categorized and then presented as contributions to the History of Economic Thought. These are the conditions under which evolutionary-institutional (including Veblen's) thinking got started in the Soviet Union during the early years.

One of the first references to American institutionalism, in general, and to Veblen's contribution, in particular, can be found in *The Subjective School in Political Economy* [1928] authored by Israel Blyumin. As a Soviet economist and historian of economic thought, Blyumin's writings suggest that institutionalism offers a theoretical alternative to marginalism, in the tradition established by Alfred Marshall and that came to dominate in Great Britain and

across its vast colonial and post-colonial empire. Towards the end of his book entitled: *Sketches of Modern Bourgeois Theoretical Economics: On the Characterization of the Social School*, Blyumin (1930) registers as the first to present Veblen's seminal ideas in explicit detail to the economists of the Soviet Union. However, we find it important to stress that with his book Blyumin sought to characterize trends and tendencies in bourgeois economic theory. And in doing so, Blyumin (1961, p. 172) explicitly denounces Veblen as a "bourgeois economist" and for his "justification of private property and ... apology for capitalism." In Blyumin's view, (1961, p. 173), American institutionalism can be defined as being close to a school of "social orientation," and this school of thought is noted to be as reactionary "... as other areas of vulgar bourgeois political economy."

In the second volume of his three volume set, *Criticisms of Bourgeois Political Economy*, Blyumin (1962) critiques selected contributions of Veblen and also John R. Commons. In the view of Blyumin, these American institutionalists failed in using appropriate Marxian analytical categories and in emphasizing the importance of historical materialism, class struggle, and revolution—as their writings relied upon "non-scientific" (evolutionist and idealistic) categories. In addition, Blyumin (1962, p. 342) labels institutionalists as apologists defending monopoly capitalism under the flag of reformism, and for thinking there is indeed a "... possibility of resolving peacefully the antagonistic contradictions of capitalism" and for attempting to construct what Commons heralded as a "reasonable capitalism."

Though some of Blyumin's critical points regarding institutionalism were clearly polemical in character, still many of his points proved accurate and have retained their importance and relevance until the present. Among these enduring contributions, Blyumin (1962, p. 337) laments the vagueness of the concept of "institution," that also tends to be defined differently by selected contributors. These varying definitions render theoretical classification difficult and also the processing of empirical data, what might also be argued later created room for the emergence of New Institutionalism in the traditions established by Ronald Coase, Oliver Williamson, and Douglass North, in particular. In addition, Blyumin writes of some of the historical relationships between the changing conditions and the need for new theoretical understandings. He indicates that American and European institutionalism could be viewed as an outgrowth of new tendencies in the development of capitalist economies; such as the increasing concentration of capital and the dominant roles assumed by monopolies, as well as the changing roles of the banking sector, the growth of the trade union movement, and the relative strengthening of the role of collective (social) over individual interests.

At the time that Blyumin's leveled his critiques, seminal contributions of established institutionalists had not been translated into the Russian language. In our interpretations, the

pointed criticisms posed by Blyumin offered the service of spelling out comprehensive views advanced by the institutionalist thinkers that he considers. Because his critiques were not intended to enrich the new Soviet political economy of socialism with the importation of institutionalist ideas, this suggests to us a fairly clear example of what we interpret as a sign of the proclivity for inversion cycles that are evidenced by an absence of a "median utilitarian culture." This tendency suggests that, instead of spreading and benefiting from novel and possibly useful ideas, such ideas were kept at the long end of a broom.

Likely influenced by Blyumin's critiques, negative perceptions of institutional thought endured over the next decades. Appearing in the 1950s as an entry into the *Great Soviet Encyclopedia*, "institutionalists" were characterized as "... the most vicious enemies of the working class among all of the representatives of vulgar political economy" (*Bolshaya Sovetskaya Entsiklopediya*, 1953, p. 239). Russian scholars were prone to stress that institutionalists offered a theoretical justification for capitalism and in this manner contributed towards its further development, in other words, institutionalists were thought to be "... in the service of imperialist reaction" (see, for example, Alter, 1948; 1961; 1971). Relatedly, in the subsequent edition of the *Great Soviet Encyclopedia*, V. S. Afanasyev (1972, p. 296) stresses that institutionalism should be understood as a "... vulgar trend in American bourgeois political economy."

As pointed and as harsh as these critiques appear; nevertheless, some Soviet researchers followed the development of institutionalism from within the confines of the Soviet Union's academic and scientific discipline labeled as "critique of bourgeois political economy." Included along with Blyumin, Alter and Afanasyev, are thinkers and authors such as: K.B. Kozlova (1987), V.D. Sykora (1983) and Sofia Sorokina (1981).

In fact, Sorokina (1981) is known for authoring the first monograph appearing in the Russian language and that was exclusively devoted toward an analysis of institutionalism and its advances over time. Our research suggests that her book offers the most complete statement of institutional concepts and their critiques, and we can note that her 1981 book was reprinted twice during the Year 2011. Of special interest is that Sorokina emphasizes, that starting with the Decade of the 1960s, institutionalist ideas spread among economists throughout the world, but not back home in the USSR. She is of the expressed opinion that the widespread renaissance in institutionalist thinking was further goaded by the economic recession of 1974-1975, and the efforts related to mitigating the downturn suggest a lack of effectiveness of Keynesian concepts and especially of a state's ability to regulate an economy and implement policies that could reverse such a downturn. In her opinion, the popularity of the ideas of Keynes, along with the neoclassical school as a whole, fell into disfavor and institutional ideas attracted new supporters.

Sorokina (1981, p. 3) stresses that: "institutionalism emerged as one of the main trends in contemporary bourgeois economics." In addition, she stresses that institutional thinking went far beyond the United States and included widely acclaimed thinkers such as Swedish economist Gunnar Myrdal, the French economist Francois Perry, and some others.

In spite of these acknowledgements by Sorokina, and in accordance with the platform of the XXVI Congress of the Communist Party of the Soviet Union held in 1981, efforts in the social science disciplines were still focused on "criticisms of anti-communism, the bourgeois, and revisionist concepts of social development, and for exposing the falsifiers of Marxism-Leninism" (Proceedings of the XXVI Congress of the CPSU, 1981). Such positions hampered the possibilities for fruitful exchanges of ideas between Soviet social scientists and those advancing institutional thought from foreign locations.

While efforts on the part of officials indeed hampered advances in institutional thinking in the Soviet Union, still the battles fought to thwart its arrival and spreading influences lessened in intensity. One outcome worth noting is the emergence of a better-balanced analysis of the views of institutionalists, and that some of the most important contributions coming in from abroad were actually translated, published, and distributed.

Thorstein Veblen's *The Theory of the Leisure Class: An Economic Study in Institutions* registers as one of the first contributions to appear in this manner. Initially published in the U.S. in 1899, Veblen's first book and was finally translated and the ideas disseminated in Russian in 1984, some 85 years later. It is important to note that the Russian translation of Veblen's book registers as especially significant, and one measure of its significance is that this book's long and complete "Introduction" stretched to 54 pages, offering a biography of Veblen, as well as a comprehensive summary of the main ideas that he had contributed over the course of his productive career. Sorokina authored this comprehensive "Introduction" to the Russian edition and she also provided the translation. Important to note is that the subtitle of "An Economic Study of Institutions" did not appear in the Russian edition, as the word "institution" was still banned in the 1980s.

The abstract for this book indicated that the views of Veblen were not appropriate for Soviet thought. However, Sorokina (1981) emphasized that "[Veblen] ... acted with sharp criticisms of capitalism, the financial oligarchy, and the leisure class." This statement justified the translation of his work to explore with it, not only the "bourgeois specialists in the field of economic theories," but also other Soviet "scientists and teachers of social sciences."

Part 3, Institutional Approaches of Soviet Thinkers

In the USSR, Economic Science was divided into research areas, and these divisions were also affected by the importance of the respective areas relative to the larger world. Our inquiring suggests that what we label as a “window to the outside world” was opened for specialists who studied tendencies in bourgeois political economy. Important to consider is that the bulk of Soviet theorists remained focused on the field of the political economy of socialism, and because of their specializations, members of this large community tended to remain unaware of tendencies in economic thought taking place outside of the Soviet Union.

Notwithstanding and commencing during the Decade of the 1980s, some Soviet research scientists began to quietly and gently introduce new concepts that did not fit into the *procrustean bed* of the official ideology and with its Marxian emphasis upon the productive forces, production relations, and class. A category of organizational and economic relations proposed by prominent Russian economist-academician Leonid Abalkin in his books *The Dialectic of the Socialistic Economy* (1981; 2001) serves as one of the attempts to introduce institutionalist categories into official thinking, and this is emphasized in *Institutionalism in Russian Economic Thought*, a book coauthored by Oleg Inshakov and Daniil Frolov (2002, vol. 2, p. 206). It was Abalkin who suggested that the Russians differentiate their social and economic relationships from organizations. Years later, and with benefit of hindsight, we can note that this proposed division paralleled ideas also advanced in the writings of Douglass North, and so was seen as an important advance in the orientation of the institutionalist framework emerging in post-Soviet Russia. However, Abalkin failed in advancing further by offering a clearly defined institutionalist approach in his writings, although he actively supported the development of institutional research as Russia emerged out of the post-Soviet era. (Footnote 2)

While topics dealing with the political economy of socialism remained largely closed to those researchers interested in advancing institutionalist thinking, the discipline of sociology benefited from greater degrees of methodological freedom. As early as 1971 the journal *Communist*, which served as the official organ of the Central Committee of the Communist Party, published an article jointly authored by G.E. Glezerman, V.Z. Kelly and N.V. Pilipenko entitled: "Historical Materialism—The Theory and Methodology of Scientific Knowledge and Revolutionary Action." The appearance of this article assisted in creating an area of autonomy in sociological research through introducing an approach with three tiers that, with time, came to be officially recognized. In accordance with this approach, the upper level of sociological knowledge should be recognized as “sociological theory,” in general, and specifically as Marxian philosophy (*historical materialism*). The second tier includes specific sociological

theories definable as sections of so called “*Scientific Communism*.” The third tier was defined as “empirical” and could be based upon specific surveys and case studies.

As a prominent and respected Soviet sociologist, Vladimir Yadov (1990, p. 3), later emphasized that this article by Glezerman *et al.* emphasized that the Discipline of Sociology does not stand in contradiction to either Marxist philosophy or Marxist ideology and, in this manner, created a space for sociological inquiry that included the use of approaches that had previously been suppressed by official sanctions.

Our interpretation is that this article’s publication helped to facilitate a compromise that offered Soviet scholars an opportunity to carry out research at the level of the third tier, while freeing these scholars from having to peg their research to official doctrine. What got labeled as “Empirical Sociology” could then focus, not only on the theoretical discussions, but also on field studies, statistical analysis and sociological surveys that assisted in bringing this discipline in social science closer to reality, and ever further away from official doctrine. This newly created space for sociology allowed for developing ways for summarizing collected empirical data of studies undertaken. With this newly created room for scientific inquiry, the Novosibirsk School of Economic Sociology (NSES) was formed, and as Kirdina (2013) emphasizes, also distinguishable by its orientation towards a systemic analysis of social phenomena through insightful empirical research and interpretation. This school initially emerged as a department focused on societal problems within the Institute of Economy and Industrial Engineering of the Siberian Branch of the Academy of Sciences of the USSR (now the Russian Academy of Sciences). As the NSES defined itself and its research orientations, its members decided to focus on developments at home in the USSR, and later in transitioning Russia. Emphasis was then placed upon finding out and establishing the stable and enduring institutions that have proved integral to Russian economic development over the long run. This school rejects the idea that the framework associated with a market economy is to be considered as the universal organizational model. Furthermore, the Novosibirsk school stresses that economic relations are not to be investigated in an atomistic fashion, but as an integral part of the entire social structure. And this orientation can be related to the meaning of an “embedded” economy in the sense advanced by Karl Polanyi in his 1944 classic, *The Great Transformation*.

Members of the team of sociologists from Novosibirsk are often referred to as the “social economists” and as noted by Irina Davydova (1997) and Vilen Ivanov (2003). As leader of the NSES, Tatyana Zaslavskaya (1985) introduced in the mid-1980s the term and related concepts of a *social mechanism of economic development* that Zaslavskaya and R.V. Ryvkina (1991) further developed. And this is the key development that placed *institutions* at the core of social science inquiry. (Footnote 3). In our research, this registers as the first attempt to employ

elements of institutional analysis in the USSR. Key elements of Zaslavskaya's thinking (1990) were also presented in the *Novosibirsk Report*, what seems to read something like a manifesto. And the appearance of these ideas helped to initiate sharp criticisms of social conditions in the Soviet Union. It is rumored that someone leaked a copy of this *Report* to a journalist, who then referred to this document through the newspaper known as the Washington Post (1983), as the *first bird* of General Secretary Michael Gorbachev's reform program popularized as *perestroika*.

While Soviet economists were coerced to adhere to the official line, these noted advances at the Novosibirsk School promoted an understanding that *institutions* proved integral and helped to constitute the subject matter for sociology inquiry.

Part 4, Russian Institutional Thought More Recently.

While it could be argued that institutional thought experienced a long incubation period stretching over many decades, the situation changed after 1991 and with the start of Russia's transition to market economy. It should be recognized that the sudden and unexpected collapse of the Soviet experiment brought with it an abrupt end to Marxism-Leninism as an official ideology underpinning the social and economic sciences. Indeed, these were dramatic times, and so dramatic that established—even famous—economists could and did toss out their libraries accumulated over the years, for they were suddenly faced with reinitiating their educations. Former Soviet economists were faced with joining the world's larger economic *conversation*, borrowing this metaphor from Arjo Klamer (2007). Initially, in the vacuum created from the outright rejecting of the tradition of the political economy of socialism, the neoclassical approach was quickly introduced into university curriculums in Economic Science. However, this approach proved inadequate for explaining many of the challenges facing a post-Soviet Russia. There were a host of reasons, including that markets had not been thoroughly introduced for the factors of production of land, labor and capital. Because of the rapid pace of transition away from planned and towards market economy, the neoclassical approach failed to win over the lion's share of economists at the start of the post-Soviet era. In addition, the neoclassical discourse tended to shun away many potential members from joining, for this school poses barriers for understanding by relying upon reduction and an abstract-deductive approach that also includes highly specific tools and computing for advancing research. Problems integral to adopting the neoclassical paradigm thereby created and provided fertile ground for institutional approaches. For a thorough description of these developments, please see, for example, contributions from Daniil Frolov (2002, 2007), L. Moscovskiy (2005), Rustem Nureev and Vladimir Dementiev (2005), Nataliya Makasheva (2006).

In sum, we could now list and detail three of the main causes promoting the spread of institutional ideas in post-Soviet Russia. First, is the sudden and unexpected collapse of the Soviet experiment in "real, existing socialism," accompanied by a disbelief in what had been the supporting doctrines. Consequently, institutionalists who had been studying capitalist economies and societies shifted to a new position and were no longer seen as ideological opponents, but rather members of the new generation of potential theoretical contributors. Second, the openness of post-Soviet Russia in relation to global markets, including the markets for ideas, provided new channels through which the achievements of foreign economists, institutional theorists among them, were received in new Russia. Third, the popularity of institutionalist thinking was conditioned by a pressing need for an active construction of new institution needed for a quickly transforming Russia. So, the privatization of Russian industry and the accompanying emergence of visible oligarchs that were also seen as integral to the transition to market economy, rendered Veblen's penetrating critiques of the power of big business increasingly relevant to the Russian context. In 2007, Veblen's *The Theory of Business Enterprise* [1904] was introduced. The Russian translation of this book was published by Delo (and means "Business" in Russian). Delo should be recognized as a publishing house that became specialized in translations of evolutionary-institutional works drawn from foreign sources, and that could be effectively disseminated across a broad Russian readership. About ten titles in the evolutionary-institutional tradition were translated and published between the Years 1997 and 2012, and through this single publishing house.

In returning to the ideas related to inversion cycles, then the post-Soviet era could be described as the opposite phase of what during the Soviet era was dominated by emphasis on an official version of the political economy of socialism and that served to thwart the arrival and embracing of institutionalist thinking, or the transition from the *Thwarted Phase* to the *Flourishing Phase*. This can be expressed as—over time—the "minus sign" dramatically shifts to "plus" in the perception of institutionalism (see Figure 1).

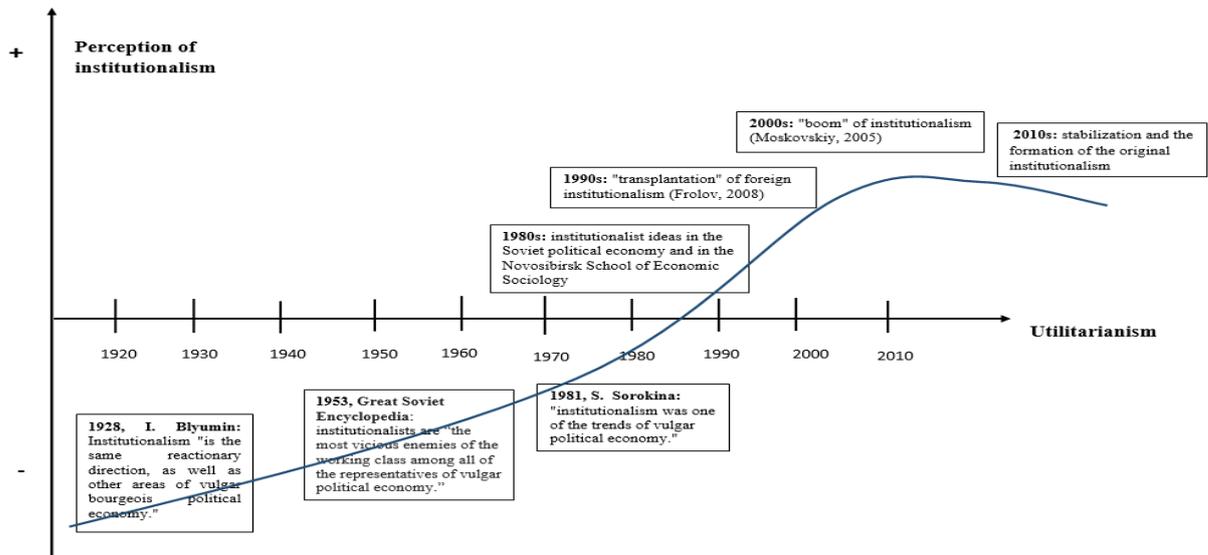


Figure 1. Institutionalism in Russia: in search of Berdyaev's median culture

Our interpretation is that in 1990s there took place a sharp transition away from criticizing and rejecting institutionalism in the economic arena, to the dissemination of ideas across a large domestic community of economists, with ideas that also penetrated and altered university curriculums. Author Daniil Frolov (2007; 2009) defines this first decade of transition, the 1990s, by an active "transplanting" of foreign institutional thinking into Russian economic and social thought. This decade could also be considered as a *golden age*, and defined by the largely uncontrolled and uninterrupted movement of economic ideas into Russia. During this first decade of transition, numerous writings of Western authors were translated and published, and were characteristically presented with comprehensive introductions, and these introductions also provided platforms for Russian scholars to offer their professional judgments of ideas coming in from Western economists. Substantial financial support coming in from abroad, and especially from the U.S.A. and E.U. countries, assisted the rapid translations into Russian and then the publication and dissemination of notable works authored by foreign institutionalists, as well as preparations for the first generation of university textbooks on institutional economics that got widely distributed throughout the geographic territory of Russia. Foreign foundations and organizations—such as the Soros Foundation, USAID, the World Bank, the European Science Foundations, and some others—proved instrumental. We can also note the financing and supporting of contacts between Russian economists with their foreign counterparts. Numerous educational, as well as research and publishing projects that involved hundreds of experts from Russia and some of the former Soviet republics, got included. This first decade of transition could be judged as a period for quickly bringing Russian institutionalists up to date.

Conclusion and Discussion

At the start of this inquiry we distinguish two distinct phases in the Russian perception of institutional thought. We defined the *Thwarted Phase* by its outright rejection in the Soviet era and this seems related to the Soviet leadership's interest in ensuring the dominance of Marxism-Leninism. Then with the ending of the Soviet era, we can remark dramatic increase in interests in institutional thinking that might also be defined by the *Flourishing Phase*. Our research seems to conform with Akhiezer's understanding and uses of inversion cycles for shedding some needed light on Russian historical experiences. From this angle, we could then consider some of the contributions of Russian institutionalists as efforts to reduce the swings of such cycles by offering a median utilitarian culture that attempts to create new middle ground for ameliorating the historic tendencies to rapidly move towards polar extremes. For institutionalists, this means the creation of original, Russian concepts that serve to integrate advancements in the original institutional ideas selected from abroad, and then integrated into Soviet and now Russian economic thought. It was emphasized that for the duration of almost all of the Soviet era, economists especially, were affected by restrictions stemming from an official political economy of socialism based upon Marxian ideas in Soviet interpretation. And consequently, economists had limited opportunities for absorbing, much less developing, ideas in the evolutionary-institutional tradition. The exception was to critique institutional contributions for their spurious bourgeois tendencies.

Our understanding is that with the ending of the Soviet era, and starting with the 1992 founding of the Russian Federation, the transition era of the last two decades has indeed offered Russian thinkers greater opportunities for exposure to and adoption of foreign ideas in social and economic sciences.

In the current era, the group dominating institutional studies in Russia largely rely upon ideas advanced by foreign institutionalists. At the same time a discernable group of Russian based institutionalists are emerging and are becoming well-established. Some of their contributions are already reflected in dictionaries and encyclopedias, with terms and meanings such as "Institutional Trap" (2008) and "Institutional matrix theory" (2010) to start the list. Then there are contributions from Makasheva (2006), Moscovskiy (2005), Inshakov and Frolov (2002) as well as Frolov (2003; 2007; 2008; 2013), advancing writings that investigate and measure the significance of the rise of a homegrown Russian institutionalists. In short, Russian institutionalism already has its domestic biographers and historians.

To complete this inquiry, we would like to note that meaningful collaboration among Russian institutionalists and their foreign counterparts serves as a particularly useful way to form a dialogic utilitarian culture and there assist in overcoming the swings of inversion cycles and the tendency for a splitting of Russian society of which Akhiezer (1997) warns. The prominent Russian economist Leonid Abalkin (2001, p. 73) emphasizes that:

[t]he task of the revival of the Russian school of economic thought as an organic part of the world of science has to be undertaken. And it is not a return to the old, but the ability to understand the realities of the coming century. There is reason to believe that tomorrow belongs to those who are actively involved in creating a new paradigm of social science; who will determine the country's place in the system of alternatives for its future development; and who are able to creatively combine an analysis of global changes in our world while also preserving the uniqueness of Russian civilization.”

And in this new era, certainly when compared to the Soviet era, we have established that institutional thought has advanced rapidly and also spread broadly, even taking firm root to the extent that further advances in the method and approach to institutional thinking are now identifiably growing out of Russian soil. (5,343 words of text)

Notes:

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Footnotes:

1. In our inquiry we use the terms *evolutionary-institutional economics*, *institutionalism*, and *institutional thinking* interchangeably, while drawing from what is termed Original Institutional Economics (OIE) that finds its origins in the seminal writings of Thorstein Veblen.
2. Out of respect for Albakin’s promotion of evolutionary-institutional thinking in Russia, in 2015, the Center for Evolutionary Economics located in Moscow, introduced the *Leonid Abalkin Award* for recognizing achievements in institutional and evolutionary research advanced by members of the younger generation of Russian scholars.

3. Svetlana Kirdina, one of the authors of this inquiry, also served as a member of NSES and worked directly together with Tatyana Zaslavskaya in the Decades of the 1980 and 1990s in Novosibirsk.

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