

Russian Economic Ideas since Perestroika: Between Path Dependence and Paradigm Shift

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Abstract:

The experience of the divergent outcomes of the Central and Eastern European post-socialist transition has reminded many economists that, in the process of institutional change, ideas and ideologies matter. It may be axiomatic that today's ideas can be understood only in the context of the history of ideas, yet recent debates on ideas and institutions seldom involve any reference to the history of economic thought. Giving a detailed account of the Soviet/Russian debates on economic policy since 1987, this paper argues that the problems of establishing a market economy are difficult to appreciate without taking into account the clashes between conflicting patterns of thought that are deeply rooted in the Soviet and pre-Soviet history of Russian economic ideas.

JEL classification numbers: B25, N44, P30.

I Introduction

My analysis of the Soviet and Russian debate on economic reforms and transition, covering the roughly twenty years from 1987 to 2008, is part of a research project on the topic of how the history of economic thought can contribute to an understanding of institutional change (Zweynert 2007a). Following the legacy of Karl Pribram's *History of Economic Reasoning* (1983) and the newer literature on cognition and institutional change (e.g. Choi 1993; Denzau and North 1994; Egidi and Rizello, eds. 2004; Martens

2004), I argue that historical case studies examining the way in which the economic thinkers of a given country at a given time discuss economic problems may help us to learn more about not only (1) the prospects for economic development of the country analysed but also (2) the links between mental models and the evolution of institutions in general. The present paper is a continuation of my discussion in two studies with greater detail on Soviet/Russian economic debates, between 1987 and 1991 (Zweynert 2006) and between 1992 and 2002 (Zweynert 2007b), which will soon be