SPPS
Edited by
Andreas Umland
Soviet and Post-Soviet Politics and Society
Vol. 219

Dmitry Travin, Vladimir Gel'man, Otar Marganiya

The Russian Path

Ideas, Interests, Institutions, Illusions

With a foreword by Vladimir Ryzhkov

ibidem

Soviet and Post-Soviet Politics and Society (SPPS) Vol. 219

ISSN 1614-3515

Soviet and Post-Soviet Politics and Society (SPPS)

ISSN 1614-3515

Founded in 2004 and refereed since 2007, SPPS makes available affordable English-, German-, and Russian-language studies on the history of the countries of the former Soviet bloc from the late Tsarist period to today. It publishes between 5 and 20 volumes per year and focuses on issues in transitions to and from democracy such as economic crisis, identity formation, civil society development, and constitutional reform in CEE and the NIS. SPPS also aims to highlight so far understudied themes in East European studies such as right-wing radicalism, religious life, higher education, or human rights protection. The authors and titles of all previously published volumes are listed at the end of this book. For a full description of the series and reviews of its books, see www.ibidem-verlag.de/red/spps.

Editorial correspondence & manuscripts should be sent to: Dr. Andreas Umland, Institute for Euro-Atlantic Cooperation, vul. Volodymyrska 42, off. 21, UA-01030 Kyiv, Ukraine

Business correspondence & review copy requests should be sent to: ***ibidem*** Press, Leuschnerstr. 40, 30457 Hannover, Germany; tel.: +49 511 2622200; fax: +49 511 2622201; spps@ibidem.eu.

Authors, reviewers, referees, and editors for (as well as all other persons sympathetic to) SPPS are invited to join its networks at www.facebook.com/group.php?gid=52638198614 www.linkedin.com/groups?about=&gid=103012 www.xing.com/net/spps-ibidem-verlag/

Recent Volumes

211 *Li Bennich-Björkman, Sergiy Kurbatov (Eds.)*
When the Future Came
The Collapse of the USSR and the Emergence of National Memory in Post-Soviet History Textbooks
ISBN 978-3-8382-1335-4

212 *Olga R. Gulina*
Migration as a (Geo-)Political Challenge in the Post-Soviet Space
Border Regimes, Policy Choices, Visa Agendas
With a foreword by Nils Muižnieks
ISBN 978-3-8382-1338-5

213 *Sanna Turoma, Kaarina Aitamurto, Slobodanka Vladiv-Glover (Eds.)*
Religion, Expression, and Patriotism in Russia
Essays on Post-Soviet Society and the State
ISBN 978-3-8382-1346-0

214 *Vasif Huseynov*
Geopolitical Rivalries in the "Common Neighborhood"
Russia's Conflict with the West, Soft Power, and Neoclassical Realism
With a foreword by Nicholas Ross Smith
ISBN 978-3-8382-1277-7

215 *Mikhail Suslov*
Russia's Ideology of Authenticity
Varieties of Conservatism in Russian History from the Late 19th Century to the Present
With a foreword by Mark Bassin
ISBN 978-3-8382-1361-3

216 *Alexander Etkind, Mikhail Minakov (Eds.)*
Ideology after Union
Political Doctrines, Discourses, and Debates in Post-Soviet Societies
ISBN 978-3-8382-1388-0

218 *Oksana Huss*
How Corruption and Anti-Corruption Policies Sustain Hybrid Regimes
Strategies of Political Domination under Ukraine's Presidents in 1994-2014
With a foreword by Tobias Debiel and Andrea Gawrich
ISBN 978-3-8382-1430-6

219 *Dmitry Travin, Vladimir Gel'man, Otar Marganiya*
The Russian Path
Ideas, Interests, Institutions, Illusions
With a foreword by Vladimir Ryzhkov
ISBN 978-3-8382-1421-4

Dmitry Travin, Vladimir Gel'man, Otar Marganiya

THE RUSSIAN PATH

Ideas, Interests, Institutions, Illusions

With a foreword by Vladimir Ryzhkov

ibidem
Verlag

Bibliografische Information der Deutschen Nationalbibliothek
Die Deutsche Nationalbibliothek verzeichnet diese Publikation in der Deutschen Nationalbibliografie; detaillierte bibliografische Daten sind im Internet über http://dnb.d-nb.de abrufbar.

Bibliographic information published by the Deutsche Nationalbibliothek
Die Deutsche Nationalbibliothek lists this publication in the Deutsche Nationalbibliografie; detailed bibliographic data are available in the Internet at http://dnb.d-nb.de.

ISBN-13: 978-3-8382-7421-8

Contents

Foreword:
The Russian Path – From Enigma to an Understanding

As Winston Churchill once stated, "I cannot forecast to you the action of Russia. It is a riddle wrapped in a mystery inside an enigma. But perhaps there is a key. That key is Russian national interest." This statement by a great British politician reflects one of the major global myths about Russia, which asserted Russia's incompatibility with other states and nations and Russia's genetic irrationality and unknowability. Churchill's statement, made in October 1939, was relevant for Stalin's Russia, tightly isolated from the outside world and almost inscrutable to international scholarship and diplomacy at that time. Soviet social sciences, in turn, could do little to achieve a better understanding of state and society in their own country, being hostages of the dogmatic doctrines of Marxism-Leninism. All other schools and approaches were prohibited and systematically suppressed by the Soviet authorities. This is why Communist Russia became an enigma not only for Western observers but also for domestic scholars, who faced censorship and state repressions.

Today, the situation has changed completely when it comes to understanding Russia. The country has become open and the social sciences have been liberated from official state doctrines. The intellectual "Iron Curtain" fell during Gorbachev's perestroika, and Russian social scientists were able to read any books and to choose their own scholarly approaches. Joint seminars and research projects by Russian and international scholars soon became routine, and Russia became an open space not only in terms of the ability to cross its borders in both directions but also in terms of availability of information about politics, economy, and societal processes. For the first time since 1917, new opportunities became available for the study of Russia through contemporary scholarship, making it possible to unwrap Churchill's "enigma", uncover its mystery, and explain to experts and to the mass public what is

so special and unique about Russia vis-à-vis global trends and developments.

However, a scholarly understanding of Russia is still a difficult task even in a more open environment. The main obstacles result from numerous myths, which developed and accumulated during Russia's long decades of isolation. Stereotypes stemming from the Cold War are also still alive and inhibit unbiased research. The ideational vacuum that emerged after the collapse of the Soviet utopian project has been filled by old romantic stories from the nineteenth century about Russia's "special path" and reincarnations of "Orthodoxy-autocracy-nationality" reactionary doctrines, fueled by aggressive anti-Westernism and driven by official state propaganda. In addition, many Russian scholars are barely aware of major advancements in the modern social sciences, remain impeded by a language barrier, and are faced with a shortage of funding, as well as with difficulties in everyday life in a depressive society against the general background of unsuccessful reforms.

This is why the efforts and key achievements of Russian scholars who quickly and solidly fit their research into the broader context of international social sciences are so valuable. These scholars become an indispensable and visible part of the international scholarly community of experts on Russia and other post-Communist countries who focus on analyses of their political and economic transitions. These scholars and research centers have, for the first time in many decades, set research on Russia on the solid foundation of modern social sciences, with their rationalism, academic rigor of concepts and argumentations, use of broad empirical evidence, and in-depth theoretical reasoning. With every new book, their studies leave less room to perceive Russia as an "enigma", and open new horizons for understanding Russia as it truly is, with all its contemporary problems and different possibilities for development.

The major hub for research on contemporary Russia emerged in St. Petersburg at the European University at St. Petersburg (EUSP), one of the best non-state academic and educational institutions in present-day Russia. The EUSP brought together a large

group of extraordinary scholars whose research is conducted in various fields of the humanities and social sciences. One of the leading EUSP research centers, the Center of Modernization Studies, led by Dmitry Travin and Vladimir Gel'man, alongside center president Otar Marganiya (who is also the dean of the economics department of St. Petersburg State University), prepared this book based on the center's numerous research projects, and addressed it to an international audience.

The authors of this book consistently and convincingly analyze how and why Russia, after three decades of post-Communist transformations, finds itself on a path far from the common European space of free democratic, market, legal and constitutional states. They explain why twenty-first century Russia has experienced the entrenchment of a political regime of electoral authoritarianism and highly corrupt monopolistic state capitalism, an overall politico-economic order of bad governance with a very low quality of institutions, and ruling elites oriented exclusively around preserving their political monopoly and the extraction and redistribution of rents in their own favor. These developments in Russia and in a number of other post-Communist states contradict classical theories of democratic and market transition, and so such tendencies have to be understood and explained from scholarly perspectives. The authors pay very detailed attention to the combination of factors which affect post-Soviet economic, political, and social processes: ideas widespread in Russian society, interests of key elite groups, cultural and historical legacies of Soviet and pre-Soviet Russia, institutions of the late Soviet Union, and Russian citizens' illusions or myths and their effects on public perception. Only such a comprehensive approach, focused on a broad set of factors, allows scholars to explain the consequences of transformation for a large post-Communist region.

The predominance of market-capitalist ideas among reformers who belong to the generation of the "Seventiers" contributed to the orientation of their 1990s reforms around the development of markets and privatization, but not around creation of major democratic institutions and the rule of law. In Russia, against the background of a weak civil society, the dominant post-Soviet in-

terest groups were able to make the reforms serve their private and group interests at the expense of society at large. Elite-driven pressure groups were much stronger than an atomized post-Soviet society, and formed mechanisms of vertically integrated favoritism and systemic corruption based upon state- or quasi-state monopolies. As a result, former Soviet assets have been isolated from strategic foreign investors and come under the control of representatives of the former Soviet nomenklatura. The main negative effect of the legacy of Soviet history on post-Soviet reforms was the lack of legitimacy of private property, which was largely considered unacceptable, in the eyes of Russians. As a result, brutal practices of state control over private businesses, merging of state apparatus and companies, and regular redistribution of market assets by state bureaucrats were perceived by many Russians as a normal and legitimate mechanism of governance. The "power vertical", a mechanism of comprehensive state paternalism, facilitates control and redistribution of wealth, and state officials, business people and ordinary citizens are heavily dependent upon it. Finally, illusions serve as an instrument for preservation of social and political stability under conditions of ubiquitous corruption, ineffectiveness of the state and enormous socio-economic inequality. These widespread mass perceptions enabled Russian citizens to not only close their eyes to the systemic vices of the existing societal order, but also accept and even justify it. In the 2000s, the complex of national-patriotic and imperial perceptions became predominant among these illusions, and reached its peak after the annexation of Crimea in 2014. The imperialist ideas which had been of little importance during the period of the Soviet collapse now became major sources of illusion for frustrated and impoverished Russians after a series of unsuccessful and unpopular reforms.

Bad governance is also a logical outcome of multi-dimensional changes in Russia over the last thirty years. Its major features are the lack (or perversion) of the rule of law, a very high level of corruption, poor quality of state regulations, and low effectiveness of government. Bad governance in Russia emerged as a side effect of a long chain of short-sighted decisions by selfish

ruling elites, and closed windows of opportunity for modernizing Russia. However, it provides a stable low-level equilibrium, which cannot be overthrown overnight. The Russian politico-economic order presents a dual nature, which often gives wrong impressions to foreign observers. It preserves all the formal constitutional structures of a "normal" legal and democratic state. However, the "core" of bad governance exists in parallel to these constitutional structures, which is why the latter function more or less as an empty shell: the "core" of bad governance is the real driver of politics and policymaking in Russia. This dual nature of the politico-economic order enables the capture of the Russian state from within by rent-seekers in the state apparatus and their business cronies.

The politico-economic order of bad governance has made systemic reforms of the Russian political system and economic policy practically impossible. Reforms are conducted by the state bureaucracy, which sabotages these reforms or perverts their substance. Some attempts by liberal technocrats to initiate major improvements have faced a regime-driven veto on key policy changes. Even though some changes have brought certain successes, these are often short-lived, do not extend beyond narrow boundaries, and have limited impact on the broader spectrum of socio-economic issues. In essence, the development of bad governance in Russia has turned into a "vicious circle" of unsuccessful partial reforms, while the country is faced with stagnation and even degradation.

This book by Dmitry Travin, Vladimir Gel'man, and Otar Marganiya convincingly demonstrates many problems for economic and political reforms in post-Communist countries. It clarifies for international readers many issues and processes which took place over recent decades not only in Russia but also in the East European flank of the European Union, ranging from Poland and Hungary to East Germany, as well as in post-Soviet Eurasia. One might find many parallels in these countries with recent developments in Russia.

Are Russia and other post-Communist neighbors doomed to eternal crooked paths within the "vicious circle" of bad govern-

ance? Far from it. Several important factors give us hope for Russia moving further towards democracy, rule of law, good governance, and a modern market economy. First, the generational shift will open doors for the Russian youth, who share different values from their parents and grandparents and are more inclined to support ideas of human rights, political pluralism, democracy, and justice. Second is the gradual rise of an autonomous civil society in Russia, which persists despite all attempts by the state to place it under strict control. Third, the worsening of Russia's prospects under conditions of increasing global competitiveness will push the country towards conducting broad rather than narrow modernization programs. Fourth, the politico-economic model of bad governance is weak overall because of its low legitimacy in the eyes of Russian citizens. Over time, all of this can move the balance of forces in Russia in the direction of major changes and systemic economic and political reforms.

If the Russian "enigma" can now be unwrapped by scholars, then we can more clearly understand all the vices and weaknesses of the Russian politico-economic order of bad governance, and thus we can contemplate another future for Russia and other post-Communist countries. Now is the time for action by Russian civil society and responsible and patriotic segments of the Russian elites. Europe, in turn, should also put forth its best possible efforts for the sake of the future. The deep and systemic changes in Russia may forever break the "vicious circle" of lawlessness, corruption, militarism, and ineffectiveness.

Vladimir Ryzhkov,
Russian liberal politician, member (1993–2007) and first deputy chair (1996–1999) of the Russian State Duma, professor of the National Research University – Higher School of Economics

Moscow, October 2019

Introduction

The Russian economy is in a difficult situation. Following a period of rapid economic growth (1999–2007), it entered a deep but brief recession (2008–2009), after which the economy recovered slightly, but was unable to regain its former dynamic. In 2010–2013, the economic growth rate in Russia was significantly lower than in the pre-crisis period, and after a new crisis in 2014–2015, the economy has been growing very slowly.[1] Many analysts do not expect economic growth in Russia to accelerate in the foreseeable future,[2] and are skeptical about the country's further prospects for development.

The ongoing economic problems of Russia are no accident. It cannot be said that they are only linked with the tensions in the international arena since the Russian annexation of Crimea in March 2014. Although the sanctions imposed by Western countries in response to Russia's actions influenced its economic development to a certain degree, they only served as an additional factor, as serious problems in Russia's development had manifested themselves long before this crisis arose. Understanding the causes and mechanisms of these serious problems requires an objective and professional analysis. In our opinion, this analysis should not only concern the economic policy pursued by the Russian government, which deserves only limited attention, but mostly address the fundamental causes and mechanisms, which affect Russia's long-term development within a broad comparative and historical perspective. This analytical framework[3] will make it possible to understand the pattern of economic, political and societal changes in Russia during recent decades without falling into either determin-

---

1 For a detailed overview, see Chris Miller, *Putinomics: Power and Money in Resurgent Russia* (Chapel Hill: University of North Carolina Press, 2018).

2 See Keith Grane, Shanthi Natharaj, Patrick B. Johnston, Gursel Rafig oglu Aliyev, *Russia's Mid-Term Economic Prospects* (Santa Monica, CA: Rand Corporation, 2016); Marek Dabrowski, Antoine Mathieu Collin, 'Russia's Growth Problem', *Bruegel Policy Contribution*, N 4 (February 2019).

3 See Yegor Gaidar, *Russia: A Long View* (Cambridge, MA: MIT Press, 2012).

ism, as manifested by some scholars,[4] or voluntarism, which is widespread among numerous journalistic publications and many political analysts.

In scholarly literature as well as Russian public opinion, there are two extreme approaches, which do not take into account the complexity of modern-day Russia's transformation, a fact that reflects long-term modernization controversies. On the one hand, the dominant opinion among many observers is based on the assumption that the economic reforms and the process of market transition were intentionally carried out ineffectively, giving rise to a considerable decline in economic output, impoverishment of the Russian population, institutional distortions and, ultimately, the problems connected with Russia's long-term development.[5] On the other hand, in recent years the focus of criticism of Russia's transformation has shifted from discussing the troubles of the Russian economy (which was at the center of discussions of the 1990s) to the current authoritarian political regime, the lack of political and economic freedoms, and the destructive foreign policy.[6] Whatever the causes of Russia's ongoing problems, most critics argue that its negative economic and political tendencies will inevitably lead to the complete collapse of the economic system and to a large-scale political crisis.

Both of these views on the problems of Russia's transformation seem to be one-sided and excessively politicized. Naturally, one cannot deny that many serious issues went unresolved in

---

4 See Stefan Hedlund, *Russian Path Dependence: A People with a Troubled History* (London: Routledge, 2005).

5 See Peter Reddaway, Dmitry Glinsky, *The Tragedy of Russia's Reforms: Market Bolshevism against Democracy* (Washington, DC: United States Institute of Peace, 2001); *The New Russia: Transition Gone Awry*, Lawrence R. Klein, Marshall Pomer (eds.) (Stanford: Stanford University Press, 2001).

6 See Sergey Aleksashenko, *Putin's Counterrevolution* (Washington, DC: Brookings Institution Press, 2018); Anders Åslund, *Russia's Crony Capitalism: The Path from Market Economy to Kleptocracy* (New Haven: Yale University Press, 2019).

the wake of the complex and contradictory reforms of the 1990s.[7] Nor can one deny that many features of the current Russian political regime[8] have a strong negative impact on the investment climate, and give rise to numerous problems, which were not observed in Russia in the early 2000s, when the country had overcome the consequences of the transformational recession. However, both of these extreme views often do not serve the goals of an objective scholarly analysis, but act as means of opposing political leaders and their policies – namely, Boris Yeltsin and Yegor Gaidar in the first case, and Vladimir Putin and Dmitry Medvedev in the second. These opposing views are also shared by certain segments of the Russian public. Many Russian citizens whose standards of living fell drastically in the 1990s do not accept the complex nature of the troubles which the country faced in that period, and believe that Yeltsin and Gaidar did everything wrong. And many Russian citizens who would like to see true democratization of the country often believe that all the socio-economic problems of modern Russia are caused solely by Putin's authoritarian aspirations.

However, scholarship should go beyond blaming leaders and their policies. In our opinion, the causes of Russia's ongoing problems lie much deeper, and the nature of changes in Russia comes not only from the particulars of the recent domestic and international developments or from certain steps taken by politicians. Economic transformation in Russia is a complex process of comprehensive economic, political, and societal changes, just as with modernization processes and major reforms in many other countries at different historical periods. They include both steps forward on the path of modernization and development, and temporary steps backward (although sometimes these steps can be

---

7 See Andrei Shleifer, Daniel Treisman, *Without a Map: Political Tactics and Economic Reforms in Russia* (Cambridge, MIT Press, 2000); Marshall Goldman, *The Piratization of Russia: Russian Reform Goes Awry* (London: Routledge, 2003).

8 See Vladimir Gel'man, *Authoritarian Russia: Analyzing Post-Soviet Regime Changes* (Pittsburgh: University of Pittsburgh Press, 2015); Brian Taylor, *The Code of Putinism* (Oxford: Oxford University Press, 2018).

profound and protracted).[9] These backward steps are not only connected with the conservative beliefs of certain political leaders, but also with objective conditions, including the very fact that societies at large are not always willing to accept all the changes which are necessary for economic development. During these reforms, the transformation process results from complex and often contradictory interactions between new radical ideas, which are promoted by intellectual and political elites, economic interests that are defended by various influential groups, and institutions ("rules of the game") established under the influence of these ideas and interests. The key interest groups, in turn, do not emerge arbitrarily, but under the strong influence of the nature of the historical path of each country. And finally, illusions also influence the pathways of transformation, especially given the fact that society at large is often dissatisfied with economic development and with the dynamics of real incomes. Thus, a serious analysis of large-scale economic, political, and societal transformations should include a study of four I's – ideas, interests, institutions and illusions – against the background of a detailed and nuanced understanding of the historical path taken by the country in question. The process of change followed by Russia over the last few decades and discussed in our book is no exception: the trajectory of Russia's transformation was also affected by the alignments of these four I's and Russia's historical path.

In this book, we attempt to examine the mutual connections between:

- *Ideas*, which gave rise to the economic and political reforms of the second half of the 1980s–early 1990s;
- *Interests*, which affected the transformation of ideas in the process of their practical implementation;
- Ineffective *Institutions*, which were created under the influence of the ideas and interests of various groups;

9 See Dmitry Travin, Otar Marganiya, *Evropeiskaya modernizatsiya*, 2 vols. (Moscow: AST, 2004)

- *Illusions*, which deeply affected Russian society and played an important role in overcoming the economic and political consequences of the use of inefficient institutions;
- and Russia's *historical path*, which contributed to the formation of certain configurations of interest groups from the beginning of perestroika up until the 2020s.

This approach continues the logic of some of our previous publications.[10] Overall, we argue that each of the elements of these four I's is not a ready-made parameter setting, but represents changes in the process of transformation, including as a result of mutual impact. Some ideas lose their relevance over numerous stages of political and economic change and are replaced by others; some interest groups become winners in the wake of reforms, while others lose their influence; some institutions consolidate and survive over time, while others are short-lived; some illusions vanish over time, while others survive for generations. Finally, changes in all four of these I's in the process of reforms add new sections to the historical path travelled by the country. This is especially true for Russia, whose trajectory of ongoing changes has been increasingly affected not only by the influence of its Soviet (or pre-Soviet) past, but also by changes in the recent decades since 1985.

Although this book discusses highly contested ongoing processes, which give rise to heated political discussions, we strive to explain the trajectory of Russian changes of the late twentieth and early twenty-first century through the lenses of scholarly analysis. Our task is not to involve ourselves in a politicized discussion of Russia's current problems, and place the blame for these problems on particular personalities over and over again, or, on the contrary, deem these problems inevitable and fundamentally unsolvable. Offering yet another "guilty" verdict will do little to help with an understanding of Russia's potential directions of development. We believe, however, that a proper understanding of the logic of development and changes in present-day Russia, of the causes be-

10 See Vladimir Gel'man, Otar Marganiya, Dmitry Travin, *Reexamining Economic and Political Reforms in Russia, 1985-2000: Generations, Ideas, and Changes* (Lanham, MD: Lexington Books, 2014).

hind the current complexities and difficulties faced by the country, of the environment in which key actors are operating, and of the factors, which affect their actions, is essential. This framework for analysis may form an appropriate basis for consideration of further economic, political, and societal changes in Russia and beyond, and also help with policy-related conclusions and recommendations, and other actions, which may be in demand during new rounds of Russia's ongoing transformation.

The structure of our book is as follows. The first five chapters present an overview of the interactions between these I's within the context of the historical path of Russia during the Soviet and post-Soviet periods of Russian history. The following two chapters show that present-day Russia's inefficient institutions did not merely emerge by default from the ruins of the Soviet collapse, but were purposely created by powerful interest groups throughout the entire post-Soviet period. Owing to these processes, institutions in Russia do not serve ideas of development, but the interests of actors who pursue the goal of rent-seeking. In the short conclusion to this book, we summarize the analysis and discuss possible prospects for further changes in Russia.

The authors of the book work at the Center of Modernization Studies at the European University at St. Petersburg (EUSP) and thank EUSP rectors Nikolay Vakhtin, Oleg Kharkhordin, and Vadim Volkov, as well as EUSP founding rector Boris Firsov, for their ongoing support. Our colleagues, with whom we have discussed the ideas in this book during our seminars over the last decade – Nikolay Dobronravin, Dmitry Lanko, Maria Matskevich, Andrey Scherbak, Andrey Starodubtsev, Anna Tarasenko, Pavel Usanov and Andrey Zaostrovtsev – deserve special credit for stimulating and thought-provoking interactions and intellectual exchanges. We would also like to thank Tatiana Khruleva for effective administrative support of our collective work, Simon Patterson for translation of the book manuscript into English, and Alexei Stephenson for excellent proofreading. Vladimir Gel'man's research has been supported by the Aleksanteri Institute, University of Helsinki as part of the Finnish Center of Excellence "Choices of Russian Modernization" (Academy of Finland grant №

284664). The authors also thank Andreas Umland, the editor of the "Soviet and Post-Soviet Politics and Society" series, and Ibidem Verlag for interest in our work and the opportunity to publish this book in English.

Chapter 1.
The Major Ideas of Russian Reforms

The era of major ideational changes in the Soviet Union (in Russia in particular) began during the second half of the 1980s, when the most diverse ideas began to compete with each other. In this decade, Leonid Brezhnev died in 1982 after leading the country for 18 years. In 1985, Mikhail Gorbachev came to power and launched a real transformation of the Soviet Union, known as perestroika. During Gorbachev's reign, the first wave of economic reforms began in 1987. These transformations influenced the Soviet system in very strong and contradictory ways, and paved the way for the collapse of the Soviet Union in December 1991.

The events that took place over this short period came as a great shock for the country and its population. The Soviet citizens who faced these changes were forced to develop opinions and perceptions of the rapid and dramatic economic, political, and societal changes, as well as their understanding of how the country could and should live in the future. These opinions, perceptions, and understanding emerged in Soviet (and Russian) society on the basis of four major blocks of ideas, which had formed by that moment in the Soviet Union: (1) orthodox-Communist (2) reformist-socialist, (3) market-capitalist and (4) national-patriotic and imperialist ideas. We will examine each of these blocks of ideas in more detail.

Orthodox-Communist Ideas

The essence of this complex of ideas was the following. The socialist system that existed in the Soviet Union was considered to be only the first phase in the making of a Communist society. Through the development of productive forces, over time the Soviet Union was to become able to form the material and technological basis for Communism. The people would live much better lives, and would transition to a Communist system of labor and distribution of goods: "from everyone according to their ability –

to everyone according to their needs". The development of productive forces capable of ensuring the realization of such an ambitious goal was to be carried out on the basis of a centrally planned (administrative) economy, which would lack the common vices of capitalism (overproduction crises, unemployment, inflation, high income differentiation, etc.). Socialism would manage resources much more efficiently than capitalism, and so economically socialist countries would close the gap and then overtake capitalist ones.[11]

This set of ideas was attractive for many Soviet citizens throughout the period from the 1920s until the 1950s. The generations growing up soon after the 1917 Bolshevik revolution, and in the decades following it, wanted to believe in a better future. They believed that heroic efforts to build a new socialist society would enable a radical transformation of the entire social system in a short historical period (but of course, not immediately). Furthermore, in the wake of the revolution and Stalinist industrialization, certain social lifts were created, and these lifts greatly contributed to major improvements in standards of living for some segments of the population, at the expense of many others. At the same time, millions of peasants moved from the half-starving countryside to the towns, became factory workers and thus guaranteed their own survival, if nothing else.[12] Some of them found administrative jobs in cities, which gave them stable rations and decent housing. The mass repressions "cleared a place" for skillful careerists and allowed a small percentage of urban residents to become members of the Soviet nomenklatura – a new elite which enjoyed all the benefits of the Soviet system.

However, by the beginning of the 1980s, those who had become the immediate beneficiaries of the formation of the Soviet system had either died or retired, and had increasingly less influ-

---

11 For example, see Politicheskaya ekonomiya. *Uchebnik dlya ekonomicheskikh vuzov i fakul'tetov*, vol.2, Sotsializm – pervaya faza kommunisticheskogo sposoba proizviodstva, Alexei Rumyantsev (ed.) (Moscow: Politizdat, 1977).

12 See Maxim Trudolyubov, *Lyudi za zaborom: chastnoe prostranstvo, vlast' i sobstvennost' v Rossii* (Moscow: Novoe izdatel'stvo, 2015), 16–17.