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Collective Capitalist Property in the Institutional Structure of Russia in the 1930s–1980s*



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Abstract. The article deals with a subject of the possibility of applying the institutional theory to the study of the economic structure of Soviet Russia and the use of its individual elements to solve the problems of improving the efficiency of public administration at the present development stage of this country. The purpose of the work is to consider the basic issues of the evolution of the country's socio-economic development at the stage of bifurcation. The novelty of the research is that it shows the evolutionary trends of the property institute and the political and ideological mechanisms of their ensuring in the 1930s–1980s. The emphasis is put on identifying the stages of property relations transformation: from the formation of collective capitalist ownership in the period of 1930s–1950s to the trends to its individualization in the 1960s–1980s. The turn of the 1990s is considered as a period of fundamental change of the collective capitalist property institute. According to the authors, the formation of a proto-bourgeois class of co-

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owners, which provided capitalist tendencies in the society's development, was of great importance in Soviet times. The article shows the ideological content of trends leading to the capitalist transformation of Russia, which consist in justifying the property rights concentration. The change in the social base of the ruling class formation, the inclusion of the representatives of the intellectuals' class and the intelligentsia in its composition were quite important in this process. It is noted that privatization in the course of market transformations broke the existing property relations in the Soviet period and led to an increase in social inequality. The authors emphasize the urgent need to restructure modern state policy in terms of taking into account the mentality of the "Russian life" and economic traditions that developed during the Soviet period.

Key words: Russia, USSR, state capitalism, institutions, institutional mechanisms, property, proto-bourgeoisie.

Introduction

The Soviet experiment enriched the field of scientific research. Unfortunately, many aspects of issues of socio-economic practice of those years have not been sufficiently studied yet: these include political, organizational, and ideological issues. One of these issues, for example, is the issue of property, which was raised to the rank of the "cornerstone" of political economy in the Soviet era, and now it has become relevant again due to the popularity of the institutional approach. Meanwhile, in modern Russia, the question of the evolution of relations and forms of property remains extremely important. On the one hand, approaches of Soviet economic research have not yet been outlived, on the other hand, rather painful consequences of privatization in the 1990s and early 2000s still have an impact. In the course of denationalization, carried out in difficult political and economic conditions, super forced, accompanied by numerous violations of the legislation created at the same time, a significant share of state property passed into private hands. From 1992 to 2006, more than 100 thousand enterprises were privatized, and a group of large private owners (bourgeois), who concentrated more than 90% of the country's income in their hands, emerged. Russian population regards the results of privatization as unfair and predatory.

In this sense, the Soviet distributional relations based on the form of ownership, which was called nationwide in the Soviet Constitution, are perceived by a significant part of the public as fair, since it allowed avoiding hypertrophied appropriation of the social labor results by a separate social group. It is no accident that modern social sciences more often ask a question about how did this "unusual" form of property function, did it have a specific subject? This article attempts to find answers to these questions.

In 2020, Russia adopted some amendments to the Constitution of 1993 related to increasing social justice, including the minimum wage not lower than the subsistence minimum, the annual indexation of pensions, etc. However, the issue of property and the role of government regulation in it, including the ability to limit oligarchic claims, has not yet received a proper legislative response, while such a public request exists. The experience of the Soviet system in limiting private capitalist opportunities to exercise property rights shows the government's ability to support the Russian society's mental image of an equitable society. In addition to discussing the government's role in the economy, it is also important to speak about the national elite. The political elite of society

should be dominated by people who support public and government interests and do not seek personal enrichment. How to create such a managerial capacity, what mechanisms and levers should be used by the government are relevant problems of political process study.

Institutionalism as a method of studying socio-economic processes

Institutionalism is the result of economic research development, and it was established in economics long ago. Since the 1970s, neo-institutionalism became greatly active, and historical institutionalism was one of its branches. The classic works of neo-institutionalists are considered to include the monographs by D. North (and his co-author R. Thomas) and R. Fogel, who received the Nobel Prize [1; 2]. According to D. North's definition, which we adhere to, institutions are formal and informal rules and norms that organize social, political, and economic relations [3]. They create the "rules of the game" for everyday life, provide a relatively predictable system of interaction between population and organizations, influence people's incentives and behavior (but do not always determine it). Most scientists working in the field of neo-institutional research tend to classify the institutions of society into formal and informal. Formal institutions include laws, official state power structures; the informal ones include social norms (usually unwritten), customs, or traditions shaping thought and behavior. In practice, formal and informal institutions can both complement each other and compete with each other.

Today, researchers use the institutional approach as a method for analyzing the dynamics of social, political, and economic changes in society over long periods of historical time. As one of the founders of the application of institutional theory in history, Charles Tilly

wrote that this approach can be used while studying "big structures, large processes, huge comparisons" [4].

The results of the work of institutionalists and neo-institutionalists generated a variety of response, including quite serious criticism of their concepts. For example, R.I. Kapelyushnikov criticizes "pan-institutionalism" for the absolute priority given to the role of formal institutions, which are described as the main and often the only driving force of the historical process [5]. According to R.I. Kapelyushnikov, it is necessary to take more complete account of other factors in development of socio-economic systems, such as geographical conditions, culture, force majeure events (epidemics, catastrophes, etc.). The scientist draws attention to the underestimation of the role of ideas arising or dominating in society, to the institutionalists' lack of attention to customs (in the broad sense of the word, including the established norms of customary law, mental attitudes, deep religious beliefs, etc.).

The central institution, analyzed by the leaders of neo-institutional theory, is the institution of property, more precisely, the protection of private property rights. They are convinced that private property contributes to the rapid establishment of advanced social forms and enhances economic dynamics. Institutionalism followers consider the government and its functions as a guarantor to be the most important actor protecting property rights. For example, according to D. North, the emergence of political institutions that determine "efficient" property rights inevitably affect development of economic institutions that promote market exchange [3]. At the same time, critics of this approach emphasize that private property is an extremely non-inclusive form of ownership, and it can, on the contrary, hinder development. In their opinion, public and cooperative forms of

ownership are much more efficient. Studying the dynamics of property relations, changes in the legal registration of property rights, and the implementation of property rights is, in our opinion, one of the main issues of the study of economic and social transformation of society. Our research on the economy of the USSR shows that the property relations, formed and implemented in society, contributed to the formation of the original system of the Soviet state capitalism. Being a kind of a capitalist system, it was characterized by the lack of localization of full ownership of the means of production in the individuals' hands, the division of this right between the social classes with the concentration of the basic rights of ownership, disposal, and usage by the upper class, in fact, the proto-bourgeoisie. At the same time, the secondary features of the capitalist system (mechanisms of commodification, forecast-planning levers, balancing methods, financial and credit levers, etc.) significantly differed from the classical individualized capitalism [6; 7; 8]. It should also be noted that there was an informal niche in the implementation of property relations in the USSR, especially since the 1960s – so-called shadow economy. The relations of ordinary (unwritten) law, which sometimes were quite close to the model of classical market relations, operated here to a greater extent.

One of the main concepts used by historical institutionalists is the “path dependence” (or “historical track”). T. Skocpol and P. Pierson write that the “path dependence” does not yet have a clear definition. In general, in this context, we can say that the results of development trigger feedback mechanisms at a critical moment (positive and negative), which strengthens the repetition of certain processes in the future [9]. This aspect of historical institutionalism is likely to be particularly important for Russian history.

In a country with a huge peasant population, which prevailed until the mid-20th century, with a special “survival ethic”, based on the ideas of collectivism, authorities' paternalistic actions largely determined the specific type of the country's capitalization. The “historical track” during the period of forced initial capital accumulation (1930s–1950s) predetermined the routine of the authorities' harsh actions, the formation of a system of duties (labor, natural-food, monetary), and the “tacit” approval of the highly modest way of life familiar to millions [10].

The concept of “historical track” makes us take a closer look at another problem discussed by neo-institutionalists – the question of institutional mechanisms. Neo-institutionalists understand institutional mechanisms as the transfer of rules adopted in structures [11; 12]. According to D. North, “there are no solutions other than using institutional mechanisms to set the rules of the game, and using organizations to ensure the compliance of these rules” [13]. Thus, institutions carry out their activities through organizations. Organizations, in turn, implement institutional requirements, regulate the rules and norms of interaction between the agents of economic management, and establish certain rules of behavior that strengthen the institutions [14]. This type of organization includes a fairly large set of economic, political, professional and other structures that existed in the USSR. These are the central and regional divisions of the Communist Party of the Soviet Union committees that developed political and ideological views on the strategic movement; ministries and departments, state committees that played a major role in the economic institutions' activities; banks that formed the financial mechanisms of the economic system; structures of law enforcement agencies, etc. Informal mechanisms of economic interaction (from such archaic ones as “nepotism” to a

rather highly organized market underground) should not be discounted. According to V.M. Polterovich, the attractiveness of the latter was due to low transaction costs during the transformation of the economic mechanism [12].

We should also mention the definition of “social institutions”, which is widely used in modern sociology. Sociologists generally use this term to refer to complex social forms that reproduce themselves, such as governments, families, human languages, universities, hospitals, business corporations, and legal systems. One of the most accepted explanations was offered by D. Turner, who defined *social institutions* as “a set of statuses, roles, norms, and values expressed in specific types of social structures and organizations, relatively stable standards of human activity in relation to the fundamental problems of producing vital resources to support life, human reproduction, and maintaining vital social structures within a given environment” [15]. In our opinion, in studying social institutions, the key of which are social classes, it is important to study the social relations that arose between the classes about ownership of the means of production and the entire subsequent chain (economic and legal relations); relations between the classes about government power and government administration (political relations); relations between the classes about the creation and consumption of ideological and spiritual values.

In terms of applying institutionalism to historical processes, it is particularly important to analyze the institution of property; political and ideological support for economic trends; to study market and non-market forms of marketability in Soviet Russia; monetary and non-monetary regulatory mechanisms in the Soviet economic system; to study the institutions of planning, supply, and other ways to replace market mechanisms. Another

separate and a very interesting problem is the evolution of everyday economic life and the mental revolution in Soviet society. The article examines the first two positions of the institutional features of the Soviet economic system mentioned above: collective capitalist property and some political and ideological characteristics of the promotion of state capitalist economic trends.

It is necessary to mention the complex of attracted sources, which has certain specifics. First of all, these are legislative acts: from the key ones (the Soviet Period Constitution of the RSFSR and the USSR) to normative documents accompanying socio-economic development. Publications of statistical data are of great importance, in particular, in this work we rely on the data of the statistical collection “Socialist construction of the USSR (1933–1938)”, published in 1939 and summarizing the country’s development during the Soviet period. To study the evolution of ideological and political attitudes, the documents from the Russian State Archive of Socio-Political History (V.M. Molotov fund) and the Russian State Archive of Contemporary History were used. For example, the report “The Soviet Political Elite: Some Aspects of Political and Economic Development in the Soviet Union” by F.J. Fleron, a researcher from the University of Kentucky, obtained in the late 1960s by KGB of the USSR, was found in the latter’s funds.

The evolution of the institution of property in Soviet Russia

During the Soviet period, the first noticeable change in property rights was already formalized by the Decrees of the Soviet government in 1917 and the Constitution of the RSFSR in 1918. According to them, land (in the broad sense of the word) and banks were withdrawn from private property, and the rights of the industrial enterprises owners were significantly

restricted¹. The stage of experiments in the 1920s showed the inevitability of the transition to forced initial accumulation, known as collectivization in the history of Russia. Its content is much broader and covers the seizure of property not only in agriculture, but also in industry (mainly handicraft), trade, food, transport, etc. The Constitution of the USSR of 1936 fixed the redistribution of property, which proclaimed the “abolition of private property” as “a means of exploitation of man by man”; the approval of “socialist property” in the forms of “state property (public property)”, “cooperative-collective farm property (property of individual collective farms, cooperative associations)” and personal property (residential buildings, productive livestock, poultry, small inventory, personal savings, etc.)².

Let us consider the redistribution of capital by the forms of property based on data published in the late 1930s (*Tab. 1*).

State property turned out to be the main form of ownership of production capital (including land) in the USSR in 1928. In 1936, its share in the total mass of property reached 98.7%. During the same period, the share of cooperative and collective farm ownership increased from 1.3 to 8.7% of the total mass of fixed production capital, while the share of small and capitalist private property decreased from 22 to 0.2%. This redistribution of the main objects of property, i.e. production capital, its withdrawal from small owners (producers) and concentration mainly in the hands of the state was an indicator of the forced process of initial accumulation.

Attention should be paid to the special institutional mechanism used by the Soviet government – the cultivation of multi-layered economic systems [10]. This was not an accident. If you track the formatting of property objects, it is easy to notice that the state

Table 1. Distribution of the USSR production assets* by the forms of property, % of total

Forms of property	1928			1936		
	Industry	Agriculture	Public economy	Industry	Agriculture	Public economy
Two types of socialist property	97.9	63.6	77.8	99.95	96.3	98.7
A) public (state)	96.6	62.6	76.5	97.35	76	90
B) cooperative-collective farm	1.3	1.0	1.3	2.6	20.3	8.7
Personal property of collective farmers	-	0.1	-	-	3.1	1.1
Small private property of an individual farmer and craftsman	2.0	31.9	19.6	0.05	0.6	0.2
Capitalist private property	0.1	4.4	2.6	-	-	-
Total	100	100	100	100	100	100

* Production assets include: agricultural land, used forests, buildings, structures and buildings for production purposes, machinery, equipment, production and transport inventory, livestock, fertilizers, raw materials, fuel, materials and products used for production supply, seeds and feed.
Compiled according to: *Socialist Construction of the USSR (1933–1938): Stat. Coll.* M.-L.: Gosplanizdat, 1939. P. 17.

¹ *Constitution of the RSFSR*. M., 1918, 31 p.

² *Constitution of the USSR* (1936). Moscow, 1947, 26 p. This Constitution also allowed small-scale private farming of individual farmers and craftsmen, but, in fact, it was identical with the citizens' personal property. The Constitution of the USSR of 1977 also contained provisions close to the Constitution of 1936 in relation to property.

concentrated in its hands the ownership of land and the most advanced capital – machines and mechanisms (machine and tractor stations in case of agriculture in 1928–1958). Land became an object allowing the government to receive rent. This is particularly evident in the history of collective farms, where land was assigned to the farm for free and indefinite use, and the collective farm, in turn, had the right to sublet part of the land (for personal plots of collective farmers). The implementation of property rights allowed the government to form taxed duties for land users in the 1930s–1950s. Rent for the usage of land property from collective farms and farm households was collected by the government in kind and in cash. The in-kind form included mandatory deliveries of agricultural products to the government, in-kind payments to MTS (from the share of gross product); the cash form included agricultural tax. The collective farm household had obligations to the collective farm. The main one was the performance of labor service in the public economy of the agricultural artel with the performance of a mandatory minimum of workdays [10]. Another characteristic feature of land ownership relations in the 1930s and 1950s is the unique combination of land and agricultural capital. Until 1958, the sale of large-scale agricultural machinery to collective farms was prohibited, it remained in the possession of the government. State-owned enterprises, machine and tractor stations, provided collective farms with equipment rental services and received in-kind rent (MTS payment in kind). The government's title of the owner made it possible to rule over an individual: this purpose was served by the passport system of 1932, which "attached" a farmer to the land, numerous acts that predetermined the disposal of a worker (through a system of organizational recruitment, relocation, attraction to various non-agricultural duties, etc.).

Despite the apparent absence of a specific owner of government property in Soviet society, many politicians, and later researchers, noted that, since the beginning of the 1930s, the dominant class has formed (L.D. Trotsky, A.G. Avtorkhanov, M. Djilas, M.S. Voslensky, etc.) [16-19]. In different representation systems it was called the nomenclature, the partocracy, the communist bourgeoisie, etc. In our opinion, the upper class of Soviet society was experiencing its genesis and could not fully form into the class of owners for political and economic reasons, so we introduced the term of "proto-bourgeoisie" into the historiography of Soviet society, reflecting the incompleteness of class registration [8].

One of the most important features of Soviet state capitalism was the lack of localization of full ownership of the means of production in the hands of individuals, the "division" of this right between the groups of the highest social class. The uniqueness of the system made it possible to form a specific cohort of managers, inherent for Soviet Russia, who "divided" the rights of co-owners between groups of politicians, business managers, financiers, planners, and others, primarily in relation to production capital (in Soviet terminology, fixed assets of production). This, in turn, led to a historical situation where the "divided" property management did not allow consolidating the upper class and formalize it fully and completely. The combination of "state" property predominance and the collective co-owner in the form of a proto-bourgeois class led to the formation of a special institution, collective capitalist property. Its features on a historical scale have yet to be explored, but we may already assume that it played a crucial role in the period of initial capital accumulation, allowing for full-scale regulation of the transformation of an agrarian society into a capitalized one.

As the period of forced initial accumulation ended (it mostly happened in the late 1950s), the property institution in Soviet Russia experienced new qualitative changes. Its largest transformations were related to the decisions on commodification of such property as means of production. This was launched by the law on the reorganization of machine and tractor stations in 1958, and, as the result, the holders of non-state ownership (collective farms) entered the capital market. At this stage, the system of property relations became more “free”, land users were released from tax obligations. Since 1958, mandatory state deliveries of agricultural products by collective farms, collective farm households, workers’ and employees’ households, as well as the collective farms’ in-kind payments for the work of MTS were canceled [20].

The next important step towards the consolidation of the divided property rights took place during the so-called Kosygin reform (which began in 1965). Managers of state-owned enterprises were given greater rights to determine the product range, and most importantly, to dispose a significant share of enterprise profits, which, among other things, were accumulated in the incentive funds. As a result, the field of potential individualization of the property institution has sharply increased. For example, in 1970, 39% of profits were left at the disposal of enterprises and economic organizations subordinate to the Council of Ministers of the RSFSR, in 1980 the figure amounted to 44%, in 1985 – 48%³.

The most powerful mechanism for transforming the institution of collective capitalist property in the 1960s and 1980s was so-called shadow economy. Informal organizations and

institutions operated here, they worked out the possibilities of denationalization of property and elimination of the state-capitalist system in the USSR [21].

Another actor in the field of transformations of the institution of collective capitalist property was the USSR citizens who were engaged in production and in the non-production component of the economy. Their inherent feature was the defense of a niche in the right to implement property relations [22]. However, it is not just about personal property that is allowed by law. The conducted research allows us to speak about the growth of bourgeois tendencies and interests in the entire class pyramid of the country. In particular, the problem of property “abuse” is being quite seriously developed in the modern Russian historiography. These include a diverse range of actions: theft of food, so-called “squandering”, dissipation of resources, “self-supply”, use of equipment, other property or land for personal needs, etc. However, researchers practically do not ask the question about the nature of these actions and their underlying causes, which, in our opinion, is connected with global changes in the economic system of Russia – the rooting of state capitalism in Soviet social and economic institutions. The fact that these phenomena were quite common in Soviet everyday life indicates the systemic embeddedness of the informal implementation of property rights. The “extra-legal” exercise of property rights was considered by the “higher” and “middle” classes as a kind of payment for a position. The “lower” classes – the working aristocracy and the proletariat – exercised their property rights in secret, which was most often regarded by the state and the proto-bourgeoisie as “theft” aimed at infringing on the title form of property and the co-owners.

³ *National economy of the RSFSR in 1985: Stat. Yearbook.* Moscow: Statistika, 1986. 655 p., p. 369.

The revolution of the property institution in the USSR ended with formal changes in legislation. The law “On property in the USSR” (1990) expanded the list of property objects to include land. The forms of ownership were equated in importance, and therefore mixed forms of ownership appeared, including the state, legal entities, citizens, and foreign agents. State property was divided into all-union, republican, municipal and state enterprises⁴. While state-owned enterprises were assigned property “on the right of full economic management”, i.e. they could own, use and dispose “the specified property at their discretion”. In fact, the set of laws of 1989–1990 (including the laws of the USSR “On enterprises in the USSR”, “Primary legislation of the USSR and Union republics about rent”, “On amendments in the Law of the USSR “On cooperation in the USSR””) destroyed the institution of collective capitalist ownership and created prerequisites for registration of private capitalist property. The class for implementing the last institution has already been created.

Features of political and ideological support for capitalizing economic trends

For a country like Russia, the ideological shell of all processes played a crucial role, as it legitimized the actions of the supreme power and inspired confidence in the population about the correct trajectory of the government’s development. The guiding ideas at different times were “Moscow is the third Rome”, the triad “Orthodoxy – Autocracy – Nationality”, “Russian communism” as the essence (in Berdyaev’s interpretation, “the Russian idea”), and in Soviet period – the program of building socialism, and then communism, laid out in the Constitution of the USSR, a number of

documents of the All-Union Communist Party of Bolsheviks – the Communist Party of the Soviet Union (AUCPB – CPSU) and politicians’ works.

The USSR political system was created as a result of trial and error as a fairly flexible entity that allowed making decisions in the spirit of the agenda of the time. At certain points, this feature supported radically opposite vectors of the country’s development (from war communism to NEP) and was able to take into account different opinions at the stage of decision-making (although some people believe that it was inclined not to seek compromises, but to exterminate the “dissidents”). The political system was based on balancing between the “party”, “economic” and “power” lines; the role of the latter political force, however, has almost never been traced in historiography as a political factor. The relations between the “party” (primarily represented by the central and regional bodies of the AUCPB – CPSU) and the “economic” (the government, the system of Soviets and their executive committees) branches of the political system in terms of power-sharing were not easy. Initially, it was assumed that the party structures would develop a political strategy, be engaged in its ideological design and propaganda. The Soviet branch should have been directly responsible for the economic life of the country. However, this principle was never fully implemented, so, in 1938, the Central Committee of the AUCPB adopted a Resolution “On the nomination of non-party specialists for Soviet and economic work”⁵, which stated that “local party bodies nominate non-party workers, as a rule, only to secondary positions... although these non-party workers were quite capable of independently leading Soviet and economic organizations in

⁴ *On property in the USSR: Law of the USSR*. M., 1990, 128 p.

⁵ Russian State Archive of Socio-Political History, f. 17, s. 120, c. 322, ll. 12–13.

terms of their political and business qualities, practical experience, and education”. This problem attracted even more attention of the party elite during the extreme period of wartime. Several interesting documents preserved in V.M. Molotov fund (Russian State Archive of Socio-Political History, f. 82). In 1944, for example, a draft Resolution of the Plenum of the Central Committee of the AUCPB “On strengthening state bodies in the field” was prepared. The project was developed by V.M. Molotov, G.M. Malenkov, and N.S. Khrushchev. It noted that “local party bodies have largely taken over the operational work of managing economic institutions, which inevitably leads to a mix of functions of party and state bodies..., to the undermining of their activities and increases bureaucratization... From an organizational point of view, these shortcomings ... led to an incorrect distribution of managerial work between them. The most authoritative and experienced leaders are concentrated in the party bodies”⁶. Immediately after the Great Patriotic War, an attempt to establish a certain hierarchy in the division of “political” and “economic” powers was made again. In V.M. Molotov fund, there is another draft Resolution of the Plenum of the Central Committee of the AUCPB “On raising the role and the improving the councils of people’s commissars of union and autonomous republics, executive committees of krais, regional executive committees, city executive committees and district executive committees”. The document once again emphasized that during the war years “the party bodies took over the operational work on the management of the economy, began to directly perform administrative and economic functions, which ... leads ... to the depersonalization of

⁶ Russian State Archive of Socio-Political History, f. 82, s. 2, c. 147, ll. 64–65.

Soviet bodies by party bodies”⁷. The party bodies were proposed to “lead a sharp turn in the direction of significant strengthening of the authority of local Soviet bodies and increasing their role in the management of economic and cultural construction”⁸. The document proposed quite an original way out: the first Secretary of the Communist Party of a Union Republic, Krai Committee, Regional Committee, City Committee, District Committee of the Communist Party must be simultaneously the Chairman the Councils of People’s Commissars (CPC) of the Union or Autonomous Republic, Krai (Regional, City, District) Executive Committee of the Council of Workers’ Deputies. His first Deputy, in turn, was to be the “current” Chairman of the CPC, and the second Deputy was to be the “current” second Secretary of the Communist Party of a Union Republic, of Krai Committee, Regional Committee, City Committee, District Committee⁷. The main goal of the changes was to establish “unity in management”. Despite the fact that the decision was not made at that time, the movement towards the unification of the Party and Soviet lines of power proved to be an important indicator. In our opinion, this attempt indicated a desire to consolidate the class of co-owners which had been fully formed by the beginning of the 1950s [8].

Further developments in the relations of the most important branches of government indicated the strengthening of the “economic” bloc, especially in connection with N.S. Khrushchev’s reforms. In 1957, the Councils of National Economy became the main body

⁷ Russian State Archive of Socio-Political History, f. 82, s. 2, c. 147, l. 79.

⁸ Russian State Archive of Socio-Political History, f. 82, s. 2, c. 147, l. 82.

⁹ Russian State Archive of Socio-Political History, f. 82, s. 2, c. 147, l. 84.

in territories' management¹⁰. This step, in turn, made the local economic elites a key link in the management system: the entry of heads of the largest regional enterprises and construction projects into the Councils of National Economy was regulated, but local party leaders were not included into them¹¹.

In the future, the role of the “party” co-owners weakened the division of party organizations in 1962 by production type (into industrial and agricultural), some party structures, such as rural district committees of the CPSU, were eliminated¹².

A shift in the country's unbalanced political system occurred in 1965, when the Kosygin reforms increased the role of business leaders in the co-ownership system¹³. The party-political branch of government probably anticipated the gradual loss of supremacy in the political system, which, in particular, was reflected in a certain revenge of the 1970s: article 6 of the Constitution of the USSR of 1977 introduced the provision that the CPSU was “the core of the political system of Soviet society”.

¹⁰ On further improvement of the organization of industrial and construction management: Law, adopted by the Supreme Soviet of the USSR, dated May 10, 1957. Decisions of the party and government on economic issues (1917–1967). Vol. 4, 1953–1964. M.: Politizdat, 1968. pp. 343–347.

¹¹ Questions of the Councils of National Economy: Resolution of the Council of Ministers of the USSR no. 460, dated April 28, 1960. Available at: <http://www.consultant.ru/cons/cgi/online.cgi?req=doc&base=ESU&n=35861#08255320476827717> (accessed: July 7, 2020).

¹² On the development of the economy of the USSR and the restructuring of the party leadership of the national economy: Resolution of the Plenum of the Central Committee of the CPSU on the report of N.S. Khrushchev, adopted on November 23, 1962. M., 1962, 15 p.

¹³ On improving planning and strengthening economic incentives for industrial production: Resolution of the Central Committee of the CPSU and the Council of Ministers of the USSR, dated October 4, 1965. Decisions of the party and government on economic issues (1917–1967), vol. 5, 1962–1965. M.: Politizdat, 1968. Pp. 658–685; Regulations on the socialist state production enterprise: approved by the Council of Ministers of the USSR on October 4, 1965. M., 1965, 30 p.; On measures to further improve lending and accounts in the national economy and increase the role of credit in stimulating production. M., 1967, 9 p.

This evolution of the country's political system inevitably influenced the evolution of the ideological component. Turning to this question, it is necessary to note the most important feature of Soviet ideology – this was an ideology that took part of the origins not only in Marxism, but also and mainly in the peasant worldview. In this regard, the ideals of social justice, equality, contempt for wealth, respect for labor (mostly physical), approval of a strong government and its harsh actions against the population quite successfully coincided with the ideological system proposed by the Bolsheviks.

A.D. Chernev's research [23] shows that most of the Soviet “leaders”, at least until the end of the 1970s, were of peasant origin, which means that they were the carriers of peasant views archetypally (*Tab. 2*).

So, 50% of the party elite in the 1940s were people from peasants, in the 1950s, this figure made up 44%, in the 1960s – 47%, in the 1970s – 64%, in the 1980s – 28%. Being the representatives of the “peasant” part of the Russian society, they put forward quite a lot mimicry features of the Soviet ideology (those camouflaging the true state capitalist institutions and mechanisms), that were clear to the bulk of the population. These first of all included the indications on the public character of ownership, the lack of human exploitation, equality in class, national, gender, work ethic values (which was especially vividly expressed in the organization of socialist competition). The need to restrain the wants was promoted (it was directly correlated with the “moral economy”), etc.

The main milestones in the formation of the official political and ideological line are well known: since the beginning of the 1920s, the main goals were considered to be the transfer of the country's economy to industrial rails, achieving the level of developed countries of

Table 2. Social origin of the party elite* of the Russian Communist Party of Bolsheviks, All-Union Communist Party of Bolsheviks, Communist Party of the Soviet Union, 1940–1989, %

Social origin	1940–1949	1950–1959	1960–1969	1970–1979	1980–1989
Total including:	100	100	100	100	100
workers	14	35	22	18	31
peasants	50	44	47	64	28
artisans	-	9	-	-	-
employees	22	9	22	18	6
no information available	14	3	9	-	35

* The party elite refers to the members of the Politburo, Orgburo, and Secretariat of the Central Committee of the RCPB, AUCPB, CPSU. Compiled according to: Vishnevsky A. The highest elite of the RCPB, AUCPB, CPSU (1917-1989): A bit of statistics. *World of Russia*, 1997, no. 4 (b), p. 40.

the world. In other words, the main economic task was the formation of an industrial society with all its inherent features (structural changes, urbanization, demographic features, etc.). The way and stages of its solution are described in a number of works [7; 8]. The main thing is that this segment of tasks was solved through the implementation of the initial accumulation and capitalization of the Soviet economy. The policy of the co-owners class formation, the proto-bourgeoisie, which regulated and carried out this movement, was of great importance.

However, it is incorrect to be limited to the official ideology when describing the ideological foundations of Soviet society. Soviet ideology was a complex multi-level system and included the interests of all classes and strata of Soviet society, as well as significant fragments of ideas and beliefs formed by the informal social culture. The society was significantly influenced by folklore, such as creative chastushkas (two-line or four-line rhymed poems or ditties on some topical or humorous theme) and Soviet anecdotes; in terms of cultural messages, propaganda art (movies, posters, paintings, etc.) and fiction should be mentioned.

In addition to the party and the Soviet part of the proto-bourgeois class, the greatest impact on the political and ideological component of social development, was, of course, exerted by the representatives of the intellectual class.

Many Sovietologists noted their ideological and real progress to the top of power in the 1950s and 1960s. One of the studies was conducted by F.J. Fleron, the researcher from the University of Kentucky. His report “The Soviet political elite: some aspects of political and economic development in the Soviet Union” (prepared for the annual meeting of the American Political Science Association in 1968, Washington), which was not published in the USSR, was submitted in a copy to the Central Committee of the CPSU by the state security Committee and deposited in the archives of the Central Committee¹⁴. F.J. Fleron studied how the “political elite” of the USSR tried to adapt to the changing conditions of the industrial trend and recruit “elite specialists” to the top of power (the notion of specialists included, first of all, scientific, economic, cultural and technical intelligentsia). He considered the 1950s and early 1960s to be the most important period in this regard (*Tab. 3*).

As can be seen from the data given by F. Fleron, representatives of the intellectual class (our terminology; F. Fleuron calls this class specialists, technocrats, or intelligentsia) made up a large proportion of delegates to party congresses (from 16 to 40%). There were less of them at the twentieth Congress, which was dominated by the “leading cadres”. The Central

¹⁴ Russian State Archive of Contemporary History, f. 5, s. 61, c. 558, l. 59–91.

Committee of the Communist party at the time of the 19th (1952) and 20th (1956) Congresses had a relatively small share of representatives of the intellectual class – about 1/5 of the Central Committee. However, in 1961 (the 21st Congress), there was a serious (up to a third) increase in the share of the “technocrats” class in the Central Committee of the CPSU. In the composition of the Politburo of the Central Committee, the share of the “new” class representatives changed slightly, amounting to 25% in 1952 and 18% in 1956. In 1961, there were no representatives of this class at the Politburo (as F. Fleron notes, they joined the “leading cadres”).

The scientist concludes these interesting observations with arguments about the mechanisms of formation of the USSR political elite, namely about “co-opting” and “recruiting”. In his opinion, the mechanisms of “recruitment” (joining the political elite at an early stage of activity) were replaced in the 1960s by the mechanism of “co-opting”

(joining the political elite at the middle or final stage of activity, while the main stage of activity is associated with non-political work). This situation made it possible to fill up the upper class with representatives of other class groups, while the “recruited” representatives had already achieved success in their field.

The Sovietologist’s arguments seem to be quite significant in terms of studying the change in the ideological vectors of the USSR state economic policy in the second half of the 20th century. During this period, there was a serious revision of the viewpoint of “socialism” as a non-commodity and non-market society. The main theoretical role in these discussions was played by the representatives of the intellectual class, primarily the economists. Among the significant milestones, it is necessary to point out the discussion of 1951 in the letters of the employees of the Institute of Economics of the USSR Academy of Sciences A.V. Sanina and V.G. Venzher, in which I.V. Stalin participated directly. The discussion

Table 3. Leading cadres, intelligentsia, workers, and peasants at party congresses, in the Central Committee and in the Politburo (1952–1961)

Dates of congresses of the AUCPB – CPSU	Category	Party congress		Central Committee		Politburo	
		absolute	%	absolute	%	absolute	%
October 1952	LC*	359	30.16	94	75.2	24	66.7
	SECTI**	484	40.6	19	15.2	9	25
	W&P***	349	29.3	0	-	0	-
	Total	1192	100	125	90.4	36	91.7
February 1956	LC*	702	51.8	103	77.4	11	64.7
	SECTI**	215	15.9	19	14.3	3	17.8
	W&P***	438	32.3	0	-	0	-
	Total	1355	100	133	91.7	17	82.5
October 1961	LC *	1728	39.2	126	72	16	100
	SECTI **	1614	34.6	31	17.7	0	-
	W&P ***	983	22.3	4	2.3	0	-
	Total	4408	96.1	175	92	16	100

*LC – leading cadres.

**SECTI – scientific, economic, cultural and technical intelligentsia.

***W&P – workers and peasants.

The “total” line shows the percentage of these three categories in each structure, and the numbers show the quantitative composition of the structures. The discrepancies are explained by the fact that the calculations did not take into account the military.

Compiled according to: Russian State Archive of Contemporary History, f. 5, s. 61, c. 558, l. 90.

focused on the possibility of fixed capital commoditization (economists recommended starting the sale of large-scale equipment to collective farms) [24; 25]. In 1962, an equally important reference point for ideological changes was the article "Plan, Profit, Prize" by Professor E.G. Liberman of the Kharkov Engineering and Economic Institute, published in the main organ of the CPSU Central Committee, the "Pravda" newspaper. In fact, after these discussions, the issues of ideological readjustment in relation to the country's economic course toward market reforms were resolved.

Conclusion

Thus, the institutional approach to the study of the economic system helps to identify major structural problems requiring close historical analysis. The correlation of institutions' research, organizations' functions, and features of the historical process agents will allow presenting the history of the Soviet period in the spirit of modern world trends in social sciences. In particular, when applying the institutional approach, it has been revealed that the institution of property in Soviet Russia in the 1930s and 1980s experienced a number of major transformations. The first was associated with the formation of collective capitalist property, covering the 1930s and 1950s. Major institutional changes occurred in the 1930s. The most important component of this stage was the formation of the class of co-owners. The second stage covered the period of the 1960s and 1980s. It can be called the high noon of the state capitalism system and contradictions accumulation. There was a gradual liberalization of institutions that regulated property relations, a new legislation aimed at expanding the individualization of rights of disposal and use was created, the mechanisms for commodification of the objects that were considered the main capital and were

previously subject to non-commodity state regulation appeared. By the end of this period, the co-owners class was fully formed and burdened by the boundaries of state capitalist regulation. It operated quite open already within the shadow economy. The ideological work, done in Soviet society in the 1950s and 1980s by the representatives of different classes, class ideologies, and worldview systems (including dissident ones and those implanted from the West), requires serious study in order to understand the stages and mechanisms of reconfiguring the Soviet ideological system to justify and comprehend the state-capitalist development path. It is clear that a significant role in this scheme was played by the struggle of the main branches of political power (party and Soviet-economic) and the resulting ideological attitudes transformed from non-market to market ones. The end of the property institution transformation goes far beyond the Soviet times, but the first steps were taken during this period, i.e. the implicit destruction of collective capitalist property, its hidden institutionalization as a personified one, which facilitated privatization and the private property institution development.

In the early 1990s, there was a transition to private capitalism, which was accompanied by the destruction of production capital, a massive outflow of financial resources abroad, and the loss of human resources and intellectual capital. It is no accident that, since the beginning of the 21st century, Russia has been trying to restore the potential lost in the 1990s.

A reasonable question arises: is it possible to use the mechanisms and institutions that existed under Soviet state capitalism in modern conditions? Would its further operation be effective taking into account that it worked well at the stage of industrial modernization of the country and looked fairly parity on the world stage until the mid-1980s? World practice shows

that such a path of development is generally possible, the growing Chinese economy being an example. However, as the result of the ideological rejection of many values of the Soviet era by the modern political elite, the important experience of state capitalist property administration in the 1930s and 1980s has not yet been used.

Modern Russian economists suggest a number of ways to improve the country's economic system. In particular, Academician of the Russian Academy of Sciences S.Yu. Glazyev writes about the need to form a new world economic system (the path in this direction was paved by the Soviet Union), which involves the reanimation of national interests, a combination of economic systems, where the government will act as a harmonizer [26]. Researchers of the Institute of Economics of the Russian Academy of Sciences, such as M.I. Voeykov, A.E. Gorodetskii, R.S. Grinberg, emphasize the increasing role of the state in the economic life of society and put forward a position on the transformation of the modern

state from a subject of the market space to its organizer (playmaker) [27].

The staff of the Vologda Research Center of RAS pay great attention to improving state management of economic and social processes in Russia. In a recent monograph by V.A. Ilyin, M.V. Morev, and A.I. Povarova, the authors conclude that Russia is far from the criteria for building a social state. So far, the main beneficiary of its domestic public policy is large private capital, not the general population. The system of "capitalism for the elite", which is ingrained in public administration, causes many years of unresolved acute problems: social inequality, social justice needs, low levels of institutional and interpersonal trust, etc. [28]. The authors believe that Russia's appeal to civilizational self-determination may be a way out of this situation. The role of the government should include the formation of a strategic goal-setting that will give society a clear cultural and value development vector based on historically established norms of morality and values in Russia [29]. We cannot disagree with these conclusions.

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