

Collective Action Required

December 2021 is marked by two momentous events for the country's history and economy. The first is the 30th anniversary of the collapse of the USSR, which had an enormous impact on social and political processes around the world. The second is the signing by the President of the Decree «On Approval of the Fundamentals of State Policy in the Sphere of Strategic Planning in the Russian Federation»¹.

In the author's opinion, these events are closely related and interdependent. At the time the USSR was created as «the world's first state of workers and peasants», the task was to form a society of equal opportunities on the principles of social justice. Developing all spheres and areas of socio-economic life on the basis of purposeful planning was defined as the principal way to achieve this global goal. This approach later proved to work quite well. But only for a limited number of priorities and goals, mainly related to solving the problems of industrialization in its «classic form» – the creation of large production and technological systems and complexes, focused on the production of little changing over time the range of products. When addressing a wide range of issues and tasks of social nature, as well as when trying to take into account local conditions in all their diversity, comprehensive planning is more like a brake and, as it turned out later, can become an insurmountable obstacle.

At the same time, however, long-term planning in the form of coordinating the directions of development of socio-economic systems, the orientation of various economic agents in the direction of their possible interaction is increasingly becoming a necessity of the rapidly changing reality. But today we are no longer talking about the all-encompassing distribution of public resources on the basis of guidelines set from above.

¹ Presidential Decree of November 8, 2021. No. 633 «On approval of the Fundamentals of state policy in the sphere of strategic planning in the Russian Federation» November 8, 2021. No. 633. Available at: <http://www.kremlin.ru/acts/news/67074>

Strategic priorities and goals need to be defined, for which only a small part of the available public resources will be allocated. All the rest is a «matter» of market interactions between various economic agents acting within the framework of certain rules outlined by laws and social norms.

However, this generally understandable and clear «picture» can claim to be complete and sufficient for solving the problems of comprehensive sustainable socio-ecological-economic development of the country or its individual territories only if it includes, firstly, real economic agents – subjects of economic relations, and secondly, public institutions.

This circumstance is crucial for understanding the economic causes of the collapse of the USSR and the problems and difficulties experienced by the economy of sovereign Russia in the XXI century.

We are talking about the need to block the actions of «special interest groups» aimed at defending and enforcing self-interested priorities. Their number, composition, and influence on political socio-economic processes differ from country to country and from era to era. But not always the narrowly focused activities of such groups of influence become an insurmountable obstacle to social development. As Mansur Olson noted, «Every special interest lobby, every cartel, every dinosaur enterprise is only a tiny minority of the electorate. Every special interest can be balloted many times over as soon as the public understands its nature, understands what is going on. Even if only the country's intellectuals understand what is going on, this is already enough to limit the pressure of special interests and to block cartel regulation of prices and wages. If society avoids these dangers, only one thing will be necessary for prosperity: securely protected and clearly established property rights and contract law².

At the same time, «... collective action is difficult and problematic. In addition, there are specific start-up costs

² Olson Mansur. (1998). «The Rise and Decline of Nations. Economic Growth, Stagflation and Social Sclerosis»/ Translated from English. Novosibirsk: ECOR. 432 p. [P. 11].

involved in establishing an organization or a new model of cooperation, including fear of the unfamiliar and resistance to the unusual”³.

Perhaps it was the absence of effective approaches to the organization and practical implementation of collective action that was the main reason for the collapse of the USSR and the internal alienation of a large part of the population from the tragic events of the fall of 1991.

The symptoms and nature of this phenomenon were evident from the very beginning, already in the 1920s. A direct witness to the formation of the economic system of the USSR, the Norwegian Slavist professor Olaf Brok⁴ wrote, «The bureaucratic mechanism was one of the elements of the tsarist regime that the Bolsheviks wanted to eliminate. And they set about the task furiously, sweeping away both the good and the bad, such as the Tax Chamber, which had become famous for its success under Witte and which, for the most part, consisted of university-educated officials. Who replaced them? An even greater number of bureaucrats, only now they are mostly uneducated and ignorant autocrats, who have caused a great deal of trouble for the authorities themselves. In addition, a whole new one-man bureaucratic system has been established, exploiting the economy... Whichever of the parties had won the political victory, it would take several decades of serious moral work to plow and clear the ground of public morality, at least to the state in which it had been before the revolutionary breakthrough.

The result was the formation in the Soviet Union of a «group with special interests», convinced of its exclusivity and righteousness, from among the highest echelon of the Communist Party and the upper echelon of industry leaders, large concerns, and conglomerates. This assessment is shared by the authors of the thematic selection of this issue, noting the

³ Olson Mansur. (1998). «The Rise and Decline of Nations. Economic Growth, Stagflation and Social Sclerosis»/ Translated from English. Novosibirsk: ECOR. 432 p. [P. 69].

⁴ Brock Olaf. (2018). The Dictatorship of the Proletariat. Moscow: Sabashnikov Publishers. Sabashnikov. 224 p. [P. 37, 39].

dogmatization of comprehensive planning by the top leadership of the country (the paper by A. V. Alekseev and B. L. Lavrovsky), ill-conceived economic reforms during perestroika in the 1980s (the paper by V. I. Klistorin), unwillingness to see and understand the real features of economic processes (the paper by I. K. Lavrovsky).

The aforementioned «group with special interests» absolutely did not take into account at that time the need to form effective procedures of collective action not only in its narrow corporate framework, but also in the sphere of interaction with public institutions, not to mention individual people with their unique vision of socio-economic processes that had already become obvious to many.

Among the first to experience the tragedy of not renewing collective action procedures were the witnesses and supporters of the Prague Spring of 1968⁵. For example, according to Zdeněk Mlýnář, «...what constitutes the ‘interest of society as a whole’ under socialism can only be defined under two indispensable conditions: first, the solution to any problem must be based on professional knowledge, and second, the public must have the right to declare its own interests... The Communist Party is the leading force of society... and must create conditions under which the interests and needs of society can be realized which it itself does not consider as public. The party must convince itself of its rightness. Party decisions must be prepared by highly qualified specialists. It is impossible to govern with the order methods for a long time. In addition, the party cannot replace state and public organizations. The role of the party is that of a conductor, and a conductor cannot replace an entire orchestra⁶.

It reads like something just written – for example, as part of a hypothetical public examination of the aforementioned Presidential Decree. Ota Schick’s opinion, expressed

⁵ Shinkarev Leonid I. (2008). I almost forgot it all...: An Experience of Psychological Sketches of the Events in Czechoslovakia in 1968. Moscow: Sobranie. 447 p.

⁶ Mlýnář Zdeněk. (1992). Cold struck from the Kremlin / Translated from Czech. Moscow: Respublika. 287 p. [P. 66,67].

30 years ago, is still relevant: «...In contrast to liberal economists, I hold the following opinion: since in the capitalist market economy there is no definition of long-term socio-economic tasks and planned coordination of all necessary economic-political instruments, that is why mass unemployment and other negative processes can always occur there again in certain periods»⁷.

Will we be able, after so many years of searching and outright failures, to find the strength and capacity to form a representative system of collective action in the field of both long-term planning and the practical implementation of these plans? We and our economy no longer have the right to make mistakes and follow narrow corporate interests.

Editor in chief of 'ECO'



V.A. Kryukov

⁷ Schick Ota. (1991). The Spring Renaissance – Illusions and Reality / Translated from Czech: Introduction and general ed. by R. N. Evstigneev. Moscow: Progress. 392 p. [Pg 348].