

Vincent Barnett, *The revolutionary Russian economy, 1890-1940: ideas, debates, and alternatives* (London and New York: Routledge, 2004. Routledge Explorations in Economic History, no. 24). Pp. xii+144. 7 tabs.

This slim volume provides a parallel history of developments in the Russian economy and Russian economics in the turbulent half century from the 1890s to the 1930s. Vincent Barnett aims to examine 'revolutionary Russian economy' in the sense of both the revolutionary changes in the economy and the 'revolutionary new types of economic thinking' that ran alongside (p. 2). Introduction and conclusion aside, the book has four substantive chapters dealing respectively with the 'Tsarist' (1890-1914), 'Revolutionary' (1914-1921), 'Bolshevik' (1921-1929), and 'Stalinist' (1929-1940) phases of the Russian economy. Each chapter opens with a section on general developments in the world and in the Russian economy of the period; some key economic issues are briefly laid out; some observers of the time are introduced and their views on these and other issues are sketched in.

Barnett's approach is to assess the developments in the economy and in economics from the standpoint of three traditions: 'orthodox (or neoclassical)', Marxian, and 'institutional or evolutionary' economics. He promises not to superimpose his own 'correct' interpretation on these three and warns the reader against the self-interested motivation of others who do (p. 4). The standard rhetorical device of leaving the last word in a linear text to one of the three apparently equal interpretations, however, suggests that in reality the author leans towards institutionalism. He concludes, for example: 'Both from a neoclassical and a Marxist position the USSR had some type of centrally planned economy that could be contrasted diametrically with its absolute opposite, the free market economy of the USA ... However, from the point of view of institutionalism both the USSR and the USA in the 1930s had mixed economic systems, with elements of social, bureaucratic, and private control intertwined, although the balance of the mix differed ... It could be argued that the most crucial difference related not to any purely economic structure or priority, but rather simply to the fact that the USSR dared to oppose the USA both ideologically and geopolitically' (pp. 117-18). The reader will also infer sympathy with democratic socialism from Barnett's suggestion that 1917 was a 'world-historical opportunity' that 'was partly smothered and also in large part squandered' (p. 55).

Barnett suggests that 'an important component of the failure was the apparent blindness to large parts of the work of these thinkers exhibited by the people who controlled the levers of power' (p. 55). If the leaders had been less blind to the thinkers, would they have done better? Two polarities that would interest modern readers are free trade versus protectionism, and planning versus markets. Before 1913 it appears that Russian protectionists drew their ideas at second hand from Friedrich List, apparently adding nothing new (pp. 28-9), and without competition from free-traders. In the 1920s Preobrazhensky made up a new application for protectionism based on manipulating trade between the socialist and peasant sectors of a closed national economy; 'some' unidentified authorities suggest that Stalin was listening but not, according 'others', carefully enough; if he had, he might have achieved his goals subsequently at less cost (pp. 80-1). A number of Russian economists had original thoughts about optimal planning, including the Nobel laureate

Kantorovich (pp. 82-8, 92-4, and 108-9), but they evidently missed the information and incentive issues that Mises had already identified as the core problem of non-market allocation. Other contributions are covered but these seem generally to lack theoretical novelty and policy application. Stalin's ideas about economics, which have become better known from recent publications such as his correspondence with Kaganovich, are ignored.

How might the Russian economy have been revolutionized for the better? Barnett speculates on a range of institutional alternatives that would have replaced the market and command by voting; none of these is found in the thinking of Russian economists, however. On land reform he accepts that 'a referendum on a range of land reform options ... might have been cumbersome ... but in principle it might be thought that a direct democracy should take this type of approach to deciding the land issue' (p. 61). On planning he envisages 'various options being tested and then chosen by referendum or by individual candidate selection ... planners themselves subject to fixed terms of office which were then subject to electoral challenge. Electoral campaigns with those supporting one type of planning against another could have been fought, the ballot box providing the answer. Such options might sound unrealistic given the actual situation in the USSR, but are worth considering as points of reference for the politically stunted reality that did unfold' (p. 105). The answer may be for people to 'learn to resist the opportunity to use ... power for personal gain' (p. 126).

Barnett's history of the economy uses reputable sources but makes some missteps. The period ending with the 1890s is described as a 'prolonged economic depression' (p. 21), and the international context of the time as 'isolationist' (p. 28). A table purporting to show ministerial budgets in 1881 and 1902 (p. 30) actually reports 'ordinary' outlays only; the greater part of outlays by the ministries of war and the navy were hidden in an 'extraordinary' budget in both years. Tsarist spending on defense and debt service in 1909-13 is given as '44.5% of total national expenditure' (p. 31) when their share in total government outlays is intended; debt service is classed on the same page as a 'non-productive' expenditure when what was productive or non-productive should be defined by the use of the original borrowing. 'Socialist emulation' was used to 'increase labour productivity under the first five-year plan' (p. 101), a time when productivity fell sharply. Disillusionment with planning is said to have set in by 1938 (p. 103) but R.W. Davies has shown that economic reforms were being contemplated within the ministry of industry as early as 1931.

It is hard to tell who is the target readership of this unusual book. For specialists it may err on the side of superficiality. On the other hand those with broader interests may prefer accounts of Russia at this time by R.W. Davies, Peter Gatrell, Paul Gregory, or Alec Nove.