

Russian Economic History

4th module

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Course information

Course Website: my.nes.ru

Instructor's Office Hours: Zoom by appointment.

Course description

Aim: The class aims to provide a review of Russian history via the lenses of modern economics. The course combines historical narrative with formal economic analyses. There will be special attention to empirical evaluation of economic policies undertaken in the past, and what modern research can tell us about their impact on the Russian economy in the past and present. The learning outcome is that students will achieve working knowledge of Russian development, historical statistics, institutions, and their evolution over time and will learn how to apply economic analysis to Russian history.

Summary: The course focuses on the 19th and 20th centuries. During that time, Russia had a different economic development experience relative to the rest of the world, transiting from market to plan and back. After briefly reviewing economic development in the pre-modern period, the course covers the main features of Russian industrialization and political economy before and under socialism.

Course requirements, grading, and attendance policies

The grade will be a combination of class attendance and participation, referee reports, and the final short research paper.

Grading weights:

5% in-class participation;

15% impromptu quizzes (I will conduct three or four impromptu quizzes during the lectures using the Socrative software, you will need a tablet to participate);

30% referee reports on scholarly papers (three reports on three papers, i.e., ten percentage points each);

50% research paper (which replaces the final exam; there is no final exam in this class). You can write research papers in groups (up to two students in one group).

A non-failing grade for the research paper and at least half of referee reports with non-failing grades are requirements to pass the course.

Course contents

I. Introduction.

1. Introduction. A quantitative review of Russian history: 1000-2000. Russian economic

backwardness in a historical perspective.

Morys, Matthias (Editor). (2020). *The Economic History of Central, East and South-East Europe: 1800 to the Present*. Routledge.

Gregg, Amanda. (2023). "Cliometrics, the Russian Empire, and the Soviet Union," *SSRN working paper* https://papers.ssrn.com/sol3/papers.cfm?abstract_id=4433782.

II. The Russian Empire as a developing country

2. Economics of serfdom.

Buggle, Johannes and Stephen Nafziger (2019). "The Slow Road from Serfdom: Labor Coercion and Long-Run Development in the Former Russian Empire," *Review of Economics and Statistics*, 2021, 103 (1), 1–17.

Markevich, Andrei and Ekaterina Zhuravskaya. (2018). "Economic Effects of the Abolition of Serfdom: Evidence from the Russian Empire," *American Economic Review*, 108(4-5): 1074-1117.

3. Economic development, living standards, and inequality before the Russian Revolution.

Allen, Robert and Ekaterina Khaustova (2019). "Russian real wages before and after 1917," *Explorations in Economic History*, 72: 23–37.

Nafziger, Steven and Peter Lindert. (2014). "Russian Inequality on the Eve of Revolution," *Journal of Economic History*, 74(3): 767-798.

4. The peasant commune and the debate on the agrarian crises. The Stolypin reform.

Castaneda Dower Paul, and Andrei Markevich (2019). "The Stolypin Reform and Agricultural Productivity in Late Imperial Russia," *European Review of Economic History*, 23(3): 241-267.

Chernina, Eugenia, Paul Castañeda Dower and Andrei Markevich. (2014). "Property Rights and Internal Migration: The Case of the Stolypin Agrarian Reform in the Russian Empire," *Journal of Development Economics*, 110: 191-215.

Nafziger, Steven. (2010). "Peasant Communes and Factor Markets in Late Nineteenth Century Russia," *Explorations in Economic History*, 47(4): 381-402.

5. The Russian Industrialization before the 1917 revolution.

Gregg, Amanda. (2020). "Factory Productivity and the Concession System of Incorporation in Late Imperial Russia, 1894–1908," *American Economic Review*, 110(2): 401-27.

Grigoriadis, Theocharis and Marvin Suesse (2021). "Financing Late Industrialization: Evidence from the State Bank of Imperial Russia," *Working paper*. <https://marvinsuesse.files.wordpress.com/2021/11/suesse-and-grigoriadis-2021-financing-late-industrialisation.pdf>.

6. Political economy of the Russian empire.

Castaneda Dower, Paul, Evgeny Finkel, Scott Gehlbach and Steven Nafziger (2018). "Collective Action and Representation in Autocracies: Evidence from Russia's Great Reforms," *American Political Science Review* 112(1): 125–147.

Grosfeld, Irena, Seyhun Orcan Sakalli and Ekaterina Zhuravskaya (2020). "Middleman Minorities and Ethnic Violence: Anti-Jewish Pogroms in the Russian Empire," *Review of Economic Studies*, 87: 289–342.

III. Transition from market to plan.

7. The First World War and the Russian Revolution.

Castañeda Dower, Paul and Andrei Markevich. (2021). "Did Industrialization Increase Support for the Radical Left? Evidence from the 1917 Russian Revolution," https://papers.ssrn.com/sol3/papers.cfm?abstract_id=3856903.

Castañeda Dower, Paul and Andrei Markevich (2018). "Labor Misallocation and Mass Mobilization:

Russian Agriculture during the Great War,” *Review of Economics and Statistics*, 100(2): 245-59.

8. The New Economic Policy.

Johnson, J., and Temin, P. (1993). “The Macroeconomics of NEP,” *Economic History Review*, 46(4): 750-767.

Sah, R. K. and Stiglitz, J. E. (1984). “The Economics of Price Scissors,” *American Economic Review*, 74(1): 125-38.

IV. The Soviet command economy under Stalin.

9. Macro views on Stalin’s Great Leap Forward.

Allen, Robert C. (2004). *Farm to Factory: A Reinterpretation of the Soviet Industrial Revolution*. Princeton, N.J.: Princeton University Press.

Korolev, Ivan. (2021). “How could Russia Have Developed without the Revolution of 1917?” *Annals of Economics and Statistics*, 144: 75-112.

10. Institutional foundations of the command economy.

Gregory, Paul R., and Mark Harrison. (2005). “Allocation Under Dictatorship: Research in Stalin's Archives,” *Journal of Economic Literature*, 43(3): 721-61.

Lazarev, Valery and Gregory, P. (2006). “Commissars and cars: A case study of the political economy of dictatorship,” *Journal of Comparative Economics*, 31(1): 1-19.

11. Terror and punishment under Stalin.

Castaneda Dower, Paul, Andrei Markevich and Shlomo Weber (2021). “The value of a statistical life in a dictatorship: Evidence from Stalin,” *European Economic Review*, 133.

Nikolova, Milena, Olga Popova and Vladimir Otrachshenko (2022). “Stalin and the origins of mistrust,” *Journal of Public Economics*, 208.

V. ‘Late’ socialism.

12. Soviet Economic decline.

Easterly, William, and Fischer, Stan. (1995). “The Soviet Economic Decline,” *World Bank Economic Review*, 9(3): 341-371.

Markevich, Andrei and Ekaterina Zhuravskaya. (2011). “M-form hierarchy with poorly diversified divisions: A case of Khrushchev's reform in Soviet Russia,” *Journal of Public Economics*, 95(11): 1550-60.

13. Economics of shortage.

Harrison, Mark, and Kim, Byung-Yeon. (2006). “Plans, Prices, and Corruption: The Soviet Firm Under Partial Centralization, 1930 to 1990,” *Journal of Economic History*, 66(1): 1-41.

Kim, Byung-Yeon. (2002). “Causes of Repressed Inflation in the Soviet Consumer Market: Retail Price Subsidies, the Siphoning Effect, and the Budget Deficit,” *Economic History Review*, 55(1): 105-127.

VI. Transition from plan to market.

14. Collapse of the system. Economics of transition.

Earle, John, David Brown, Scott Gelbach (2013). “Privatization”, Chapter 7 in Alexeev M. and S. Weber Eds. *Oxford Handbook of the Russian Economy*. Oxford University Press.

Denisova, Irina, Markus Eller, Timothy Frye and Ekaterina Zhuravskaya (2010). “Everyone hates privatization but why? Survey Evidence from 28 Post-communist countries”, *Journal of Comparative Economics*, 40(1): 44-61.

VII. Long-run consequences

15. Long-run consequences of Russian history.

Acemoglu, D., T. Hassan and J. Robinson (2011). "Social Structure and Development: A Legacy of the Holocaust in Russia," *Quarterly Journal of Economics*, 126(2): 895–946.

Becker, S., Grosfeld, I., Grosjean, P., Voigtländer, N., and E. Zhuravskaya. (2020). "Forced Migration and Human Capital: Evidence from Post-WWII Population Transfers," *American Economic Review*, 110(5): 1430-63.

Description of course methodology

The course is based on lectures and the participation of students in discussions.

Sample tasks for course evaluation

Write a 2-3 page referee report on the paper Lazarev, Valery, and Paul Gregory (2006) "Commissars and cars: A case study of the political economy of dictatorship," *Journal of Comparative Economics*, 31(1): 1-19.

Course materials

Recommended Textbooks for Illustrative Reading

Гайдар Е. Т. Долгое время. Россия в мире: очерки экономической истории. Москва, Дело, 2005.

Грегори, Пол. Экономический рост Российской империи (конец XIX – начало XX века): Новые оценки. М.: Росспэн. 2003.

Hanson, Phillip. Rise and Fall of the Soviet Economy: An Economic History of the USSR, 1945-1991. Longman: 2004.

Morys, Matthias (Editor). (2020). *The Economic History of Central, East and South-East Europe: 1800 to the Present*. Routledge.

Additional materials

Online Russian historical statistics:

<https://ristat.org/> – various regional indicators on economics and social development for five cross-sections (1795, 1858, 1897, 1959, and 2002).

<http://www.hist.msu.ru/Dynamics/> – time-series on various aspects of Russian development (national level) in the 19th – early 20th century.

<http://www.ggdс.net/maddison/> – Russian/Soviet statistics in cross-country comparison.

http://www.hist.msu.ru/Labs/Ecohist/version/r_dataба.htm – Russian statistics and some archival microdata.

<http://www.demoscope.ru/weekly/pril.php> – population statistics.

Academic integrity policy

Cheating, plagiarism, and other academic ethics violations are not tolerated. Plagiarism will be punished by a failing grade.