Research article[1]

Scientific Debates in Russian Economic Science in the 1920s–1950s on Economic Reforms: History of the Issue and the Question of Scientific Objectivity

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Abstract

This article examines scientific economic debates in Russia during the 1920s–1950s, focusing on economic reforms. The main issue discussed was the new role of the state in the socialist economy, the operation of objective economic laws, and the significance of commodity-money relations and money in a centrally planned economy with public ownership. Scientific debates facilitated the successful implementation of economic reforms and the preparation of new theoretical and educational publications in socialist political economy

Keywords: Russia, economic science, 1920-1950s, economic reforms

During the 1920s, practical tasks for building a new socialist economy were addressed alongside theoretical issues of emerging socialist political economy as a branch of Marxism. Debates focused on the role of the state in the economy and the operation of objective economic laws. Following the establishment of Soviet power, many economists perceived the disappearance of market relations as the cessation of economic laws studied by political economy.

Early debates (1920s–early 1930s) were methodological, addressing the relationship between conscious and objective factors, politics and economics under socialism, and the subject and method of political economy. Debates on the law of value in the 1920s explored whether it ceased to operate as a capitalist law. Attempts to implement direct product exchange, labor vouchers, and economic regulation in 1918–1920 failed to ensure food supply and industrial growth. Debates proposed the law of value could operate in a transformed form under socialism with new social content.

During the early formation of socialist political economy, concepts of state regulation and objective economic laws were often conflated. N. I. Bukharin, in *The Economics of the Transitional Period* (1920), emphasized state influence based on a consciously implemented

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plan, contrasting with the "blind laws of the market and competition." G. M. Krzhizhanovsky (1921) noted the overestimation of state capabilities, while L. M. Gatovsky argued that studying Soviet economy was inseparable from economic policy, which guided socialist construction.

Mid-1920s economists such as V. Novozhilov, L. Yurovsky, N. D. Kondratiev, and V. Bazarov opposed excessive state regulation. Novozhilov advocated combining state power with market mechanisms to complement natural forces with conscious regulation.

Socialist political economy introduced a unique interaction between the research subject (economists) and the object (state and economy), requiring scientific comprehension of phenomena new at the macroeconomic level. The state, as an object of study, became dependent on the subject of knowledge, including government officials and economists.

In the 1930s, scientific debates were suspended as industrialization and collectivization policies were implemented. Debates resumed post-World War II in 1945 during preparations for the Fourth Five-Year Plan (1946–1950), reflecting changed international conditions and the USSR's emerging global influence. Two groups proposed differing postwar economic strategies:

1. **Moderate approach:** Advocated balanced recovery, including heavy machinery, consumer goods, and agriculture. Key participants: A. A. Zhdanov, N. A. Voznesensky, M. I. Rodionov, P. I. Doronin, A. A. Kuznetsov. They predicted imminent capitalist crises, allowing USSR maneuvering from rapid heavy industry growth to expanded consumer goods production.
2. **Mobilization approach:** Advocated 1930s-style centralized, administrative development focusing on heavy industry and defense. Key figures: G. M. Malenkov, L. P. Beria, and leading industrial commissars. This view emphasized US military threats, including atomic bomb development, influencing Soviet postwar priorities.

Postwar monetary reform (1947) was prepared by two groups: the Monetary Circulation Group of the People's Commissariat of Finance (1943), led by V. P. Dyachenko, and the Expert Bureau of the USSR State Bank (1944). They analyzed money theory, the role of gold, budget linkages, and gradual adjustment of monetary circulation, combining practical and theoretical expertise. Collaboration of these groups ensured a reform plan aligned with economic and political realities.

The 1951 scientific debate focused on producing the first comprehensive USSR textbook on political economy. Participation included 263 scholars over 21 plenary sessions with 119 reports. Debates addressed misconceptions about economic laws under socialism, often mistaken for legal or administrative rules, emphasizing the distinction between state actions and objective socialist economic laws.

Russian economic science, as a social institution, shaped new economic knowledge. Scholars incorporated legal, political, moral, and ethical considerations, distinguishing domestic science from neoclassical schools, emphasizing ontological and value-based disputes over mere methodological debates. These scientific debates facilitated economic reforms and the development of theoretical and educational literature in socialist political economy.

Keywords: scientific economic debates, law of value under socialism, objective economic laws of socialism, state, political economy

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